北京控股環境集團有限公司
BEIJING ENTERPRISES ENVIRONMENT GROUP LIMITED

(Stock Code 154)

# Interim Report 2026

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Executive directors:**
Mr. CHEN Xinguo *(Chairman)*
Mr. LI Ai *(Chief Executive Officer)*
Ms. LI Yining
Ms. LIU Li
Mr. NG Kong Fat, Brian

**Independent non-executive directors:**
Dr. HUAN Guocang
Dr. WANG Jianping
Mr. CHEUNG Ming
Ms. MIAO Li
Dr. LUO Shengqiang

## AUDIT COMMITTEE

Dr. HUAN Guocang *(Committee Chairman)*
Dr. WANG Jianping
Dr. LUO Shengqiang

## REMUNERATION COMMITTEE

Ms. MIAO Li *(Committee Chairman)*
Dr. HUAN Guocang
Dr. WANG Jianping
Mr. CHEN Xinguo

## NOMINATION COMMITTEE

Mr. CHEN Xinguo *(Committee Chairman)*
Dr. HUAN Guocang
Dr. WANG Jianping

## COMPANY SECRETARY

Mr. WONG Kwok Wai, Robin

## AUTHORISED REPRESENTATIVES

Mr. NG Kong Fat, Brian
Mr. WONG Kwok Wai, Robin

## REGISTERED OFFICE

66th Floor, Central Plaza
18 Harbour Road
Wanchai
Hong Kong

## WEBSITE

http://www.beegl.com.hk

## STOCK CODE

154

## SHARE REGISTRARS

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

## AUDITOR

Deloitte Touche Tohmatsu
*Certified Public Accountants*
*Registered Public Interest Entity Auditor*

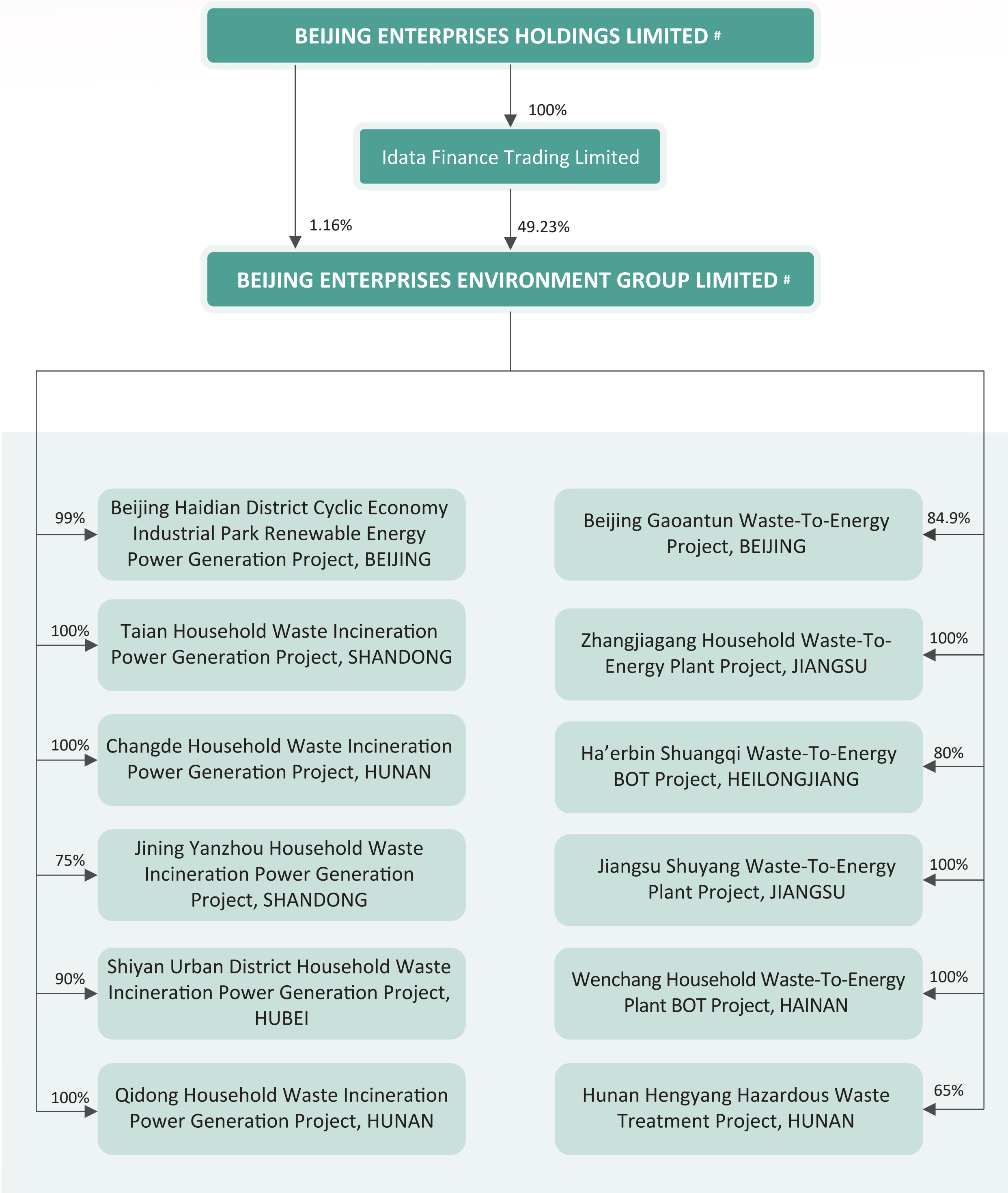
## PRINCIPAL BANKERS

**In Hong Kong:**
Bank of China (Hong Kong)

**In Chinese Mainland:**
Agricultural Bank of China
Bank of Beijing
Bank of China
China Construction Bank
China Minsheng Bank
Huaxia Bank
Industrial Bank

# CORPORATE STRUCTURE

27 August 2026




# Listed on the Main Board of The Stock Exchange of Hong Kong Limited

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

In the first half of 2026, the Group operated 11 solid waste treatment projects in Chinese Mainland, including 10 household waste incineration power generation projects and a hazardous and medical waste treatment project. The Group's daily treatment capacity of household waste incineration was 13,400 tonnes.

| **Project Name** | **Province** | **Business Model** | **Waste treatment capacity** (tonnes/day) |
|---|---|---|---|
| Household waste incineration power generation projects: | | | |
| Zhangjiagang Project (張家港市生活垃圾焚燒發電廠項目) | Jiangsu | BOT | 2,250 |
| Haidian Project (北京市海澱區循環經濟產業園再生能源發電廠項目) | Beijing | BOT | 2,025 |
| Chaoyang Project (北京高安屯垃圾焚燒項目) | Beijing | BOT | 1,600 |
| Yanzhou Project (濟寧市兗州區生活垃圾焚燒發電項目) | Shandong | BOT | 1,500 |
| Ha'erbin Project (哈爾濱雙琦垃圾焚燒發電項目) | Heilongjiang | BOT | 1,200 |
| Changde Project (常德市生活垃圾焚燒發電項目) | Hunan | BOT | 1,200 |
| Taian Project (泰安生活垃圾焚燒發電項目) | Shandong | BOO | 1,200 |
| Shuyang Project (江蘇省沭陽縣垃圾焚燒發電項目) | Jiangsu | BOT | 1,200 |
| Shiyan Project (十堰市城區垃圾焚燒發電項目) | Hubei | BOT | 600 |
| Qidong Project (祁東縣生活垃圾焚燒發電項目) | Hunan | Contractual operation | 400 |
| Wenchang Project (文昌市生活垃圾焚燒發電廠項目) # | Hainan | BOT | 225 |
| Hazardous and medical waste treatment project: | | | |
| Hengyang Project (湖南省衡陽危險廢物處置中心項目) | Hunan | BOT | |

# *suspended in operation*

In the first half of the year, the Group's operational efficiency indicators, including capacity utilization, equipment operation rate and environmental emission compliance rate, remained at a relatively high level, with each project operating smoothly and orderly overall. Facing the dual pressures of insufficient waste supply and declining electricity prices, the Group took proactive measures. On one hand, it closely monitored changes in waste generation in the regions where its projects are located, actively liaised with local governments and waste collection and transportation units to ensure that the intake household waste volume remained stable and controllable. On the other hand, it spared no effort in negotiating concession agreements, striving to secure the implementation of waste treatment fee adjustment policies. At the same time, it closely tracked developments in national subsidy policies to fully prepare for subsequent entitlement recognition and filings.

In the first half of the year, the Group's core operating indicators enhanced comprehensively. It completed 2.3869 million tonnes of intake household waste, increased by 7.9% year-on-year. The electricity generating volume was 933 million kWh, increased by 5.7% year-on-year. The Group generated 772 million kWh of on-grid electricity, increased by 4.7% year-on-year. The synergistic treatment volume of sludge was 401,300 tonnes, increased by 27.8% year-on-year. The external steam supply volume was 262,100 tonnes, increased significantly by 39.9% year-on-year. Among which, a significant scale-up breakthrough was achieved in the sludge synergistic treatment sector, the external steam supply business was expanded across multiple sites, and the waste liquid synergistic treatment business also grew rapidly, all of which fully demonstrated the effectiveness of the Group's diversification strategy. Not only had this effectively compensated for the revenue shortfall from the core business, but also significantly enhanced the profitability resilience and risk resistance of each project, accumulating valuable experience for the further advancement of the "Incineration+" business model.

In the first half of the year, the Group's R&D investment stood at approximately RMB40 million with an investment intensity of 5.1%. The Group planned to launch 59 research and development projects, of which 50 had been initiated. We continued to explore and build capabilities in the areas of resource utilisation, low-carbon development, high-value applications, and digital intelligence, while actively building a pipeline of cutting-edge technologies. In the first half year, the Group filed 26 patent applications, with a total of 10 patents being granted, of which 1 was invention patent and 9 were utility model patents. Additionally, the Group, as the host institution, partnered with several Beijing-based universities to establish key laboratories, providing crucial support for the Group's technology leadership in the solid waste sector.

In the first half of the year, the Group achieved revenue of RMB753 million, increased by 4.2% as compared with last corresponding period; total profit achieved was RMB208 million, an increase of 17.7%; EBITDA was RMB386 million, up by 10.9%; and operating cash flow was RMB286 million, an increase of 39.2%. Overall, the operational profitability of existing projects of the Group maintained a certain level of resilience, particularly with the continuous improvement in cash flow. This reflects the significant results achieved in reducing costs and increasing revenue from existing businesses, providing solid cash flow support for the operations.

## PROSPECT

The Group will align with the guiding directions of the national 15th Five-Year Plan and the "Ten Measures on Solid Waste" policy promulgated by the State Council to complete the formulation of its own 15th Five-Year Plan and the special plan for scientific and technological innovation.

In the second half of the year, the external environment will remain acute and complex. The Group will continue to uphold the overarching principle of "pursuing progress while ensuring stability, improving quality and efficiency, and forging ahead towards innovation". Focusing on "value creation and risk prevention and control", the Group will consolidate its core business through lean operations, facilitate new growth drivers through technological innovation, and strengthen its security safeguards with risk prevention and control as the bottom line, thereby fostering the Group towards higher-quality and more sustainable development in a complex environment.

## FINANCIAL REVIEW

### Revenue and gross profit

During the six months ended 30 June 2026, the Group recorded revenue of RMB752.96 million, increased by 4.2% as compared with last corresponding period of RMB722.36 million. The revenue derived from the solid waste treatment and the sale of electricity and steam amounted to RMB751.05 million, increased by 10.2% as compared with last corresponding period of RMB681.78 million. The revenue derived from the waste incineration plant construction, sale of equipment and related services amounted to RMB1.91 million, decreased by 95.3% as compared with last corresponding period of RMB40.58 million.

The Group's gross profit amounted to RMB342.58 million, increased by 14.6% as compared with last corresponding period of RMB298.91 million. The Group's overall gross profit margin increased from 41.4% to 45.5%.

| | **Revenue For the six months ended 30 June** | | **Gross profit/(loss) For the six months ended 30 June** | | **Gross profit margin For the six months ended 30 June** | |
|---|---|---|---|---|---|---|
| | **2026 RMB million** | 2025 RMB million | **2026 RMB million** | 2025 RMB million | **2026 %** | 2025 % |
| Household waste treatment | **176.29** | 165.10 | | | | |
| Other waste treatment | **175.64** | 129.71 | | | | |
| Sale of electricity and steam | **399.12** | 386.97 | | | | |
| | **751.05** | 681.78 | **350.31** | 294.40 | **46.6** | 43.2 |
| Waste incineration plant construction and related services | **1.91** | 40.58 | **(7.73)** | 4.51 | **–** | 11.1 |
| | **752.96** | 722.36 | **342.58** | 298.91 | **45.5** | 41.4 |

### Other income

The Group recorded other income of RMB45.80 million during the six months ended 30 June 2026, increased by RMB4.44 million as compared with last corresponding period of RMB41.36 million. The other income for the period mainly comprised (i) value added tax refund from solid waste treatment business of RMB38.30 million (first half of 2025: RMB31.93 million), (ii) interest income of RMB5.02 million (first half of 2025: RMB5.19 million) and (iii) government grants of RMB2.03 million (first half of 2025: RMB2.11 million).

### Other gain and loss, and impairment losses under expected credit losses model

The Group recorded other loss, net of RMB27.37 million during the six months ended 30 June 2026, increased by RMB28.48 million as compared with last corresponding period of other gain, net of RMB1.11 million. The other loss, net for the period mainly comprised (i) impairment loss of contract assets of RMB28.59 million (first half of 2025: Nil); (ii) impairment loss of trade receivables of RMB3.37 million (first half of 2025: RMB0.45 million); and net off against (iii) net foreign exchange gain of RMB4.73 million (first half of 2025: RMB1.74 million).

### Administrative expenses

The Group's administrative expenses for the six months ended 30 June 2026 amounted to RMB82.77 million, decreased by 7.5% as compared with last corresponding period of RMB89.52 million.

### Finance costs

The Group's finance cost for the six months ended 30 June 2026 amounted to RMB70.00 million, decreased by 6.6% as compared with last corresponding period of RMB74.93 million. The Group's finance cost for the period mainly comprised interests on bank loans of RMB14.33 million (first half of 2025: RMB23.54 million), interest on a loan advanced from Idata Finance Trading Limited ("Idata", the immediate holding company of the Company) in the principal amount of HK$2,693.3 million (equivalent to RMB2,343 million) (the "Shareholder Loan") of RMB41.14 million (first half of 2025: RMB43.01 million) and interests on borrowings from 北京控股集團財務有限公司 ("BG Finance", a fellow subsidiary of the Company) of RMB13.95 million (first half of 2025: RMB8.50 million).

### Income tax

The Group's income tax expense for the six months ended 30 June 2026 amounted to RMB48.33 million, increased by 23.4% as compared with last corresponding period of RMB39.16 million, which comprised current tax expenses of RMB52.11 million (first half of 2025: RMB39.73 million) and deferred tax credit of RMB3.78 million (first half of 2025: RMB0.57 million). The Group's effective tax rate for the period was 23.2% (first half of 2025: 22.1%).

### EBITDA and profit for the period

The Group's total EBITDA for the six months ended 30 June 2026 was RMB385.70 million, increased by 10.9% or RMB37.81 million as compared with last corresponding period of RMB347.89 million. Profit for the period amounted to RMB159.92 million, increased by 16.1% or RMB22.14 million as compared with last corresponding period of RMB137.78 million. Profit for the period attributable to owners of the Company amounted to RMB156.26 million, increased by 22.9% or RMB29.13 million as compared with last corresponding period of RMB127.13 million.

| | EBITDA For the six months ended 30 June | | Profit/(loss) for the period For the six months ended 30 June | | Profit/(loss) for the period attributable to owners of the Company For the six months ended 30 June | |
|---|---|---|---|---|---|---|
| | **2026 RMB million** | 2025 RMB million | **2026 RMB million** | 2025 RMB million | **2026 RMB million** | 2025 RMB million |
| Solid waste treatment segment | **386.43** | 361.75 | **201.81** | 194.64 | **198.22** | 184.07 |
| Other segment | **(0.73)** | (13.86) | **(41.89)** | (56.86) | **(41.96)** | (56.94) |
| | **385.70** | 347.89 | **159.92** | 137.78 | **156.26** | 127.13 |

## FINANCIAL POSITION

### Significant investing and financing activities

Except for the expansion construction and continuing technical modifications on the existing waste treatment plants, the Group had made no material investment, acquisition and disposal of any other subsidiaries and associated companies during the six months ended 30 June 2026.

### Total assets and liabilities

As at 30 June 2026, the Group had total assets and total liabilities amounted to RMB10.102 billion and RMB5.716 billion, respectively, decreased by RMB77 million and RMB273 million as compared with those as at 31 December 2025, respectively. Net assets of the Group was RMB4.386 billion, increased by RMB196 million during the six months ended 30 June 2026.

#### *Property, plant and equipment*

The Group's property, plant and equipment mainly comprised those equipped for the Shandong Taian Project which is operated under a Build-Own-Operate ("BOO") arrangement with a net carrying amount of RMB434 million. During the six months ended 30 June 2026, the net carrying amount of the Group's property, plant and equipment decreased by RMB18 million to RMB482 million, of which new additions amounted to RMB1.05 million and depreciation charge amounted to RMB18.55 million.

As the new plant of the Zhangjiagang Project which is operated under a Build-Operate-Transfer ("BOT") arrangement commenced its operation by 31 December 2023, the old plant of the Zhangjiagang Project which was operated under a BOO arrangement suspended its operation and its title shall be received by the government authority. Therefore, subject to the administrative procedure by the government authority, the property, plant and equipment related to the old plant of RMB302 million have been classified as non-current assets held for sale since 31 December 2023.

***Goodwill***

The Group acquired certain companies engaging in the solid waste treatment business in April 2014 and October 2016 and aggregate goodwill of RMB977 million arose from these acquisitions. During the six months ended 30 June 2026, there is no significant consequence that giving rise to the material deterioration to the aggregate value-in-use value of the relevant cash generating units of the solid waste treatment business, the Company is reasonably considered that no impairment provision is necessary for the Group's goodwill as at 30 June 2026. The Company will appoint an independent professional valuer to further assess the impairment testing of goodwill as at the financial year end.

***Right-of-use assets***

The Group's right-of-use assets decreased by depreciation charge of RMB4.34 million to RMB30 million during the six months ended 30 June 2026.

***Operating concessions***

The Group's operating concessions are recognised from the solid waste treatment plants operated under BOT arrangements. During the six months ended 30 June 2026, the net carrying amount of the Group's operating concessions decreased by RMB73 million to RMB2,762 million, of which new additions amounted to RMB13.07 million and amortisation cost amounted to RMB82.24 million.

***Other intangible assets***

During the six months ended 30 June 2026, the net carrying amount of the Group's other intangible assets decreased by RMB1.67 million to RMB50 million, which mainly comprised the fair value of the operation rights and licenses of RMB29 million and computer software of RMB21 million.

***Receivables under service concession arrangements***

The Group's receivables under service concession arrangements are recognised from the household waste treatment plants operated under BOT arrangements with guaranteed waste treatment revenue. During the six months ended 30 June 2026, the net carrying amount of the Group's receivables under service concession arrangements decreased by RMB45 million to RMB2,355 million.

***Contract assets***

After the impairment loss of RMB29 million recognised during the six months ended 30 June 2026, the net realisable value of the Group's contract assets on construction of waste treatment plants reduced to RMB17 million at the period end.

***Inventories***

As at 30 June 2026, the Group's inventories mainly represented coal and consumables used for the operation of solid waste treatment plants and was slightly increased to RMB38 million.

***Trade and bills receivables***

During the six months ended 30 June 2026, the Group's trade and bills receivables increased by RMB116 million to RMB1,027 million (net of impairment of RMB50 million), which comprised receivables (before impairment) from sales of electricity of RMB486 million (increased by RMB38 million), household waste treatment services of RMB291 million (increased by RMB29 million), other waste treatment services of RMB274 million (increased by RMB50 million) and construction and other services of RMB26 million (increased by RMB2 million).

According to the ageing analysis as at 30 June 2026, mainly represented national subsidy of grid electricity of RMB445 million (representing 43% of the total receivables) are unbilled and invoice date of the Group's trade and bills receivables fall within three months amounted to RMB219 million (representing 21% of the total receivables).

***Prepayments, deposits and other receivables***

During the six months ended 30 June 2026, the Group's total prepayments, deposits and other receivables increased by RMB9 million to RMB295 million, which mainly comprised value added tax refund and other taxes recoverable of RMB144 million, balances due from fellow subsidiaries of RMB20 million, prepayments of RMB28 million, deposits and other receivables of RMB103 million.

***Bank and other borrowings***

During the six months ended 30 June 2026, the Group repaid bank loans of RMB41 million, repaid borrowings from BG Finance of RMB55 million and advanced new bank loans of RMB89 million. As at 30 June 2026, the Group has total bank and other borrowings amounted to RMB4,440 million, which comprised (i) the Shareholder's Loan in equivalent of RMB2,343 million with its repayment due date extended to 31 December 2027 on 4 August 2026, (ii) bank loans of RMB1,124 million from commercial banks in Chinese Mainland which are due for repayable by installments up to year 2044, and (iii) borrowings from BG Finance of RMB973 million which are due for repayable by installments up to year 2035. Excluding the Shareholder's Loan which has provided an interest at 3.5% per annum, the weighted average interest rate of the Group's bank and other borrowings was reduced to approximately 2.6% per annum.

***Deferred income***

The Group's deferred income mainly represented PRC government grants and subsidies on solid waste treatment business, which was decreased by RMB1.20 million to RMB145 million during the six months ended 30 June 2026.

***Trade payables***

The Group's trade payables decreased by RMB80 million to RMB405 million during the six months ended 30 June 2026, and of which the unbilled balance of RMB179 million represented construction monies payable for solid waste treatment plants.

***Other payables and accruals***

The Group's total other payables and accruals decreased by RMB99 million to RMB371 million during the six months ended 30 June 2026, and included in other payables and accruals are loan interest payable to Idata of RMB123 million and amounts due to fellow subsidiaries of RMB98 million.

### Liquidity and financial resources

The Group adopts conservative treasury policies in cash management. As at 30 June 2026, the Group has cash and cash equivalents amounted to RMB1,570 million and bank and other borrowings (included the Shareholder's Loan in equivalent of RMB2,343 million) amounted to RMB4,440 million.

As at 30 June 2026, the Group has current assets amounted to RMB3,370 million and current liabilities (included the Shareholder's Loan in equivalent of RMB2,343 million) amounted to RMB3,412 million. The Company has given careful consideration to the future liquidity of the Group in light of the fact that its current liabilities exceeded its current assets with amount of RMB42 million as at 30 June 2026. Taking into account the Group's internal resources and undertakings from Beijing Enterprises Holdings Limited and Idata not to demand repayment of the Shareholder's Loan until such time when the Group is in a position to repay without impairing its liquidity and financial position, the Company considered that the Group has sufficient cash resources to finance its operations in the foreseeable future and the Group will be able to operate on a going concern basis.

### Key performance indicators

| | For the six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| Gross profit margin | **45.5%** | 41.4% |
| Operating profit margin | **37.0%** | 34.9% |
| Net profit margin | **21.2%** | 19.1% |
| Return on average equity | **3.7%** | 3.4% |

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| Current ratio (times) | **0.99** | 0.90 |
| Debt ratio (total liabilities/total assets) | **56.6%** | 58.8% |
| Gearing ratio (net debt/total equity) | **65.5%** | 69.8% |

### Capital expenditure and commitment

During the six months ended 30 June 2026, the Group has total capital expenditures amounted to RMB136 million and most of which was spent on the construction and modification of waste incineration plants. The Group has no material capital commitment as at 30 June 2026.

### Charges on the Group's assets

As at 30 June 2026, save as certain solid waste treatment concession rights of the Group, which comprises operating concessions and receivables under service concession arrangements with an aggregate net carrying amount of RMB1,722 million, which are managed by the Group pursuant to the relevant service concession arrangements signed with the grantors, the Group did not have any material charges on the Group's assets.

### Foreign exchange exposure

The functional currency of the Company is Hong Kong dollars. As the Group's operations are majority based in Chinese Mainland, the Company has chosen Renminbi as the presentation currency of the Group's consolidated financial statements. During the six months ended 30 June 2026, the exchange gain arising on settlement or translation of monetary items of RMB4.73 million are taken to profit or loss and the net comprehensive income of exchange difference arising on translation of foreign operations and translation from functional currency to presentation currency of RMB36 million are recognised in the exchange fluctuation reserve. Currently, the Group has not used derivative financial instruments to hedge against its foreign currency risk.

### Contingent liabilities

As at 30 June 2026, the Group has indemnities issued to financial institutions for performance bonds in respect of construction and maintenance of waste incineration plants undertaken by its subsidiaries amounted to RMB30 million. Save as disclosed above, the Group did not have any significant contingent liabilities which have not been provided for in the financial statements.

## EMPLOYEES AND REMUNERATION POLICIES

The Group has 1,251 employees as at 30 June 2026, comparing with 1,241 employees as at 31 December 2025. Total staff costs for the six months ended 30 June 2026 amounted to RMB151 million, remains steady as compared with the corresponding period of 2025.

The Group's remuneration policy and package are periodically reviewed and generally structured by reference to market terms and individual performance. Discretionary bonuses are awarded to certain employees according to the assessment of individual performance.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

| | Notes | For the six months ended 30 June<br>**2026**<br>**(Unaudited)**<br>**RMB'000** | <br>2025<br>(Unaudited)<br>RMB'000 |
|---|---|---|---|
| REVENUE | 3 | **752,959** | 722,362 |
| Cost of sales | | **(410,375)** | (423,453) |
| Gross profit | | **342,584** | 298,909 |
| Other income | 5 | **45,798** | 41,358 |
| Other gain and loss | | **4,594** | 1,559 |
| Administrative expenses | | **(82,766)** | (89,519) |
| Impairment losses under expected credit losses model, net of reversal | | **(31,960)** | (448) |
| PROFIT FROM OPERATING ACTIVITIES | 6 | **278,250** | 251,859 |
| Finance costs | 7 | **(69,999)** | (74,926) |
| PROFIT BEFORE TAX | | **208,251** | 176,933 |
| Income tax | 8 | **(48,329)** | (39,157) |
| PROFIT FOR THE PERIOD | | **159,922** | 137,776 |
| ATTRIBUTABLE TO: | | | |
| Owners of the Company | | **156,259** | 127,128 |
| Non-controlling interests | | **3,663** | 10,648 |
| | | **159,922** | 137,776 |
| EARNINGS PER SHARE | | | |
| - Basic and diluted (RMB cents) | 10 | **10.41** | 8.47 |

For the six months ended 30 June 2026

| | For the six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| PROFIT FOR THE PERIOD | **159,922** | 137,776 |
| OTHER COMPREHENSIVE INCOME (EXPENSES) | | |
| Item that may be reclassified to profit or loss: | | |
| Exchange differences on translation of foreign operations | **86,915** | 87,685 |
| Item that will not be reclassified to profit or loss: | | |
| Exchange differences on translation from functional currency to presentation currency | **(51,326)** | (17,787) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | **195,511** | 207,674 |
| ATTRIBUTABLE TO: | | |
| Owners of the Company | **191,709** | 196,979 |
| Non-controlling interests | **3,802** | 10,695 |
| | **195,511** | 207,674 |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

| | Notes | 30 June 2026 (Unaudited) RMB'000 | 31 December 2025 (Audited) RMB'000 |
|---|---|---|---|
| ASSETS | | | |
| Non-current assets: | | | |
| Property, plant and equipment | | **481,867** | 499,430 |
| Right-of-use assets | | **29,571** | 33,909 |
| Goodwill | | **976,619** | 1,010,296 |
| Operating concessions | | **2,762,371** | 2,834,960 |
| Other intangible assets | | **49,815** | 51,489 |
| Receivables under service concession arrangements | 11 | **2,259,326** | 2,306,494 |
| Prepayments, deposits and other receivables | 13 | **7,748** | 219 |
| Deferred tax assets | | **165,434** | 165,910 |
| Total non-current assets | | **6,732,751** | 6,902,707 |
| Current assets: | | | |
| Contract assets | | **17,343** | 45,541 |
| Inventories | | **37,926** | 30,910 |
| Receivables under service concession arrangements | 11 | **95,572** | 93,075 |
| Trade and bills receivables | 12 | **1,026,983** | 910,925 |
| Prepayments, other receivables and other assets | 13 | **287,333** | 285,368 |
| Restricted bank deposits | | **32,803** | 1,003 |
| Cash and cash equivalents | | **1,569,544** | 1,608,062 |
| | | **3,067,504** | 2,974,884 |
| Assets classified as held for sale | | **302,173** | 302,173 |
| Total current assets | | **3,369,677** | 3,277,057 |
| TOTAL ASSETS | | **10,102,428** | 10,179,764 |

| | Notes | **30 June 2026 (Unaudited) RMB'000** | 31 December 2025 (Audited) RMB'000 |
|---|---|---|---|
| EQUITY AND LIABILITIES | | | |
| Equity attributable to owners of the Company | | | |
| Share capital | 14 | **1,972,895** | 1,972,895 |
| Reserves | | **2,084,986** | 1,893,277 |
| | | **4,057,881** | 3,866,172 |
| Non-controlling interests | | **328,524** | 324,722 |
| TOTAL EQUITY | | **4,386,405** | 4,190,894 |
| Non-current liabilities: | | | |
| Bank and other borrowings | 15 | **1,877,409** | 1,912,383 |
| Provision for major overhauls | | **17,926** | 16,737 |
| Other payables | 17 | **2,199** | 1,821 |
| Deferred income | | **144,525** | 145,727 |
| Deferred tax liabilities | | **261,907** | 266,455 |
| Total non-current liabilities | | **2,303,966** | 2,343,123 |
| Current liabilities: | | | |
| Trade payables | 16 | **405,264** | 485,456 |
| Other payables and accruals | 17 | **368,502** | 467,590 |
| Bank and other borrowings | 15 | **2,563,059** | 2,616,072 |
| Tax payables | | **75,232** | 76,629 |
| Total current liabilities | | **3,412,057** | 3,645,747 |
| TOTAL LIABILITIES | | **5,716,023** | 5,988,870 |
| TOTAL EQUITY AND LIABILITIES | | **10,102,428** | 10,179,764 |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

| | Attributable to owners of the Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Share capital** (Unaudited) RMB'000 | **Capital reserve** (Unaudited) RMB'000 | **Exchange fluctuation reserve** (Unaudited) RMB'000 | **PRC reserve funds** (Unaudited) RMB'000 | **Safety reserve funds** (Unaudited) RMB'000 | **Retained profits** (Unaudited) RMB'000 | **Total** (Unaudited) RMB'000 | **Non-controlling interests** (Unaudited) RMB'000 | **Total equity** (Unaudited) RMB'000 |
| **At 1 January 2026** | **1,972,895** | **21,944** | **63,122** | **240,907** | **1,456** | **1,565,848** | **3,866,172** | **324,722** | **4,190,894** |
| Profit for the period | **–** | **–** | **–** | **–** | **–** | **156,259** | **156,259** | **3,663** | **159,922** |
| Other comprehensive income (expense) for the period: | | | | | | | | | |
| Exchange differences on translation of foreign operations | **–** | **–** | **86,776** | **–** | **–** | **–** | **86,776** | **139** | **86,915** |
| Exchange differences on translation from functional currency to presentation currency | **–** | **–** | **(51,326)** | **–** | **–** | **–** | **(51,326)** | **–** | **(51,326)** |
| Total comprehensive income for the period | **–** | **–** | **35,450** | **–** | **–** | **156,259** | **191,709** | **3,802** | **195,511** |
| Transfer to PRC reserve funds | **–** | **–** | **–** | **184** | **–** | **(184)** | **–** | **–** | **–** |
| Transfer to safety reserve funds | **–** | **–** | **–** | **–** | **362** | **(362)** | **–** | **–** | **–** |
| **At 30 June 2026** | **1,972,895** | **21,944** | **98,572** | **241,091** | **1,818** | **1,721,561** | **4,057,881** | **328,524** | **4,386,405** |
| At 1 January 2025 | 1,972,895 | 21,944 | 42,364 | 198,428 | – | 1,377,605 | 3,613,236 | 303,236 | 3,916,472 |
| Profit for the period | – | – | – | – | – | 127,128 | 127,128 | 10,648 | 137,776 |
| Other comprehensive income (expense) for the period: | | | | | | | | | |
| Exchange differences on translation of foreign operations | – | – | 87,638 | – | – | – | 87,638 | 47 | 87,685 |
| Exchange differences on translation from functional currency to presentation currency | – | – | (17,787) | – | – | – | (17,787) | – | (17,787) |
| Total comprehensive income for the period | – | – | 69,851 | – | – | 127,128 | 196,979 | 10,695 | 207,674 |
| At 30 June 2025 | 1,972,895 | 21,944 | 112,215 | 198,428 | – | 1,504,733 | 3,810,215 | 313,931 | 4,124,146 |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

| | For the six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| OPERATING ACTIVITIES | | |
| Cash generated from operations | **339,569** | 246,616 |
| Chinese Mainland income tax paid | **(53,502)** | (41,100) |
| Net cash flows from operating activities | **286,067** | 205,516 |
| INVESTING ACTIVITIES | | |
| Additions of operating concessions | **(134,109)** | (134,628) |
| Purchases of property, plant and equipment | **(1,054)** | (946) |
| Purchases of other intangible assets | **(642)** | (1,086) |
| Increase in time deposits with maturity of more than three months when acquired | **(185,000)** | – |
| Placement of restricted bank deposits | **(31,800)** | – |
| Interest received | **3,122** | 5,186 |
| Proceeds from disposal of property, plant and equipment | **34** | 38 |
| Net cash used in investing activities | **(349,449)** | (131,436) |
| FINANCING ACTIVITIES | | |
| Repayment of bank loans | **(41,155)** | (41,026) |
| Repayment of other loans | **(55,000)** | (41,000) |
| Principal portion of lease payments | **(4,266)** | (4,150) |
| Other interest paid | **(149,406)** | (32,073) |
| Interest portion of lease payments | **(82)** | (247) |
| New bank loans raised | **88,967** | 113,725 |
| Net cash used in financing activities | **(160,942)** | (4,771) |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | **(224,324)** | 69,309 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | **1,608,062** | 1,350,768 |
| Effect of foreign exchange rate changes, net | **806** | (695) |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | **1,384,544** | 1,419,382 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances other than time deposits: | | |
| Placed in banks | **1,381,671** | 1,355,724 |
| Placed in a financial institution | **5,676** | 13,931 |
| | **1,387,347** | 1,369,655 |
| Time deposits, placed in banks | **215,000** | 50,727 |
| | **1,602,347** | 1,420,382 |
| Less: Restricted bank deposits | **(32,803)** | (1,000) |
| Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position | **1,569,544** | 1,419,382 |
| Less: Time deposits with maturity of more than three months when acquired | **(185,000)** | – |
| Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows | **1,384,544** | 1,419,382 |

## 1. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has been prepared in accordance with the applicable disclosure requirements of Appendix D2 of The Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

In preparing the unaudited interim condensed consolidated financial information, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that its current liabilities exceeded its current assets with amount of RMB42,380,000 as at 30 June 2026. Taking into account the Group's internal resources and undertakings from Idata Finance Trading Limited ("Idata"), the immediate holding company of the Company, and Beijing Enterprises Holdings Limited ("BEHL"), the immediate holding company of Idata, the loan of HK$2,630,658,000 (in equivalent to RMB2,288,673,000) is extended to 31 December 2027 and not to demand repayment of the loan due by the Company to Idata until such time when the Group is in a position to repay without impairing its liquidity and financial position, the directors of the Company considered that the Group will be able to operate on a going concern basis. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

The financial information relating to the year ended 31 December 2025 that is included in this unaudited interim condensed consolidated financial information as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to those statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

*The Company has delivered the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on the consolidated financial statements of the Company for the year ended 31 December 2025. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.*

The interim condensed consolidated financial information has not been audited, but has been reviewed by the Company's audit committee.

## 2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

### Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the condensed consolidated financial statements:

| | |
|---|---|
| Amendments to HKFRS 9 and HKFRS 7 | *Amendments to the Classification and Measurement of Financial Instruments* |
| Amendments to HKFRS 9 and HKFRS 7 | *Contracts Referencing Nature-dependent Electricity* |
| Amendments to HKFRS Accounting Standards | *Annual Improvements to HKFRS Accounting Standards – Volume 11* |

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 3. REVENUE

An analysis of the Group's revenue is as follows:

### Disaggregated revenue information

| Segment | Solid waste treatment | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| **Types of goods or services** | | |
| Household waste treatment services* | **176,288** | 165,102 |
| Hazardous and medical waste treatment services | **12,659** | 10,908 |
| Food waste, leachate, sludge and other treatments services | **162,976** | 118,801 |
| Electricity | **353,305** | 350,146 |
| Steam | **45,818** | 36,826 |
| Waste incineration plant construction and related services* | **1,913** | 40,579 |
| Total revenue | **752,959** | 722,362 |
| **Geographical markets** | | |
| Total revenue from contracts with customers in Chinese Mainland | **629,049** | 597,032 |
| Revenue from another source: | | |
| Imputed interest income | **123,910** | 125,330 |
| Total revenue | **752,959** | 722,362 |
| **Timing of revenue recognition** | | |
| Goods and services transferred at a point of time | **627,136** | 557,340 |
| Services transferred over time | **1,913** | 39,692 |
| Total revenue from contracts with customers | **629,049** | 597,032 |
| Revenue from another source: | | |
| Imputed interest income | **123,910** | 125,330 |
| Total revenue | **752,959** | 722,362 |

* Imputed interest income under service concession arrangements during the period amounting to RMB123,910,000 was included in the revenue derived from household waste treatment services (six months ended 30 June 2025: RMB125,330,000 was included in the revenue derived from household waste treatment services and waste incineration plant construction and related services).

## 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments.

Particulars of the Group's reportable operating segments are summarised as follows:

(a) the solid waste treatment segment engages in the provision of waste incineration plant construction and waste treatment services, and the sale of electricity and steam generated from waste incineration; and

(b) the others segment comprises corporate income and expense items and investment holding business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit (loss), which is measured consistently with the Group's profit for the year.

Segment assets and liabilities of each of the reportable operating segments are separately managed by each of the individual operating segments.

## 4. OPERATING SEGMENT INFORMATION *(CONTINUED)*

The following table presents the revenue and profit (loss) information for the six months ended 30 June 2026 and 2025 and the total assets and total liabilities information as at 30 June 2026 and 31 December 2025 regarding the Group's operating segments:

| | Solid waste treatment (Unaudited) RMB'000 | Others (Unaudited) RMB'000 | Total (Unaudited) RMB'000 |
|---|---|---|---|
| **Six months ended 30 June 2026** | | | |
| Segment revenue (note 3) | 752,959 | – | 752,959 |
| Cost of sales | (410,375) | – | (410,375) |
| Gross profit | 342,584 | – | 342,584 |
| Profit (loss) from operating activities | 279,002 | (752) | 278,250 |
| Finance costs | (28,863) | (41,136) | (69,999) |
| Profit (loss) before tax | 250,139 | (41,888) | 208,251 |
| Income tax | (48,329) | – | (48,329) |
| Profit (loss) for the period | 201,810 | (41,888) | 159,922 |
| Segment profit (loss) attributable to owners of the Company | 198,220 | (41,961) | 156,259 |
| **As at 30 June 2026** | | | |
| Segment assets | 9,830,509 | 271,919 | 10,102,428 |
| Segment liabilities | 3,220,216 | 2,495,807 | 5,716,023 |

## 4. OPERATING SEGMENT INFORMATION *(CONTINUED)*

| | Solid waste treatment (Unaudited) RMB'000 | Others (Unaudited) RMB'000 | Total (Unaudited) RMB'000 |
|---|---|---|---|
| **Six months ended 30 June 2025** | | | |
| Segment revenue (note 3) | 722,362 | – | 722,362 |
| Cost of sales | (423,453) | – | (423,453) |
| Gross profit | 298,909 | – | 298,909 |
| Profit (loss) from operating activities | 265,695 | (13,836) | 251,859 |
| Finance costs | (31,920) | (43,006) | (74,926) |
| Profit (loss) before tax | 233,775 | (56,842) | 176,933 |
| Income tax | (39,138) | (19) | (39,157) |
| Profit (loss) for the period | 194,637 | (56,861) | 137,776 |
| Segment profit (loss) attributable to owners of the Company | 184,068 | (56,940) | 127,128 |
| **As at 31 December 2025** | | | |
| Segment assets | 9,812,628 | 367,136 | 10,179,764 |
| Segment liabilities | 3,322,463 | 2,666,407 | 5,988,870 |

During the six months ended 30 June 2026, the Group has additions to property, plant and equipment, operating concessions and other intangible assets with a total cost of RMB14,761,000 (six months ended 30 June 2025: RMB29,907,000).

The accounting policies of the operating segments are same as the Group's accounting policies. Segment profit (loss) represents the profit earned by (loss from) each segment without allocation of certain other income, certain other gain and loss, corporate expenses including auditor's remuneration, directors' emoluments, administrative staff costs and depreciation of unallocated corporate assets and certain finance costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

## 4. OPERATING SEGMENT INFORMATION *(CONTINUED)*

### Geographical information

Geographical information is not presented since over 90% of the Group's revenue from external customers is generated in Chinese Mainland and over 90% of the non-current assets (other than financial assets and deferred tax assets) of the Group are located in Chinese Mainland. Accordingly, in the opinion of the directors of the Company, the presentation of geographical information would provide no additional useful information to the users of the consolidated financial statements.

### Information about major customers

During the six months ended 30 June 2026, the Group had transactions with two (six months ended 30 June 2025: two) external customers of the solid waste treatment segment, each of which accounted for 10% or more of the Group's total revenue. The revenue from sales to each of these customers is set out below:

| | **For the six months ended 30 June** | |
|---|---|---|
| | **2026 (Unaudited) RMB'000** | 2025 (Unaudited) RMB'000 |
| Customer A | **106,534** | 102,929 |
| Customer B | **99,774** | 104,147 |

## 5. OTHER INCOME

An analysis of the Group's other income is as follows:

| | **For the six months ended 30 June** | |
|---|---|---|
| | **2026 (Unaudited) RMB'000** | 2025 (Unaudited) RMB'000 |
| Value added tax refund[1] | **38,296** | 31,926 |
| Interest income | **5,017** | 5,186 |
| Government grant[2] | **2,026** | 2,112 |
| Others | **459** | 2,134 |
| | **45,798** | 41,358 |

1 The Group is entitled to the value added tax refund upon collection for the electricity generated from waste.

2 Certain of the government grants recognised by the Group during the period represented subsidies received from certain government authorities as incentives to promote energy saving technologies in the local provinces.

## 6. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging (crediting):

| | For the six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Depreciation of property, plant and equipment[1] | **18,552** | 19,198 |
| Depreciation of right-of-use assets[2] | **4,338** | 4,339 |
| Amortisation of operating concessions[3] | **82,239** | 70,089 |
| Amortisation of other intangible assets[3] | **2,316** | 2,410 |
| Provision for major overhauls[3] | **728** | 822 |
| Impairment of contract assets, net | **28,593** | 2 |
| Impairment of trade and bills receivables, net | **3,367** | 446 |
| Loss on disposal of property, plant and equipment, net | **31** | 71 |
| Foreign exchange differences, net | **(4,733)** | (1,744) |

1 Depreciation of property, plant and equipment in a total amount of RMB15,201,000 (six months ended 30 June 2025: RMB15,471,000) is included in "Cost of sales" in the condensed consolidated statement of profit or loss.

2 Depreciation of right-of-use assets in a total amount of RMB373,000 (six months ended 30 June 2025: RMB373,000) is included in "Cost of sales" in the condensed consolidated statement of profit or loss.

3 The amortisation of operating concessions and other intangible assets (excluding computer software amounting to RMB1,108,000 (six months ended 30 June 2025: RMB1,111,000) which is included in "Administrative expenses"), and the provision for major overhauls are included in "Cost of sales" in the condensed consolidated statement of profit or loss.

## 7. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

| | For the six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Interest on bank and other borrowings | **69,457** | 75,079 |
| Interest on lease liabilities | **82** | 247 |
| Total interest expenses | **69,539** | 75,326 |
| Less: Interest capitalised* | **–** | (851) |
| | **69,539** | 74,475 |
| Other finance costs: | | |
| Increase in discounted amounts of provision for major overhauls arising from the passage of time | **460** | 451 |
| | **69,999** | 74,926 |

* Interest expenses capitalised during prior period arose on the specific borrowing pool.

## 8. INCOME TAX

An analysis of the Group's income tax is as follows:

| | For the six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Current – Chinese Mainland | | |
| Charge for the period | **50,842** | 38,875 |
| Underprovision in prior periods | **1,264** | 851 |
| | **52,106** | 39,726 |
| Deferred | **(3,777)** | (569) |
| Total tax charge for the period | **48,329** | 39,157 |

## 8. INCOME TAX *(CONTINUED)*

No provision for Hong Kong profits tax has been made for the six months ended 30 June 2026 and 2025 as the Group did not generate any assessable profits arising in Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. In accordance with the relevant tax laws of the PRC, certain subsidiaries of the Group which are engaged in the solid waste treatment business are exempted from corporate income tax for three years starting from the first year they generate revenue and enjoy a 50% tax reduction for the ensuing three years.

## 9. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amount for the six months ended 30 June 2026 is based on the profit for the period attributable to owners of the Company of RMB156,259,000 (six months ended 30 June 2025: RMB127,128,000), and 1,500,360,150 (six months ended 30 June 2025: 1,500,360,150) weighted average number of ordinary shares during the period.

There are no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026 and 2025.

## 11. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

The Group's receivables under service concession arrangements represented the Group's unconditional right to receive cash or another financial asset for the construction services rendered and/or the consideration paid and payable by the Group for the right to charge users of the public service under service concession arrangements. They were all unbilled as at 30 June 2026 and 31 December 2025.

At 30 June 2026, certain solid waste treatment concession rights of the Group, which comprises operating concessions and receivables under service concession arrangements with an aggregate net carrying amount of RMB1,722,436,000 (31 December 2025: RMB1,771,748,000), which are managed by the Group pursuant to the relevant service concession arrangements signed with the grantors, are mortgaged for the Group's bank loans (note 15(c)).

## 12. TRADE AND BILLS RECEIVABLES

An ageing analysis of the Group's trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

| | **30 June 2026 (Unaudited) RMB'000** | 31 December 2025 (Audited) RMB'000 |
|---|---|---|
| Billed: | | |
| Within 3 months | **218,726** | 153,635 |
| 4 to 6 months | **61,048** | 100,677 |
| 7 to 12 months | **102,254** | 92,745 |
| 1 to 2 years | **114,377** | 75,164 |
| 2 to 3 years | **38,456** | 25,699 |
| Over 3 years | **47,264** | 53,249 |
| | **582,125** | 501,169 |
| Unbilled* | **444,858** | 409,756 |
| | **1,026,983** | 910,925 |

* The unbilled balance represents entitlements to renewable energy tariff subsidies from the sale of electricity. It is satisfied when control of the asset is transferred to the customer, generally when the customer obtains the physical possession or the legal title of the electricity, steam and/or equipment and the Group has the present right to payment and the collection of the consideration is probable.

Notes:

(a) Various companies of the Group have different credit policies, depending on the requirements of their markets in which they operate and the businesses they engage in. The credit period granted to customers is generally one to three months. An ageing analysis of the trade and bills receivables is regularly prepared and closely monitored in order to minimise any related credit risk. Trade and bills receivables are non-interest-bearing and the Group does not hold any collateral or other credit enhancements over its trade receivable balances.

(b) Included in the Group's trade and bills receivables is an amount of RMB208,000 (31 December 2025: RMB94,000) due from a non-controlling equity holder of a subsidiary, arising from transactions carried out in the ordinary course of business of the Group. The balance is unsecured, interest-free and receivable on credit terms.

## 13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

| | Notes | **30 June 2026 (Unaudited) RMB'000** | 31 December 2025 (Audited) RMB'000 |
|---|---|---|---|
| Prepayments | | **28,353** | 21,246 |
| Deposits and other receivables | (a) | **249,441** | 247,192 |
| Due from fellow subsidiaries | (b) | **19,936** | 19,798 |
| Due from a non-controlling equity holder of a subsidiary | (b) | **1,598** | 1,598 |
| | | **299,328** | 289,834 |
| Impairment | | **(4,247)** | (4,247) |
| | | **295,081** | 285,587 |
| Current portion | | **(287,333)** | (285,368) |
| Non-current portion | | **7,748** | 219 |

Notes:

(a) Deposits and other receivables mainly represent value added tax recoverable and deposits with suppliers.

(b) The balances with fellow subsidiaries and a non-controlling equity holder of a subsidiary are unsecured, interest-free and repayable on demand.

## 14. SHARE CAPITAL

| | **30 June 2026** | **Equivalent to** | 31 December 2025 | Equivalent to |
|---|---|---|---|---|
| | **(Unaudited) HK$'000** | **(Unaudited) RMB'000** | (Audited) HK$'000 | (Audited) RMB'000 |
| Issued and fully paid: | | | | |
| 1,500,360,150 ordinary shares | **2,227,564** | **1,972,895** | 2,227,564 | 1,972,895 |

## 15. BANK AND OTHER BORROWINGS

| | Notes | **30 June 2026 (Unaudited) RMB'000** | 31 December 2025 (Audited) RMB'000 |
|---|---|---|---|
| Bank loans | | | |
| Unsecured | (b) | **318,598** | 238,074 |
| Secured | (c) | **805,871** | 838,583 |
| | | **1,124,469** | 1,076,657 |
| Other loans – unsecured | | | |
| The immediate holding company | (d) | **2,343,171** | 2,423,970 |
| A fellow subsidiary | (e) | **972,828** | 1,027,828 |
| | | **3,315,999** | 3,451,798 |
| Total bank and other borrowings | | **4,440,468** | 4,528,455 |
| Portion classified as current liabilities | | **(2,563,059)** | (2,616,072) |
| Non-current portion | | **1,877,409** | 1,912,383 |

Notes:

(a) At 30 June 2026 and 31 December 2025, except for the loan borrowed from Idata which is denominated in Hong Kong dollars, the Group's bank and other borrowings are all denominated in Renminbi.

(b) At 30 June 2026, the Group's unsecured bank loans bear interest at rates ranging from five-year or above Loan Prime Rate (the "LPR") promulgated by the People's Bank of China less 131 basis points to one-year LPR plus 35 basis points (31 December 2025: ranging from five-year or above LPR less 131 basis points to one-year LPR plus 35 basis points) and are repayable by installments up to year 2044 (31 December 2025: up to year 2038).

(c) At 30 June 2026 and 31 December 2025, the Group's secured bank loans bear interest at rates ranging from five-year or above LPR less 87 to 90 basis points and are repayable by installments up to year 2034. The loans are secured by mortgage over certain solid waste treatment concession rights of the Group, which comprises operating concessions and receivables under service concession arrangements with an aggregate net carrying amount of RMB1,722,436,000 (31 December 2025: RMB1,771,748,000), which are managed by the Group pursuant to the relevant service concession arrangements signed with the grantors (note 11).

(d) At 30 June 2026 and 31 December 2025, the loan borrowed from Idata bear interest at 3.5% per annum. Subsequent to the end of the reporting period end, pursuant to the undertakings from Idata and BEHL on 4 August 2026, the remaining portion of the loan of RMB2,288,673,000 is extended to 31 December 2027 and not to demand repayment of the loan due by the Company to Idata until such time when the Group is in a position to repay without impairing its liquidity and financial position.

(e) At 30 June 2026 and 31 December 2025, the loans borrowed from 北京控股集團財務有限公司 ("BG Finance"), a fellow subsidiary, bear interest at rates ranging from five-year or above LPR less 25 to 90 basis points and are repayable by installments up to year 2035.

## 16. TRADE PAYABLES

An ageing analysis of the Group's trade payables as at the end of the reporting period, based on the invoice date, is as follows:

| | **30 June 2026 (Unaudited) RMB'000** | 31 December 2025 (Audited) RMB'000 |
|---|---|---|
| Billed: | | |
| Less than 3 months | **117,406** | 158,272 |
| 4 to 6 months | **26,562** | 3,175 |
| 7 to 12 months | **10,938** | 8,109 |
| Over 1 year | **71,045** | 85,846 |
| | **225,951** | 255,402 |
| Unbilled* | **179,313** | 230,054 |
| | **405,264** | 485,456 |

* The unbilled balance represented construction payables for solid waste incineration plants which have not been billed by the suppliers.

Notes:

(a) Included in the Group's trade payables is an amount of RMB21,339,000 (31 December 2025: RMB22,466,000) due to a non-controlling equity holder of a subsidiary, arising from transactions carried out in the ordinary course of business of the Group. The balance is unsecured, interest-free and repayable on credit terms similar to those offered by the non-controlling equity holder of a subsidiary to its major customers.

(b) The trade payables are non-interest-bearing and are normally settled within one to six months, except for certain balances of which the settlement period is arising from construction, which will depend on the construction status.

## 17. OTHER PAYABLES AND ACCRUALS

| | Notes | **30 June 2026 (Unaudited) RMB'000** | 31 December 2025 (Audited) RMB'000 |
|---|---|---|---|
| Other payables | (a) | **91,529** | 75,394 |
| Contract liabilities | | **6,828** | 9,669 |
| Lease liabilities | | **2,260** | 6,526 |
| Accruals | | **49,180** | 69,385 |
| Due to the immediate holding company | (b) | **122,679** | 208,461 |
| Due to fellow subsidiaries | (b) | **98,225** | 99,976 |
| Total other payables and accruals | | **370,701** | 469,411 |
| Portion classified as current liabilities | | **(368,502)** | (467,590) |
| Non-current portion | | **2,199** | 1,821 |

Notes:

(a) Other payables are non-interest-bearing and have an average term of three to six months.

(b) The balance with the immediate holding company and fellow subsidiaries are unsecured, interest-free and repayable on demand.

## 18. CONTINGENT LIABILITIES

Indemnity issued to a financial institution for a performance bond in respect of operation of a waste incineration plant undertaken by a subsidiary is RMB30,000,000 (31 December 2025: RMB30,000,000).

Save as disclosed above, as at 30 June 2026, the Group did not have any significant contingent liabilities which have not been provided for in the financial statements.

## 19. CAPITAL COMMITMENTS

The Group had no material capital commitments as at 30 June 2026 and 31 December 2025.

## 20. RELATED PARTY DISCLOSURES

**(a)** In addition to the transactions detailed elsewhere in this financial information, the Group had the following material transactions with related parties during the period:

| | | | For the six months ended 30 June | |
|---|---|---|---|---|
| **Name of related parties** | **Nature of transactions** | Notes | **2026 (Unaudited) RMB'000** | 2025 (Unaudited) RMB'000 |
| Immediate holding company: | | | | |
| Idata | Interest expense | (i) | **41,136** | 43,006 |
| Fellow subsidiaries: | | | | |
| BG Finance | Interest income# | (iii) | **6** | 11 |
| BG Finance | Interest expense | (iv) | **13,945** | 8,502 |

\# These transactions constitute continuing connected transactions that are subject to the announcement, reporting and annual review requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Notes:

(i) The interest expense was paid for a loan borrowed from Idata and the interest rate of 3.5% per annum was mutually agreed with Idata with reference to the prevailing market rates.

(ii) The interest income received from BG Finance was mutually agreed between the parties under the deposit services master agreement dated 20 December 2023, pursuant to which the Group may, in its ordinary and usual course of business, place and maintain deposits with BG Finance on normal commercial terms from time to time for the period from 1 January 2024 to 31 December 2026. The deposit rate will not be lower than (i) the minimum interest rate prescribed by the People's Bank of China; (ii) the interest rates offered by commercial banks in Hong Kong and the PRC to the Group; and (iii) the interest rates offered by BG Finance to other members of 北京控股集團有限公司 ("BEGCL"), for the same type of deposits at the same period; and the cumulative daily outstanding deposit balance in Hong Kong dollars equivalent placed by the Group with BG Finance (including any interest accrued thereon) during the term of the agreement will not exceed RMB21,800,000. The deposits placed by the Group with BG Finance as at 30 June 2026 amounted to RMB5,676,000 (31 December 2025: RMB4,994,000). Further details of the transaction are set out in the announcement of the Company dated 20 December 2023.

(iii) The interest expenses were paid for loans borrowed from BG Finance and the interest rates ranging from five-year or above LPR less 25 to 90 basis points were mutually agreed with BG Finance with reference to the prevailing market rates.

## 20. RELATED PARTY DISCLOSURES *(CONTINUED)*

### (b) Outstanding balances with related parties

(i) Details of the Group's balances with the immediate holding company, fellow subsidiaries and non-controlling equity holders of subsidiaries included in trade and bills receivables, prepayments, deposits and other receivables, trade payables and other payables and accruals as at the end of the reporting period are disclosed in notes 12(b), 13(b), 16(a) and 17(b) to the consolidated financial information, respectively.

(ii) Details of the Group's cash deposits placed in a fellow subsidiary and other loans borrowed from the immediate holding company and a fellow subsidiary as at the end of the reporting period are disclosed in notes 15(d), 15(e) and 20(a)(ii) to the consolidated financial information, respectively.

### (c) Compensation of key management personnel of the Group

| | **For the six months ended 30 June** | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| | **RMB'000** | RMB'000 |
| Short term employee benefits | **10,183** | 8,570 |
| Post-employment benefits | **628** | 614 |
| Total compensation paid to key management personnel | **10,811** | 9,184 |

### (d) Transactions with other state-owned entities in Chinese Mainland

The Company is a state-owned enterprise of the PRC government and is subject to the control of The State-owned Assets Supervision and Administration Commission of The People's Government of Beijing Municipality and ultimate control of the PRC government. The Group operates in an economic environment predominated by enterprises directly or indirectly owned and/or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively "Other SOEs"). During the period, the Group has transactions with the Other SOEs including, but not limited to, the sale of electricity, provision of waste treatment and construction services, bank deposits and utilities consumptions. The directors consider that the transactions with the Other SOEs are activities in the ordinary course of the Group's businesses, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and the Other SOEs are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services and such pricing policies do not depend on whether or not the customers are Other SOEs. Having due regard to the substance of the relationships, the directors are of the opinion that none of these transactions are material related party transactions that require separate disclosure.

## 21. OTHER FINANCIAL INFORMATION

The net current liabilities and total assets less current liabilities of the Group as at 30 June 2026 amounted to RMB42,380,000 (31 December 2025: RMB368,690,000) and RMB6,690,371,000 (31 December 2025: RMB6,534,017,000), respectively.

## 22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 27 August 2026.

# DISCLOSEABLE INFORMATION

## DIRECTORS

The directors of the Company during the six months ended 30 June 2026 and up to the date of this report were:

**Executive directors:**

| | |
|---|---|
| Mr. CHEN Xinguo | *(Chairman)* |
| Mr. LI Ai | *(Chief Executive Officer)* |
| Ms. LI Yining | |
| Ms. LIU Li | |
| Mr. NG Kong Fat, Brian | |

**Independent non-executive directors:**

Dr. HUAN Guocang
Dr. WANG Jianping
Mr. CHEUNG Ming
Ms. MIAO Li
Dr. LUO Shengqiang

## CHANGES IN DIRECTORS' INFORMATION

Since the date of the Company's 2025 annual report, there has been no material change in the directors' information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## DIRECTORS' SERVICE CONTRACTS

At 30 June 2026, no director had a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as the transactions with its fellow subsidiaries, further details of which are set out in note 20(a) to the interim condensed consolidated financial information, no director nor a connected entity of a director had a material interest, either directly or indirectly, in any transaction, arrangement or contracts of significance to the business of the Group to which the Company, the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the six months ended 30 June 2026.

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the six months ended 30 June 2026 and up to the date of this report, Mr. CHEN Xinguo and Ms. LI Yining are vice presidents of BEHL, which is also involved in the solid waste treatment business. They are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

Notwithstanding the fact that the Company and BEHL are both engaged in the solid waste treatment business, the Company considers that there has not been competition between the Company and BEHL in view of the following factors:

(a) clear geographical delineation among solid waste treatment projects;

(b) no competition in relation to the supply of solid waste and sale of electricity; and

(c) a deed of non-competition has been provided by BEHL in favour of the Company in order to completely avoid any competition between the Company and BEHL.

As the board of directors of the Company is independent from the board of directors of BEHL, and the above directors do not control the board of directors of the Company, the Group is capable of carrying on its businesses independently of, and at arm's length from, the business of BEHL.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2026, the interests and short positions of the directors and chief executive in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

**Long positions in ordinary shares of the Company:**

| | Number of ordinary shares held, capacity and nature of interest | | | Percentage of the Company's total number of issued shares |
|---|---|---|---|---|
| Name of director | Directly beneficially owned | Through a controlled corporation | Total | |
| Mr. NG Kong Fat, Brian | 1,600,000 | 8,792,755# | 10,392,755 | 0.69 |

# The 8,792,755 ordinary shares are held by Sunbird Holdings Limited, a company controlled by Mr. NG Kong Fat, Brian and his associate.

Save as disclosed above, as at 30 June 2026, none of the directors and chief executive had registered an interest or a short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time during the six months ended 30 June 2026 were rights to acquire benefits by means of the acquisition of shares in the Company granted to any of the directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## CONTRACT OF SIGNIFICANCE

Save as the transactions with its fellow subsidiaries, further details of which are set out in note 20(a) to the interim condensed consolidated financial information, no contracts of significance in relation to the Group's business in which the Company, any of its subsidiaries or fellow subsidiaries, or its parent company was a party and in which a director had a material interest, whether directly or indirectly, subsisted during the six months ended 30 June 2026 or at 30 June 2026.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2026, the following interests and short positions of 5% or more of share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

### Long positions in ordinary shares of the Company:

| | | Number of ordinary shares held, capacity and nature of interest | | | |
|---|---|---|---|---|---|
| **Name** | Notes | **Directly beneficially owned** | **Through controlled corporations** | **Total** | **Percentage of the Company's share capital** |
| Idata | | 738,675,000 | – | 738,675,000 | 49.23 |
| BEHL | (a) | 17,445,000 | 738,675,000 | 756,120,000 | 50.40 |
| Beijing Enterprises Group (BVI) Company Limited ("BEBVI") | (b) | – | 756,120,000 | 756,120,000 | 50.40 |
| BEGCL | (b) | – | 756,120,000 | 756,120,000 | 50.40 |
| Cosmos Friendship Limited ("Cosmos") | | 347,000,000 | – | 347,000,000 | 23.13 |
| Khazanah Nasional Berhad ("Khazanah") | (c) | – | 347,000,000 | 347,000,000 | 23.13 |

Notes:

(a) The interest disclosed includes the ordinary shares owned by Idata. Idata is a wholly-owned subsidiary of BEHL. Accordingly, BEHL is deemed to be interested in the ordinary shares owned by Idata.

(b) The interests disclosed include the ordinary shares owned by BEHL and Idata. BEBVI and BEGCL are the immediate holding company and the ultimate holding company of BEHL, respectively. Accordingly, each of BEBVI and BEGCL is deemed to be interested in the ordinary shares owned by each of BEHL and Idata.

(c) The interest disclosed includes the ordinary shares owned by Cosmos. Cosmos is a wholly-owned subsidiary of Khazanah. Accordingly, Khazanah is deemed to be interested in the ordinary shares owned by Cosmos.

Save as disclosed above, as at 30 June 2026, no person, other than the directors, whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## PURCHASE, REDEMPTION, OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2026.

## SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total number of issued shares were held by the public as at the date of this report.

# CORPORATE GOVERNANCE

## CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors of the Company, save as disclosed below, the Company has complied with all the applicable code provisions (the "Code Provisions") of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules for the six months ended 30 June 2026.

(1) Under Code Provision C.1.6, independent non-executive directors and other non-executive directors should also attend general meetings and develop a balanced understanding of the views of shareholders. However, certain independent non-executive directors of the Company were unable to attend the 2026 annual general meeting of the Company due to other business engagements.

(2) Under Code Provision C.2.7, the chairman should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present. However, the Company considers it is more effective for non-executive directors to voice their views by individual communication with the Chairman of the Board.

(3) Under Code Provision C.5.1, the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. However, the Company considers it is more efficient to hold board meetings to address emerging issues as appropriate. Sufficient measures have been taken to ensure that there is efficient communication among the directors.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules for securities transactions by the directors of the Company. All the directors of the Company have confirmed that, following specific enquiry by the Company, they have complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2026.

## AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in accordance with Rule 3.21 of the Listing Rules and Code Provision D.3. The current members of the Audit Committee comprise three independent non-executive directors, namely Dr. HUAN Guocang (committee chairman), Dr. WANG Jianping and Dr. LUO Shengqiang.

The Audit Committee has reviewed the interim results, financial positions, impacts of the new accounting standards and management issues of the Group during the six months ended 30 June 2026.

## RISK MANAGEMENT AND INTERNAL CONTROL

The board of directors has overall responsibility for the Group's risk management and internal control systems and for reviewing their effectiveness. The Board will conduct regular review regarding internal control systems of the Group. The top management of the Company convened meeting periodically to discuss financial, operational and risk management control. During the six months ended 30 June 2026, the Board has reviewed the operational and financial reports, budgets and business plans provided by the management.