



China Conch Environment Protection Holdings Limited
中國海螺環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 587)

INTERIM REPORT
2026



This Interim Report, in both Chinese and English versions, is available on the Company's website at <http://www.conchenviro.com> (the "Company Website"). Shareholders who have chosen or have been deemed consented to receive the corporate communications of the Company (the "Corporate Communications") via the Company Website and who for any reason have difficulty in receiving or gaining access to the Corporate Communications posted on the Company Website will promptly upon request be sent the Corporate Communications in printed form free of charge.

Shareholders may at any time change their choice of the means of receipt of the Corporate Communications (either in printed form or via the Company Website).

Shareholders may send their requests at any time to receive the Interim Report and/or to change their choice of the means of receipt of the Corporate Communications by notice in writing to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

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DEFINITIONS

In this report, unless the context otherwise requires, the following expressions shall have the following meanings:

Anhui Conch Environment Group:	安徽海螺環保集團有限公司 (Anhui Conch Environment Group Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of the Company
Articles of Association:	the articles of association of the Company
associated corporation(s):	has the meaning ascribed thereto under the SFO
Audit Committee:	the audit committee of the Board
Board:	the board of Directors of the Company
Company/Conch Environment/we/us:	China Conch Environment Protection Holdings Limited (中國海螺環保控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 587)
Conch Cement:	安徽海螺水泥股份有限公司 (Anhui Conch Cement Co., Ltd.*), a joint stock company established in the PRC with limited liability and the shares of which are listed on Shanghai Stock Exchange (stock code: 600585) and on the Main Board of the Stock Exchange (stock code: 914), and the controlling shareholder of the Company
Conch Holdings:	安徽海螺集團有限責任公司 (Anhui Conch Holdings Co., Ltd.*)
Conch Material Technology:	Anhui Conch Material Technology Co., Ltd. (安徽海螺材料科技股份有限公司), a joint stock company established in the PRC with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 02560), and an associated corporation of the Company
Conch Venture:	China Conch Venture Holdings Limited (中國海螺創業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 586)
controlling shareholder(s):	has the meaning ascribed thereto under the Listing Rules
Corporate Governance Code:	the Corporate Governance Code set out in Appendix C1 to the Listing Rules

DEFINITIONS

CV Group:	安徽海創集團股份有限公司 (Anhui Conch Venture Group Co., Ltd.*) (formerly known as: 安徽海螺創業投資有限責任公司 (Anhui Conch Venture Investment Co., Ltd.*))
Director(s):	the director(s) of the Company
Group:	the Company and its subsidiaries
HKD/HK\$:	the lawful currency of Hong Kong
holding company:	has the meaning ascribed thereto under the Listing Rules
Hong Kong:	the Hong Kong Special Administrative Region of the PRC
Latest Practicable Date:	21 September 2026, being the latest practicable date prior to the printing of this report for ascertaining certain information in this report
Listing Document:	the listing document of the Company issued in connection with the Listing dated 22 March 2022
Listing Rules:	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
Management:	the operating management team of the Company
Model Code:	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
Parties Acting in Concert:	the parties acting in concert with Conch Cement under the Code on Takeovers and Mergers and Share Buy-backs at the end of the Reporting Period, including but not limited to Conch Venture, LI Qunfeng, ZHOU Xiaochuan, WANG Chunjian, GUO Dan, YAN Zi, JI Xian, LIU Tiantian, MA Wei and WANG Jingqian
PRC/China:	the People's Republic of China (for the purpose of this report, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan)
Remuneration and Nomination Committee:	the remuneration and nomination committee of the Board
Reporting Period:	from 1 January 2026 to 30 June 2026
RMB:	the lawful currency of the PRC

DEFINITIONS

SA Conch:	安徽海螺集團有限責任公司工會委員會 (The Staff Association of Anhui Conch Holdings Co., Ltd. *)
SFO:	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time)
Share(s):	ordinary share(s) of HKD0.01 each in the share capital of the Company
Shareholder(s):	the shareholder(s) of the Company
Stock Exchange:	The Stock Exchange of Hong Kong Limited
Strategy, Sustainability and Risk Management Committee:	the strategy, sustainability and risk management committee of the Board
subsidiary(ies):	has the meaning ascribed thereto under the Listing Rules
Tianshan Material:	天山材料股份有限公司 (Tianshan Material Co., Ltd. *), a company listed on the Shenzhen Stock Exchange (stock code: 000877)

* For identification purposes only

1. CORPORATE INFORMATION

(I)	REGISTERED CHINESE NAME OF THE COMPANY:	中國海螺環保控股有限公司
	CHINESE ABBREVIATION:	海螺環保
	REGISTERED ENGLISH NAME OF THE COMPANY:	CHINA CONCH ENVIRONMENT PROTECTION HOLDINGS LIMITED
	ENGLISH ABBREVIATION:	CONCH ENVIRO
(II)	EXECUTIVE DIRECTORS:	Mr. ZHOU Xiaochuan (<i>Chairman of the Board</i>) (Appointed on 3 April 2026) Mr. WANG Chunjian (<i>General Manager</i>) Ms. LIAO Dan Mr. FAN Zhan (Resigned on 3 April 2026)
(III)	NON-EXECUTIVE DIRECTORS:	Mr. LIU Tiantian (Appointed on 3 April 2026) Mr. LYU Wenbin Mr. MA Wei Mr. LI Qunfeng (<i>Chairman of the Board</i>) (Resigned on 3 April 2026)
(IV)	INDEPENDENT NON-EXECUTIVE DIRECTORS:	Ms. WANG Jiafen Ms. LI Chen Mr. WANG Meng (Appointed on 26 August 2026) Mr. DING Wenjiang (Resigned on 26 August 2026)
(V)	AUDIT COMMITTEE:	Ms. WANG Jiafen (<i>Chairlady</i>) Ms. LI Chen Mr. WANG Meng (Appointed on 26 August 2026) Mr. DING Wenjiang (Resigned on 26 August 2026)
(VI)	REMUNERATION AND NOMINATION COMMITTEE:	Mr. WANG Meng (<i>Chairman</i>) (Appointed on 26 August 2026) Mr. ZHOU Xiaochuan (Appointed on 3 April 2026) Mr. WANG Chunjian Ms. LI Chen Mr. LI Qunfeng (Resigned on 3 April 2026) Mr. DING Wenjiang (Resigned on 26 August 2026)

1. CORPORATE INFORMATION

(VII) STRATEGY, SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE:	Mr. ZHOU Xiaochuan (<i>Chairman</i>) (Appointed on 3 April 2026) Mr. WANG Chunjian Mr. LYU Wenbin Mr. WANG Meng (Appointed on 26 August 2026) Mr. LI Qunfeng (<i>Chairman</i>) (Resigned on 3 April 2026) Mr. DING Wenjiang (Resigned on 26 August 2026)
(VIII) COMPANY SECRETARIES:	Ms. LIAO Dan
(IX) AUTHORISED REPRESENTATIVES:	Mr. ZHOU Xiaochuan (Appointed on 3 April 2026) Ms. LIAO Dan (Appointed on 3 April 2026) Mr. Li Qunfeng (Resigned on 3 April 2026) Mr. WANG Chunjian (Resigned on 3 April 2026)
(X) REGISTERED OFFICE IN THE CAYMAN ISLANDS:	Campbells Corporate Services Limited Floor 4, Willow House, Cricket Square Grand Cayman, KY1-9010, Cayman Island
(XI) HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC:	No. 39 Wenhua Road, Jinghu District, Wuhu City, Anhui Province, China
(XII) POSTAL CODE:	241000
(XIII) EMAIL ADDRESS OF THE COMPANY:	hlhb@conchenviro.com
(XIV) WEBSITE OF THE COMPANY:	http://www.conchenviro.com
(XV) PRINCIPAL PLACE OF BUSINESS IN HONG KONG:	Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong
(XVI) HONG KONG LEGAL ADVISOR:	Jingtian & Gongcheng LLP
(XVII) INTERNATIONAL AUDITOR:	Ernst & Young Certified Public Accountants and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance

1. CORPORATE INFORMATION

(XVIII) PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS:	Conyers Trust Company (Cayman) Limited Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands
(XIX) HONG KONG SHARE REGISTRAR:	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen's Road East, Wanchai Hong Kong
(XX) STOCK CODE:	00587

2. FINANCIAL HIGHLIGHTS

FINANCIAL OVERVIEW (FOR THE SIX MONTHS ENDED 30 JUNE 2026)

1. Operation results

Item	January– June 2026 Amount (RMB'000)	January– June 2025 Amount (RMB'000)	Changes between the Reporting Period and the corresponding period of the previous year (RMB'000)
Revenue	764,992	777,184	–12,192
(Loss)/profit before taxation	–28,622	2,663	–31,285
Loss for the period	–38,321	–9,033	–29,288
Net (loss)/profit attributable to equity shareholders of the Company	–17,935	4,325	–22,260

2. Assets and liabilities

Item	30 June 2026 Amount (RMB'000)	31 December 2025 Amount (RMB'000)	Changes between the Reporting Period and the end of the previous year (%)
Total assets	9,023,841	9,363,985	–3.63
Total liabilities	5,752,405	6,053,982	–4.98
Equity attributable to the equity shareholders of the Company	2,701,618	2,719,553	–0.66

3. MANAGEMENT DISCUSSION AND ANALYSIS

(I) MACRO ENVIRONMENT

In the first half of 2026, the solid and hazardous waste disposal industry continued to face fierce competition, with disposal prices fluctuating at low levels. Concurrently, along with the decline in cement kiln utilization rates, the capacity utilization of co-processing projects was constrained. Coupled with the ongoing efforts by industrial waste-generating entities to reduce waste at source, the market operating environment has become increasingly challenging. Against this backdrop, the state has intensively rolled out a series of green governance policies, which have set a clear direction for the industry development.

In January 2026, the State Council issued the “Action Plan for Comprehensive Treatment of Solid Waste”, clarifying goals for the comprehensive utilization of bulk solid wastes and resource recycling, and further advancing the regulatory governance of key fields. In July 2026, the Ministry of Ecology and Environment, the National Development and Reform Commission and other authorities issued the “15th Five-Year Plan for the Prevention and Control of Solid Waste Pollution,” which proposes to comprehensively advance the investigation and remediation of latent pollution risks from existing solid waste stocks, promote the integrated treatment of historically stockpiled solid waste, strengthen whole-chain supervision over solid waste, achieving full-coverage information-based monitoring of solid waste in key fields.

Affected by external factors such as intensifying industry competition, the Group’s operations are facing challenges at this stage. Nevertheless, the continued roll-out of favourable top-level environmental policies is accelerating the industry’s transition towards greater standardisation, and the demand for compliant disposal of solid and hazardous waste continues to grow. The Group will closely follow the national policy direction on circular economy and pollution prevention, implement initiatives in market expansion, cost control and operational quality enhancement, fully leverage its industrial synergy advantages, seize the opportunities arising from the industry’s standardisation upgrade, gradually alleviate operational pressures, and promote the Group’s steady and sustainable development.

(II) BUSINESS REVIEW

During the Reporting Period, the Group concentrated its efforts on market development, actively implemented various measures to reduce costs and increase efficiency, effectively reduced operating expenses, continuously optimised cash flow management, and promoted a steady year-on-year decline in accounts receivable. Externally, the Group accelerated project research and feasibility studies in mature industries; internally, it deepened resource integration, strengthened technology-driven empowerment, and continued to fortify its risk management and control system, thus ensuring the smooth and orderly operation of production activities.

3. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of project development, The Group focused on mature businesses such as medical waste, fly ash and sludge treatment, actively sought high-quality project opportunities, and intensified its efforts in project investigation and investment appraisal. During the Reporting Period, the Group successfully signed the Sichuan Bazhong general solid waste (50,000 tonnes/year) project and conducted feasibility studies on sludge and fly ash treatment projects in Anhui, Guangdong and other regions, further consolidating the Group's project pipeline.

In terms of project expansion, the Taizhou Fly Ash Treatment Project commenced operation in the second quarter, with a disposal capacity of 50,000 tonnes per annum. The project adopts a "water washing + low-temperature thermal decomposition" process and has been included in the list of major construction projects in Taizhou and the "Zero-Waste City" construction project repository. At the end of the Reporting Period, the construction of the Chaohu Fly Ash Treatment Project was at a critical stage. This project constitutes an important component unit of the Special Category Hazardous Waste (Fly Ash) Centralised Treatment Centre in the East China region, for which the Group has obtained construction approval.

At the end of the Reporting Period, the Group put into operation and constructed a total of 83 environmental protection projects in 21 provinces, municipalities, and autonomous regions across the country, including 39 general hazardous waste projects, 7 fly ash washing projects, 6 oil sludge treatment projects, 25 industrial solid waste projects and 6 comprehensive resource utilization projects. The treatment scale of the projects was approximately 12,181,100 tonnes per year (excluding projects subject to approval and to be constructed).

In terms of market development, the Group actively implemented the "County-based Expansion Initiative" (奔縣行動), penetrating deeply into county-level markets, with hazardous waste intake in the Guangxi region achieving significant growth. The Group focused on expanding solid waste volume and increasing revenue, successfully securing the disposal rights for a large-scale contaminated soil project in Tongling, Anhui, and promoting the expansion of solid waste businesses including calcium fluoride sludge, tailings slag, white mud and red mud, with steady growth in the intake of bulk solid waste in the East China region. The Group accelerated the source deployment of alternative fuels, actively explored the operation models for collection and storage projects, continuously broadened the feedstock channels for alternative fuels, with business volume increasing by over 40% period on period.

3. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of operation and management, the Group further advanced quality and efficiency enhancement, increased revenue and reduced expenditure, and solidly implemented various cost-reduction measures. During the Reporting Period, the Group continued to strengthen benchmark management of production indicators, with electricity consumption, auxiliary materials and spare parts consumption declining period on period; steadily improved the efficiency of regional integrated operations, achieving effective integration of human resources; leveraged the centralised procurement and professional logistics platforms to further reduce procurement and transportation costs; and strengthened production management collaboration with cement plant disposal facilities, with the operation rates of core systems such as slurry and inorganic waste comprehensively improved.

During the Reporting Period, the total treatment volume of industrial hazardous waste of the Group was approximately 521,300 tonnes, representing a period-to-period increase of approximately 0.5%, among which approximately 427,200 tonnes were general hazardous waste, approximately 44,200 tonnes were oil sludge, and approximately 49,900 tonnes were fly ash; approximately 403,300 tonnes of alternative fuels were produced and sold, representing a period-on-period increase of approximately 46.59%; and approximately 882,600 tonnes of industrial solid waste were disposed of, representing a period-on-period increase of approximately 3.75%.

In terms of technological innovation, the Group adhered to the dual-drive approach of technological innovation and management innovation, accelerating the transformation and application of innovation outcomes. During the Reporting Period, the Company actively promoted the conversion of forklifts from fuel to electric power, remote operation of overhead cranes, and time-controlled retrofitting of lighting systems, effectively broadening the scope for cost reduction. The Group further advanced its digital and intelligent transformation, with the full-process information management system for hazardous waste having covered 39 subsidiaries. The “Five-Instant” (五即) information technology products developed by Haihuan Zhilian (海環智聯), which are independently owned intellectual properties of the Group, have been successfully launched into the external market.

3. MANAGEMENT DISCUSSION AND ANALYSIS

(III) FINANCIAL PROFITABILITY

Item	January — June 2026 Amount (RMB'000)	January — June 2025 Amount (RMB'000)	Changes between the Reporting Period and the corresponding period of the previous year (RMB'000)
Revenue	764,992	777,184	-12,192
(Loss)/profit before taxation	-28,622	2,663	-31,285
Loss for the period	-38,321	-9,033	-29,288
Net (loss)/profit attributable to equity shareholders of the Company	-17,935	4,325	-22,260

During the Reporting Period, the Group recorded revenue of RMB764.99 million, representing a period-on-period decrease of RMB12.19 million. Profit before taxation amounted to RMB-28.62 million, representing a period-on-period decrease of RMB31.29 million. Profit for the period amounted to RMB-38.32 million, representing a period-on-period decrease of RMB29.29 million. Net profit attributable to equity shareholders of the Company amounted to RMB-17.94 million, representing a period-on-period decrease of RMB22.26 million.

1. Revenue by business segment

Item	January — June 2026		January — June 2025		Change in amount (%)	Change in percentage (Percentage points)
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
Industrial hazardous waste treatment services	474,312	62.00	497,554	64.02	-4.67	-2.02
General hazardous waste	359,970	47.06	395,276	50.86	-8.93	-3.80
Oil sludge	44,576	5.83	58,312	7.50	-23.56	-1.68
Fly ash	69,766	9.12	43,966	5.66	58.68	3.46
Industrial solid waste treatment services	172,181	22.51	185,265	23.84	-7.06	-1.33
Comprehensive resource utilization	118,499	15.49	94,365	12.14	25.58	3.35
Total	764,992	100.00	777,184	100.00	-	-

3. MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, revenue of the Group was derived from three main business segments, namely (i) industrial hazardous waste treatment services; (ii) industrial solid waste treatment services; and (iii) comprehensive resource utilization. With a breakdown by business segments:

- (i) Revenue from **industrial hazardous waste treatment services** was RMB474.31 million, representing a period-on-period decrease of 4.67%, of which:

Revenue from **general hazardous waste** was RMB359.97 million, representing a period-on-period decrease of 8.93%. The decrease in revenue was mainly attributable to the following reasons: firstly, the intensified market competition resulting in the decrease of the market prices in Jiangxi, Guangdong and Shaanxi; and secondly, a decline in emergency hazardous waste intake in provinces such as Hunan and Anhui.

Revenue from **oil sludge treatment** was RMB44.58 million, representing a period-on-period decrease of 23.56%. This was primarily due to customers' reduced-volume treatment requirements and intensified market competition, resulting in insufficient treatment volume.

Revenue from **fly ash treatment** was RMB69.77 million, representing a period-on-period increase of 58.68%. This was primarily due to the commissioning of the new fly ash project in Taizhou and the resumption of production at the Yiyang company in Hunan.

- (ii) Revenue from **industrial solid waste treatment services** was RMB172.18 million, representing a period-on-period decrease of 7.06%. This was primarily due to price declines in Sichuan, Hunan, Jiangxi and other provinces.
- (iii) Revenue from **comprehensive resource utilization** was RMB118.50 million, representing a period-on-period increase of 25.58%. This was primarily due to the rapid growth of the alternative fuel business.

3. MANAGEMENT DISCUSSION AND ANALYSIS

2. Gross profit and gross profit margin

Item	January – June 2026		January — June 2025		Change in gross profit margin (Percentage points)	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin		
	(RMB'000)	(%)	(RMB'000)	(%)	(%)	
Industrial hazardous waste treatment services	141,419	29.82	168,321	33.83	-15.98	-4.01
General hazardous waste	138,037	38.35	142,387	36.02	-3.06	2.33
Oil sludge	-13,341	-29.93	17,429	29.89	-176.54	-59.82
Fly ash	16,723	23.97	8,505	19.34	96.63	4.63
Industrial solid waste treatment services	62,004	36.01	74,363	40.14	-16.62	-4.13
Comprehensive resource utilization	15,070	12.72	3,569	3.78	322.25	8.94
Total	218,493	28.56	246,253	31.69	-11.27	-3.13

During the Reporting Period, the Group recorded a gross profit of RMB218.49 million, representing a period-on-period decrease of 11.27%. With a breakdown by business segments:

- (i) Gross profit margin for **industrial hazardous waste treatment services** was 29.82%, representing a period-on-period decrease of 4.01 percentage points, among which:

Gross profit margin for **general hazardous waste** was 38.35%, representing a period-on-period increase of 2.33 percentage points, which was primarily due to the Group's continued strengthening of cost control, resulting in a decrease in costs and a corresponding increase in gross profit margin.

Gross profit margin for **oil sludge treatment** was -29.93%, representing a period-on-period decrease of 59.82 percentage points, which was primarily due to insufficient treatment volume, resulting in failure of fixed cost dilution.

Gross profit margin for **fly ash treatment** was 23.97%, representing a period-on-period increase of 4.63 percentage points, which was primarily due to the resumption of production at the Yiyang project, as well as improved operational quality at other projects.

3. MANAGEMENT DISCUSSION AND ANALYSIS

- (ii) Gross profit margin for **industrial solid waste treatment services** was 36.01%, representing a period-on-period decrease of 4.13 percentage points, which was primarily due to price declines in Sichuan, Hunan, Chongqing and other provinces/municipalities.
- (iii) Gross profit margin for **comprehensive resource utilization** was 12.72%, representing a period-on-period increase of 8.94 percentage points, which was primarily due to the continued expansion of the alternative fuel business, driving an overall increase in the gross profit margin of this segment.

3. Other income

During the Reporting Period, the Group's other income amounted to RMB1.47 million, representing a period-on-period decrease of RMB36.29 million, or 96%, which was primarily due to a period-on-period decrease in government grants received during the period.

4. Distribution costs

During the Reporting Period, the Group's distribution costs amounted to RMB49.16 million, representing a period-on-period decrease of RMB9.58 million, or 16.3%, which was primarily due to the Group's continued increase in the proportion of direct sales to customers and the significant decrease in consulting service fees.

5. Administrative expenses

During the Reporting Period, the Group's administrative expenses amounted to RMB146.73 million, representing a period-on-period decrease of RMB4.25 million, or 2.82%, which was primarily due to the Group's continued enhancement of cost control measures, leading to a reduction in such expenses.

6. Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB50.74 million, representing a period-on-period decrease of RMB10.16 million, or 16.69%.

7. Profit before taxation

During the Reporting Period, the Group's profit before taxation amounted to RMB-28.62 million, representing a period-on-period decrease of RMB31.29 million and share of profit of associates amounted to RMB0.97 million, representing a period-on-period increase of RMB2.16 million.

3. MANAGEMENT DISCUSSION AND ANALYSIS

(IV) FINANCIAL POSITION

As at the end of the Reporting Period, the Group's total assets amounted to RMB9,023.84 million, representing a decrease of RMB340.15 million as compared to the end of the previous year. The equity attributable to equity shareholders of the Company amounted to RMB2,701.62 million, representing a decrease of RMB17.93 million as compared to the end of the previous year. Gearing ratio of the Group (total liabilities/total assets) was 63.75%, representing a decrease of 0.90 percentage point as compared to the end of the previous year. The balance sheet items of the Group are as follows:

Item	As at 30 June 2026 (RMB'000)	As at 31 December 2025 (RMB'000)	Change between the end of the Reporting Period and the end of the previous year (%)
Property, plant and equipment	7,162,711	7,233,781	-0.98
Non-current assets	7,832,312	7,919,467	-1.10
Current assets	1,191,529	1,444,518	-17.51
Non-current liabilities	3,707,044	3,978,931	-6.83
Current liabilities	2,045,361	2,075,051	-1.43
Net current liabilities	853,832	630,533	35.41
Equity attributable to equity shareholders of the Company	2,701,618	2,719,553	-0.66
Total assets	9,023,841	9,363,985	-3.63
Total liabilities	5,752,405	6,053,982	-4.98

3. MANAGEMENT DISCUSSION AND ANALYSIS

1. Non-current assets and current assets

As at the end of the Reporting Period, non-current assets of the Group amounted to RMB7,832.31 million, representing a decrease of 1.1% as compared to the end of the previous year.

Current assets of the Group amounted to RMB1,191.53 million, representing a decrease of 17.51% as compared to the end of the previous year, primarily attributable to the decrease in bank deposit due to the repayment of long-term borrowings by the Group and increase in operating expenses.

2. Non-current liabilities and current liabilities

Non-current liabilities of the Group amounted to RMB3,707.04 million, representing a decrease of 6.83% as compared to the end of the previous year, primarily due to the repayment of certain long-term borrowings due over one year during the Reporting Period.

Current liabilities of the Group amounted to RMB2,045.36 million, representing a decrease of 1.43% as compared to the end of the previous year, primarily due to the payment of account payables during the Reporting Period.

As at the end of the Reporting Period, current ratio of the Group was 0.58 (compared to 0.7 at the end of the previous year) and gearing ratio (calculated as total borrowings divided by total equity) was 1.38 (compared to 1.4 at the end of the previous year).

3. Net current liabilities

As at the end of the Reporting Period, the Group's net current liabilities amounted to RMB853.83 million, representing an increase of RMB223.3 million as compared to the end of the previous year, mainly due to the repayment of long-term borrowings and settlement of operating payables during the Reporting Period, which resulted in a decline in the bank deposit balance and consequently a corresponding decrease in net current liabilities.

4. Equity attributable to equity shareholders of the Company

As at the end of the Reporting Period, the Group's equity attributable to equity shareholders of the Company amounted to RMB2,701.62 million, representing a decrease of 0.66% as compared to the end of the previous year.

3. MANAGEMENT DISCUSSION AND ANALYSIS

(V) LIQUIDITY AND CAPITAL SOURCES

During the Reporting Period, the Group increased the returns on its existing funds, enhanced capital planning and management and conducted reasonable allocation of project loans, so as to fully satisfy the Company's capital needs. As of 30 June 2026, the Group's cash and cash equivalents amounted to RMB247.24 million, which were mainly denominated in RMB.

1. Bank loans

Item	As at 30 June 2026 (RMB'000)	As at 31 December 2025 (RMB'000)
Due within one year	869,547	713,946
Due after one year but within two years	854,711	981,785
Due after two years but within five years	235,965	382,229
Due after five years	50,186	43,316
Total	2,010,409	2,121,276

As at the end of the Reporting Period, the Group's bank loan balance amounted to RMB2,010.41 million, representing a decrease of RMB110.87 million as compared to the end of the previous year, primarily due to the repayment of a portion of long-term borrowings during the Reporting Period. As at 30 June 2026, all of the Group's bank loans were denominated in RMB, and most of the loan interests were subject to variable interest rate.

2. Cash flows

As at the end of the Reporting Period, the Group's balance of cash and cash equivalents was RMB247.24 million, representing a period-on-period decrease of RMB368.79 million.

Item	January to June 2026 (RMB'000)	January to June 2025 (RMB'000)
Net cash generated from operating activities	80,256	268,213
Net cash used in investing activities	-113,831	-184,735
Net cash generated from financing activities	-156,974	186,929
Net increase in cash and cash equivalents	-190,549	270,407
Cash and cash equivalents at the beginning of the period	437,788	345,622
Cash and cash equivalents at the end of the period	247,239	616,029

3. MANAGEMENT DISCUSSION AND ANALYSIS

Net cash generated from operating activities

During the Reporting Period, net cash generated from operating activities of the Group amounted to RMB80.26 million, representing a period-on-period decrease of RMB187.96 million, which was mainly due to the increased procurement resulting from the expansion of the alternative fuels business, coupled with a decrease in collections of accounts receivable.

Net cash used in investing activities

During the Reporting Period, net cash used in investing activities of the Group amounted to RMB-113.83 million, representing a period-on-period increase of RMB70.9 million, primarily due to the decrease in payment for purchase of property, plant and equipment and construction in progress.

Net cash generated from financing activities

During the Reporting Period, net cash generated from financing activities of the Group amounted to RMB-156.97 million, representing a period-on-period decrease of RMB343.9 million, primarily due to the issuance of RMB1.0 billion green medium-term notes in 2025 generating financing inflows, and increased cash outflows from repayment of certain long-term borrowings in 2026, which collectively resulted in the decrease in net amount.

(VI) COMMITMENTS

As at the end of the Reporting Period, purchase commitments of the Group in connection with construction contracts were as follows:

Item	As at 30 June 2026 (RMB'000)	As at 31 December 2025 (RMB'000)
Contracted for	55,380	65,727
Authorized but not contracted for	110,920	212,067
Total	166,300	277,794

(VII) FOREIGN EXCHANGE RISK

The Group's functional currency is RMB. Foreign exchange risks faced by the Group were mainly derived from account payables arising from procurement which were mainly denominated in currencies including Hong Kong dollars. Other than that, most of the assets and transactions of the Group were denominated in RMB, and the capital expenditures of the Group's domestic business were generally funded in RMB income. As a result, the Group is not exposed to significant foreign exchange risks.

The Group did not use any financial instruments to hedge against any foreign exchange risks.

3. MANAGEMENT DISCUSSION AND ANALYSIS

(VIII) CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities.

(IX) PLEDGE OF ASSETS

As at the end of the Reporting Period, the bank loans of the Group amounting to RMB71,280,000 (31 December 2025: RMB73,349,000) were secured by equipment provided by 洛陽海中環保科技有限責任公司 (Luoyang Haizhong Environmental Protection Technology Co., Ltd.*), a subsidiary of the Group.

As at the end of the Reporting Period, the bank loans of the Group amounting to RMB46,050,000 (31 December 2025: RMB74,677,000) were secured by plant and right-of-use asset provided by 寧海馨源泰環保科技有限公司 (Ninghai Xinyuantai Environmental Protection Technology Co., Ltd.*), a subsidiary of the Group.

As at the end of the Reporting Period, the bank loans of the Group amounting to RMB16,594,000 (31 December 2025: RMB17,609,000) were secured by equipment provided by 寧海馨源泰環保科技有限公司 (Ninghai Xinyuantai Environmental Protection Technology Co., Ltd.*), a subsidiary of the Group.

(X) MATERIAL INVESTMENTS

During the Reporting Period, the Group had no material investments, acquisitions, or disposals.

(XI) FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSET ACQUISITIONS

During the Reporting Period, the Board has not approved any future plans for material investments or capital asset acquisitions.

(XII) MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

3. MANAGEMENT DISCUSSION AND ANALYSIS

(XIII) HUMAN RESOURCES

The Group places great emphasis on human resources management, as well as the development and enhancement of its systems. Regular professional and technical training programmes are organised for employees to strengthen their overall competencies in their respective fields. During the Reporting Period, the Group conducted training sessions across various professional categories, covering areas such as work safety, process technology, marketing, and financial and internal control practices. Outstanding technical and management personnel were selected for rotational assignments to gain practical experience. In parallel, the Group advanced the internal and external application and assessment processes for intermediate and senior professional technical titles in disciplines including chemical engineering, environmental science, and mechanical and electrical engineering, thereby continuously reinforcing the development of its professional workforce.

As at the end of the Reporting Period, the Group had 2,653 (31 December 2025: 2,854) employees. The remuneration of employees is determined by qualifications, experience, work performance and market conditions. As required by the China's regulations on social insurance, the Group participated in the social insurance schemes operated by local government authorities which include pension insurance, medical insurance, unemployment insurance, industrial injuries insurance and maternity insurance.

During the Reporting Period, the total remuneration of employees (including the remuneration of the Directors) included in profit or loss was approximately RMB156.36 million (30 June 2025: approximately RMB202.49 million).

(XIV) FUTURE PLAN AND OUTLOOK

2026 marks the first year of the national "15th Five-Year Plan" period. At the national level, guiding policies for comprehensive treatment of solid waste have been intensively introduced, stepping up efforts to address historically accumulated solid waste and further tightening the regulatory requirements for the full process of solid waste disposal. Leading environmental protection enterprises with core technological strengths and refined management capabilities will embrace broader development opportunities. The Group will focus on core areas including market expansion, refined management and control, innovation-driven empowerment, and optimisation of industrial layout, so as to continuously consolidate its operational foundation and enhance its core competitiveness. To this end, the Group will focus on advancing the following works:

3. MANAGEMENT DISCUSSION AND ANALYSIS

Coordinating synergistic industrial layout to enhance project investment return

The Group will focus on the development of its core environmental protection business, adhere to the philosophy of “profitable investment”, and pursue both mergers and acquisitions and new project development in parallel, thereby promoting its high-quality development. First, the Group will conduct thorough feasibility studies for cement kiln co-treatment projects with stable market demand and reliable profitability based on actual market conditions. Second, the Group will closely align with the development plan, accelerate the research and implementation of mature industries such as medical waste disposal, and continuously expand its portfolio of high-quality projects. Third, the Group will fully leverage its industrial synergy advantages to focus on resource-oriented business directions such as fly ash treatment and alternative fuels. Seizing the policy opportunity arising from national restrictions on hazardous waste landfill, the Group will proactively engage with waste-to-energy enterprises to solidify its cooperative ecosystem. It will also promote the sourcing and storage of alternative fuels at source, expand the scale of raw material supply, and establish a full-chain development model.

Advancing market expansion and price increases and tapping the potential for operational cost reduction

In terms of market expansion, firstly, the Group will steadfastly advance the “county penetration” initiative to densify its grassroots market network, deepen integrated market operations within the province, and solidify its market foundation. Secondly, the Group will implement measures to stabilise and increase hazardous waste prices, optimise its customer structure, expand the proportion of high-value materials, and proactively engage in dialogue and exchanges with industry peers to foster a favourable industry ecosystem and enhance the Company’s economic benefits. Thirdly, the Group will focus on expanding solid waste volumes, tackling key contaminated soil projects, and advancing the development of bulk solid waste businesses such as phosphogypsum, calcium fluoride, white mud and slag, so as to broaden its revenue channels.

In terms of operation and management, firstly, the Group will conduct regular benchmarking management of production indicators, fully leverage the effectiveness of the “red and black list”, and formulate assistance plans and improvement strategies for underperforming production units, so as to drive the enhancement of operational quality and efficiency through indicator optimisation. Secondly, the Group will strengthen meticulous cost control with a focus on unlocking potential in areas such as material consumption, workforce optimisation and transportation cost management, so as to promote cost reduction and efficiency enhancement. Thirdly, the Group will continuously promote the integration of production and management across its cement plant operations, expand the co-treatment capacity for solid and hazardous waste, and enhance production efficiency.

3. MANAGEMENT DISCUSSION AND ANALYSIS

Adhering to accelerating innovation and deepening digital and intelligent transformation

The Group will accelerate digital and intelligent transformation, promote the implementation of information system among waste-generating companies, and facilitate the conversion of innovation outcomes into operating results. It will deepen the innovation work of all employees, and by focusing on key areas such as cost control, efficiency enhancement, and quality improvement in management, systematically identify replicable and spreadable innovation practices and strengthen promotion efforts.

Reinforcing the foundation of corporate governance and ensuring orderly business operations

The Group will enhance control over trade receivables on one hand by strengthening contract performance tracking, and optimizing the assessment system for receivables collection to enhance the efficiency of debt collection; and the Group will promote streamlining and reorganization on the other hand by proactively implementing specialized plans to reduce losses and accelerating disposal of distressed assets to optimize asset structure. Furthermore, the Group will continue to improve internal control system, with a focus on key risk areas, and enhance the rectification of issues through regular inspections, daily audits and other means. At last, the Group will reinforce the foundation of safety and environmental management by conducting routine and systematic safety hazard inspections and rectifications, and strictly and rigorously fulfilling the safety management responsibilities.

4. OTHER INFORMATION

(I) INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

(II) DISCLOSURE OF INTERESTS

1. Substantial Shareholders' Interests or Short Positions

As at the end of the Reporting Period, as far as the Directors were aware, the interests or short positions of the persons other than the Directors and chief executive of the Company in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of part XV of the SFO as recorded in the register of substantial shareholders required to be kept by the Company under section 336 of the SFO were as follows:

Name of Shareholders	Nature of interests	Number of Shares	Long/Short Positions	Approximate percentage of shareholdings
Conch Venture	Beneficial owner	13,900,000	Long positions	0.76%
	Interest of controlled corporation (note 1)	475,254,318	Long positions	26.02%
	Subtotal	489,154,318		26.78%
China Conch Venture Holdings International Limited	Interest of controlled corporation (note 1)	475,254,318	Long positions	26.02%
Wuhu Conch Venture Property Co., Ltd.	Interest of controlled corporation (note 1)	475,254,318	Long positions	26.02%
Conch Holdings	Interest of controlled corporation (note 1)	475,254,318	Long positions	26.02%
Conch Cement	Beneficial owner	101,389,500	Long positions	5.55%
	Interest of controlled corporation (note 2)	286,134,000	Long positions	15.66%
	Interests held jointly with another person (note 3)	87,730,818	Long positions	4.80%
	Subtotal	475,254,318		26.02%

4. OTHER INFORMATION

Name of Shareholders	Nature of interests	Number of Shares	Long/Short Positions	Approximate percentage of shareholdings
Conch International Holdings (HK) limited	Beneficial owner	286,134,000	Long positions	15.66%
SA Conch	Interest of controlled corporation (note 4)	109,178,000	Long positions	5.98%
CV Group	Interest of controlled corporation (note 5)	109,178,000	Long positions	5.98%
Mr. Li Qunfeng	Beneficial owner	2,050,000	Long positions	0.11%
	Interests held jointly with another person (note 3)	473,204,318	Long positions	25.90%
Subtotal		475,254,318		26.02%
Guo Dan	Interest of controlled corporation (note 6)	32,725,000	Long positions	1.79%
	Interests held jointly with another person (note 3)	442,529,318	Long positions	24.22%
Subtotal		475,254,318		26.02%
Yan Zi	Interest of controlled corporation (note 7)	35,033,752	Long positions	1.92%
	Interests held jointly with another person (note 3)	440,220,566	Long positions	24.10%
Subtotal		475,254,318		26.02%

4. OTHER INFORMATION

Name of Shareholders	Nature of interests	Number of Shares	Long/Short Positions	Approximate percentage of shareholdings
Ji Xian	Interest of controlled corporation (note 8)	10,080,000	Long positions	0.55%
	Interests held jointly with another person (note 3)	465,174,318	Long positions	25.46%
	Subtotal	475,254,318		26.02%
WANG Jingqian	Beneficial owner	1,930,000	Long positions	0.11%
	Interests held jointly with another person (note 3)	473,324,318	Long positions	25.91%
	Subtotal	475,254,318		26.02%

4. OTHER INFORMATION

Notes:

- (1) Among the above Shares, (i) 189,120,318 Shares are owned by Conch Cement and its Parties Acting in Concert; and (ii) 286,134,000 Shares are owned by Conch International Holdings (HK) Limited which is wholly-owned by Conch Cement. Conch Holdings is the holding company of Conch Cement. As 49% of the issued share capital of Conch Holdings is held by Wuhu Conch Venture Property Co., Ltd., Wuhu Conch Venture Property Co., Ltd. is wholly owned by China Conch Venture Holdings International Limited, and China Conch Venture Holdings International Limited is ultimately wholly owned by Conch Venture. By virtue of SFO, Conch Holdings, Wuhu Conch Venture Property Co., Ltd., China Conch Venture Holdings International Limited and Conch Venture are respectively deemed to be interested in the Shares in which Conch Cement and its Parties Acting in Concert and Conch International Holdings (HK) Limited are interested.
- (2) 286,134,000 Shares are held by Conch International Holdings (HK) Limited, which is a wholly owned subsidiary of Conch Cement. Accordingly, by virtue of SFO, Conch Cement is deemed to be interested in the Shares in which Conch International Holdings (HK) Limited is interested.
- (3) By virtue of SFO, Conch Cement and its Parties Acting in Concert are respectively deemed to be interested in the Shares in which Conch Cement and its Parties Acting in Concert are interested, namely (i) 387,523,500 Shares held by Conch Cement and its wholly owned subsidiary Conch International Holdings (HK) Limited, (ii) 2,050,000 Shares held by LI Qunfeng, (iii) 783,000 Shares held by Mr. ZHOUXiaochuan, (iv) 100,000 Shares held by WANG Chunjian, (v) 32,725,000 Shares held by GUO Dan, (vi) 35,033,752 Shares held by YAN Zi, (vii) 10,080,000 Shares held by JI Xian, (viii) 2,487,939 Shares held by Mr. LIU Tiantian, (ix) 2,541,127 Shares held by MA Wei and (x) 1,930,000 Shares held by WANG Jingqian.
- (4) Among the above Shares, 98,039,000 Shares, 5,943,000 Shares and 5,196,000 Shares are owned respectively by (i) Conch Venture Holdings (Zhuhai) Co., Ltd.* (海螺創投控股(珠海)有限公司) (“**CV Holdings (Zhuhai)**”), (ii) Anhui Conch Venture Medical Investment Management Co., Ltd.* (安徽海螺創業醫療投資管理有限責任公司) (“**CV Medical**”), and (iii) Conch Venture International Limited* (海螺創業國際有限公司) (“**CVI**”), all of which are wholly owned by CV Group. CV Group is deemed to be interested in the Shares in which CV Holdings (Zhuhai), CV Medical and CVI are interested by virtue of the SFO. As 82.93% of CV Group’s registered capital is held by SA Conch, SA Conch is deemed to be interested in the Shares in which CV Group is interested by virtue of the SFO.
- (5) Among these Shares, 98,039,000 Shares, 5,943,000 Shares and 5,196,000 Shares are owned by CV Holdings (Zhuhai), CV Medical and CVI, respectively. CV Group is deemed to be interested in the Shares in which CV Holdings (Zhuhai), CV Medical and CVI are interested by virtue of the SFO.
- (6) These Shares are owned by Dazzling Star Investments Limited. Dazzling Star Investments Limited is wholly owned by Guo Dan. Guo Dan is deemed to be interested in the Shares held by Dazzling Star Investments Limited by virtue of the SFO.
- (7) These Shares are owned by Fortune Gold Limited. Fortune Gold Limited is wholly-owned by YAN Zi. YAN Zi is deemed to be interested in the Shares held by Fortune Gold Limited by virtue of the SFO.
- (8) These Shares are owned by Golden Convergence Limited. Golden Convergence Limited is wholly owned by JI Xian. JI Xian is deemed to be interested in the Shares held by Golden Convergence Limited by virtue of the SFO.

According to section 336 of the SFO, substantial shareholders are required to file disclosure of interest forms when certain criteria are fulfilled. When the shareholdings of the substantial shareholders in the Company change, it is not necessary for the substantial shareholders to notify the Company and/or the Stock Exchange unless certain criteria are fulfilled. Therefore, the latest shareholdings of the substantial shareholders in the Company may be different from the shareholdings filed with the Stock Exchange.

4. OTHER INFORMATION

Save as disclosed above and in the section headed “Directors’ and Chief Executive’s Interests and Short Positions” below, at the end of Reporting Period, the Directors were not aware of any other persons, other than Directors and chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register of substantial shareholders required to be kept by the Company pursuant to section 336 of the SFO.

2. Directors’ and Chief Executive’s Interests and Short Positions

As at the end of the Reporting Period, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken, under such provisions of the SFO), or recorded in the register required to be kept by the Company under section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were set out below:

The Company

Names of directors	Nature of interests	Number of shares	Long/short positions	Approximate percentage of shareholdings
Mr. Zhou Xiaochuan (note 1)	Beneficial owner	783,000	Long positions	0.04%
	Interests held jointly with another person	474,471,318	Long positions	25.97%
	Subtotal	475,254,318		26.02%
Mr. Wang Chunjian (note 1)	Beneficial owner	100,000	Long positions	0.01%
	Interests held jointly with another person	475,154,318	Long positions	26.01%
	Subtotal	475,254,318		26.02%

4. OTHER INFORMATION

Names of directors	Nature of interests	Number of shares	Long/short positions	Approximate percentage of shareholdings
Mr. Liu Tiantian (note 1)	Beneficial owner	2,487,939	Long positions	0.14%
	Interests held jointly with another person	472,766,379	Long positions	25.88%
	Subtotal	475,254,318		26.02%
Mr. Ma Wei (note 1)	Beneficial owner	2,541,127	Long positions	0.14%
	Interests held jointly with another person	472,713,191	Long positions	25.88%
	Subtotal	475,254,318		26.02%
Ms. Liao Dan (note 2)	Interest of spouse	475,254,318	Long positions	26.02%

Notes:

- Mr. Zhou Xiaochuan, Mr. Wang Chunjian, Mr. Liu Tiantian and Mr. Ma Wei are Parties Acting in Concert. Accordingly, Mr. Zhou Xiaochuan, Mr. Wang Chunjian, Mr. Liu Tiantian and Mr. Ma Wei are deemed to be interested in the Shares in which (i) Conch Cement and its wholly owned subsidiary Conch International Holdings (HK) Limited hold 387,523,500 Shares, (ii) Li Qunfeng holds 2,050,000 Shares, (iii) Zhou Xiaochuan holds 783,000 Shares, (iv) Wang Chunjian holds 100,000 Shares, (v) Guo Dan holds 32,725,000 Shares, (vi) Yan Zi holds 35,033,752 Shares, (vii) Ji Xian holds 10,080,000 Shares, (viii) Liu Tiantian holds 2,487,939 Shares, (ix) Ma Wei holds 2,541,127 Shares and (x) Wang Jingqian holds 1,930,000 Shares are interested.
- Ms. Liao Dan is deemed to be interested in the Shares held by Mr. Wang Jingqian, the spouse of Ms. Liao Dan and one of the Parties Acting in Concert. Mr. Wang Jingqian is deemed to be interested in the Shares in which (i) Conch Cement and its wholly owned subsidiary Conch International Holdings (HK) Limited hold 387,523,500 Shares, (ii) Li Qunfeng holds 2,050,000 Shares, (iii) Zhou Xiaochuan holds 783,000 Shares, (iv) Wang Chunjian holds 100,000 Shares, (v) Guo Dan holds 32,725,000 Shares, (vi) Yan Zi holds 35,033,752 Shares, (vii) Ji Xian holds 10,080,000 Shares, (viii) Liu Tiantian holds 2,487,939 Shares, (ix) Ma Wei holds 2,541,127 Shares and (x) Wang Jingqian holds 1,930,000 Shares are interested.

Associated corporations of the Company

Names of directors	Names of the associated corporations	Nature of interests	Number of shares	Long/short positions	Approximate percentage of shares by class	Approximate total percentage of shareholdings
Mr. Liu Tiantian	Conch Material Technology	Beneficial owner	120,000 (H shares)	Long positions	0.06%	0.02%

4. OTHER INFORMATION

Save as disclosed above, as at the end of the Reporting Period, there were no interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken, under such provisions of the SFO), or recorded in the register required to be kept by the Company under section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(III) PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined in the Listing Rules)).

As at the end of the Reporting Period, the Company did not hold any treasury shares (including any treasury shares held or deposited in CCASS (as defined in the Listing Rules)).

(IV) CHANGE IN DIRECTORS AND DIRECTORS' INFORMATION

During the Reporting Period, details of changes in Directors and information of Directors were as follows:

1. Mr. LI Qunfeng has resigned as the Chairman of the Board, non-executive Director, Chairman of the Strategy, Sustainability and Risk Management Committee and member of the Remuneration and Nomination Committee with effect from 3 April 2026;
2. Mr. ZHOU Xiaochuan has been appointed as the Chairman of the Board, executive Director, Chairman of the Strategy, Sustainability and Risk Management Committee and member of the Remuneration and Nomination Committee with effect from 3 April 2026;
3. Mr. FAN Zhan has resigned as the executive Director with effect from 3 April 2026;
4. Mr. LIU Tiantian has been appointed as the non-executive Director with effect from 3 April 2026;
5. The authorized representative and process agent of the Company has changed from Mr. LI Qunfeng and Mr. WANG Chunjian to Mr. ZHOU Xiaochuan and Ms. LIAO Dan with effect from 3 April 2026.
6. Mr. LYU Wenbin has resigned as Director, secretary of the Party Committee and president of Hunan South Cement Group Company Limited (湖南南方水泥集團有限公司) with effect from 25 May 2026 and has been appointed as senior specialist of Tianshan Material.

4. OTHER INFORMATION

During the period from the end of the Reporting Period up to the Latest Practicable Date, details of changes in Directors and information of Directors of the Company are set out as follows:

1. Mr. DING Wenjiang has resigned as the independent non-executive Director, Chairman of the Remuneration and Nomination Committee, member of the Audit Committee and member of the Strategy, Sustainability and Risk Management Committee with effect from 26 August 2026;
2. Mr. WANG Meng has been appointed as the independent non-executive Director, Chairman of the Remuneration and Nomination Committee, member of the Audit Committee and member of the Strategy, Sustainability and Risk Management Committee with effect from 26 August 2026.

Save as disclosed above, there was no change in Directors and information of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

(V) SHARE SCHEME

The Company had no share scheme within the meaning of Chapter 17 of the Listing Rules since its inception.

(VI) CORPORATE GOVERNANCE

The Company is committed to achieving high standard of corporate governance in order to protect the interests of the Shareholders and improve corporate value and accountability. The Company acknowledges the importance of the Board in effectively leading and managing the business of the Company and ensuring the transparency and accountability of the Company's operation.

The Company has adopted the Corporate Governance Code set out in Appendix C1 to the Listing Rules as the corporate governance code of the Company. The Board has confirmed that, during the Reporting Period, the Company complied with the principles and all applicable code provisions of the Corporate Governance Code, and operated in a standardised manner. The Company has further refined the corporate governance structure and enhanced its corporate governance under the guidance of the regulatory documents including the Listing Rules and the Articles of Association.

(VII) MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code for dealing in securities of the Company by the Directors. Having made specific enquiries by the Company, all Directors confirmed that they complied with requirements of the Model Code during the Reporting Period.

4. OTHER INFORMATION

(VIII) AUDIT COMMITTEE

As at the end of the Reporting Period, the Audit Committee comprises Mr. Ding Wenjiang, Ms. Wang Jiafen and Ms. Li Chen, being the independent non-executive Directors. Ms. Wang Jiafen is the chairlady of the Audit Committee. The primary duties of the Audit Committee of the Company are to make recommendations to the Board on the appointment and dismissal of the external auditor; to review the financial statements report and information; to provide advice and oversight in respect of financial reporting; and to consider any significant or unusual matters and report to the Board for consideration. The Terms of Reference of the Audit Committee of the Board of the Company clearly defines the duties and rules of the Audit Committee.

The Audit Committee has reviewed the unaudited interim results and interim report of the Company for the six months ended 30 June 2026. The Audit Committee has no disagreement with the accounting treatment methods adopted by the Company.

(IX) REMUNERATION AND NOMINATION COMMITTEE

As at the end of the Reporting Period, the Remuneration and Nomination Committee comprises Mr. Zhou Xiaochuan (Chairman of the Board and an executive Director), Mr. Ding Wenjiang, Ms. Wang Jiafen and Ms. Li Chen (independent non-executive Directors). Mr. Ding Wenjiang is the chairman of the Remuneration and Nomination Committee. The primary functions of the Remuneration and Nomination Committee are to make recommendation to the Board on the overall remuneration policy and the structure relating to all Directors and senior management of the Group; to make recommendation to the Board on the remuneration packages for each of the executive Directors and senior management; to review performance-based remuneration and ensure none of the Directors participate in deciding their own remuneration; to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually; to assist the Board in maintaining a board skills matrix; to make recommendation to the Board on any proposed changes to the Board to complement the Company's corporate strategy; to identify and select individuals suitably qualified as potential Board members or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of independent non-executive Directors; and to make recommendations to the Board on the appointment or reappointment of Directors and succession planning of Directors, in particular that of the chairman/chief executive officer/general manager; and to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; to assist the Company in periodically evaluating the performance of the Board. The Terms of Reference of the Remuneration and Nomination Committee of the Board of the Company clearly defines the duties and rules of the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee of the Company has established the Board diversity policy, whereby setting forth principles adopted to realize the Board diversity.

4. OTHER INFORMATION

(X) STRATEGY, SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

As at the end of the Reporting Period, the Strategy, Sustainability and Risk Management Committee comprises Mr. Zhou Xiaochuan (Chairman of the Board and an executive Director), Mr. WANG Chunjian (an executive Director and General Manager), Mr. LYU Wenbin (a non-executive Director) and Mr. Ding Wenjiang (an independent non-executive Director). Mr. Zhou Xiaochuan is the chairman of the Strategy, Sustainability and Risk Management Committee. The Strategy, Sustainability and Risk Management Committee is mainly responsible for formulating the mid and long-term planning of development strategies of the Group, considering and making recommendations on policies for the sustainable development, monitoring and reviewing the implementation of strategic development plans and policies related to sustainable development, overseeing and reviewing the risk management and internal control and management system, and assisting the Board in fulfilling its management and supervision responsibilities related to the sustainable development of the Group. The Terms of Reference of the Strategy, Sustainability and Risk Management Committee of the Board of the Company clearly defines the duties and rules of the Strategy, Sustainability and Risk Management Committee.

(XI) PROPERTY, PLANT AND EQUIPMENT

As at the end of the Reporting Period, the property, plant and equipment of the Group amounted to approximately RMB7,162.71 million. Details of the changes in property, plant and equipment of the Group during the Reporting Period are set out in note 9 to the financial statements. As disclosed on pages 179 to 186 of the Listing Document of the Company, as of the latest practicable date (i.e. 13 March 2022), we had not obtained the land use right certificates for the land occupied by eight properties with a total gross floor area of 39,133.8 square meters (the “**Relevant Lands**”). Details of the Relevant Lands, including but not limited to the use, reasons for non-compliance, rectification status and expected time to obtain the real property ownership certificates, are disclosed in the table on pages 179 to 182 of the Listing Document. The Group obtained the land use right certificate and the real property ownership certificate of the Property No. 2 in March 2022 and October 2023, respectively. The progress of other properties is as follows:

- (1) Progress of Property No. 1: The cement company supplier has granted the Group the preemptive right to acquire the relevant land use right. At present, the cement company supplier is applying for land use right certificates for all the land within its plant. Upon obtaining the relevant land use rights, it will transfer them to the Group. The Group expects that the expected time to obtain the land use right certificates for Property No. 1 among the Relevant Lands is December 2027 or before.

4. OTHER INFORMATION

- (2) Progress of Property No. 3: In view of the delay in the completion of consideration and approval procedure of change in the land use right for the competent governmental authority, the Group expects that the expected time to obtain the land use right certificates for Property No. 3 will be December 2027 or before.
- (3) Progress of Property No. 4: The Group obtained the land use right certificate for Property No. 4 among the Relevant Lands on 23 June 2025, which has a gross site area of 5,994.73 sq.m., for a term commencing from 23 June 2025 to 20 June 2057. In view of the delay in the completion of consideration and approval procedure of change in the land use right for the competent governmental authority, the Group is preparing the necessary materials for the processing of the real property ownership certificate of the property, the Group expects that the expected time to obtain the real property ownership certificate for the property will be December 2027 or before.
- (4) Progress of Property No. 5: The Group obtained the land use right certificate for Property No. 5 among the Relevant Lands on 19 September 2022, whose gross site area was adjusted from 27,240 sq.m. to 123,969 sq.m. due to the expansion and new construction of the project, for a term commencing from 19 September 2022 to 25 November 2071 with an estimated gross floor area of 60,293 sq.m.. In view of the expansion and new construction of the project, and additional time required for the local government to complete the internal administrative process, the Group expects that the expected time to obtain the real property ownership certificate of the property will be December 2027 or before.
- (5) Progress of Property No. 6 and Property No. 7: As the suppliers of the cement company are in the process of fulfilling the commercial decision-making procedures regarding the transfer of the relevant land use rights, the Group expects that the expected time to obtain the land use right certificates for Property No. 6 and No. 7 among the Relevant Lands will be December 2027 or before.
- (6) Progress of Property No. 8: The Group obtained the land use right certificate for Property No. 8 among the Relevant Lands on 24 June 2022, which has a gross site area of 10,636.19 sq.m., for a term commencing from 17 January 2011 to 16 January 2061 with an estimated gross floor area of 3,456 sq.m.. In view of the delay in the completion of project completion examination, the Group expects that the expected time to obtain the real property ownership certificate of the property will be December 2027 or before.

The Company will take proactive actions to obtain land use right certificates of the Relevant Lands and the real property ownership certificates.

4. OTHER INFORMATION

(XII) MATERIAL EVENTS SUBSEQUENT TO THE REPORTING PERIOD

During the period from the end of the Reporting Period up to the Latest Practicable Date, there has been no material event affecting the Group that require to be disclosed.

On behalf of the Board
China Conch Environment Protection Holdings Limited
ZHOU Xiaochuan
Chairman

Anhui Province, the PRC, 26 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

	Notes	Six months ended 30 June	
		2026 RMB'000	2025 RMB'000
Revenue	4	764,992	777,184
Cost of sales		(546,500)	(530,931)
Gross profit		218,492	246,253
Other income	5	1,467	37,756
Distribution costs		(49,162)	(58,740)
Administrative expenses		(146,730)	(150,981)
Impairment loss on trade and bills receivables	6(b)	(2,917)	(9,528)
Profit from operations		21,150	64,760
Finance costs	6(a)	(50,738)	(60,902)
Share of profits and losses of associates	10	966	(1,195)
(Loss)/Profit before taxation	6	(28,622)	2,663
Income tax	7	(9,699)	(11,696)
Loss for the period		(38,321)	(9,033)
Attributable to:			
Equity shareholders of the Company		(17,935)	4,325
Non-controlling interests		(20,386)	(13,358)
Loss for the period		(38,321)	(9,033)
(Loss)/Earnings per share	8		
— Basic (RMB cents)		(0.98)	0.24
— Diluted (RMB cents)		(0.98)	0.24

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Loss for the period	(38,321)	(9,033)
Other comprehensive income for the year (after tax and reclassification adjustments)	—	—
Total comprehensive income for the period	(38,321)	(9,033)
Attributable to:		
Equity shareholders of the Company	(17,935)	4,325
Non-controlling interests	(20,386)	(13,358)
Total comprehensive income for the period	(38,321)	(9,033)

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

		At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
	Notes		
Non-current assets			
Property, plant and equipment	9	7,162,711	7,233,781
Right-of-use assets	9	313,574	317,607
Intangible assets	9	104,779	112,833
Goodwill		10,254	10,254
Interests in associates	10	35,990	35,024
Non-current portion of trade and other receivables and other assets	11	174,763	179,616
Deferred tax assets		30,241	30,352
		7,832,312	7,919,467
Current assets			
Inventories		27,947	20,695
Trade and other receivables and other assets	11	806,988	846,609
Restricted bank deposits	12	37,355	55,426
Bank deposits with original maturity over three months	12	72,000	84,000
Cash and cash equivalents	12	247,239	437,788
		1,191,529	1,444,518
Current liabilities			
Loans and borrowings	13	869,547	713,946
Trade and other payables	14	1,152,874	1,338,017
Contract liabilities		21,194	20,631
Lease liabilities		1,362	1,519
Income tax payables		384	938
		2,045,361	2,075,051
Net current liabilities		(853,832)	(630,533)
Total assets less current liabilities		6,978,480	7,288,934

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

	Notes	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current liabilities			
Loans and borrowings	13	1,140,862	1,407,330
Long-term payables		3,381	6,761
Unsecured medium-term notes ("MTN")		2,500,000	2,500,000
Lease liabilities		11,929	11,569
Deferred tax liabilities		25,106	27,052
Deferred income		25,766	26,219
		3,707,044	3,978,931
Net assets		3,271,436	3,310,003
Capital and reserves	15		
Share capital		14,837	14,837
Reserves		2,686,781	2,704,716
Equity attributable to equity shareholders of the Company		2,701,618	2,719,553
Non-controlling interests		569,818	590,450
Total equity		3,271,436	3,310,003

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the six months ended 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

	Attributable to equity shareholders of the Company						Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Capital reserves RMB'000	PRC statutory reserves RMB'000	Retained earnings RMB'000	Sub-total RMB'000		
Balance at 1 January 2025	14,837	1,132,835	(156,918)	282,096	1,675,130	2,947,980	710,944	3,658,924
Changes in equity for the six months ended 30 June 2025:								
Profit/(loss) for the period	–	–	–	–	4,325	4,325	(13,358)	(9,033)
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	4,325	4,325	(13,358)	(9,033)
Non-controlling interests arising from establishment of a subsidiary	–	–	–	–	–	–	2,250	2,250
Capital contribution by non-controlling interests	–	–	–	–	–	–	9,825	9,825
Disposal of subsidiaries with non-controlling interests	–	–	–	–	–	–	(1,146)	(1,146)
Profit distribution to non-controlling interests	–	–	–	–	–	–	(11,221)	(11,221)
Balance at 30 June 2025	14,837	1,132,835	(156,918)	282,096	1,679,455	2,952,305	697,294	3,649,599

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the six months ended 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

	Attributable to equity shareholders of the Company						Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Capital reserves RMB'000	PRC statutory reserves RMB'000	Retained earnings RMB'000	Sub-total RMB'000		
Balance at 1 January 2026	14,837	1,132,835	(156,918)	287,313	1,441,486	2,719,553	590,450	3,310,003
Changes in equity for the six months ended 30 June 2026:								
Loss for the period	-	-	-	-	(17,935)	(17,935)	(20,386)	(38,321)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	(17,935)	(17,935)	(20,386)	(38,321)
Non-controlling interests arising from establishment of a subsidiary	-	-	-	-	-	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	-	-	-
Profit distribution to non-controlling interests	-	-	-	-	-	-	(246)	(246)
Balance at 30 June 2026	14,837	1,132,835	(156,918)	287,313	1,423,551	2,701,618	569,818	3,271,436

The accompanying notes form part of the interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 June 2026 — unaudited
(Expressed in Renminbi yuan)

		Six months ended 30 June	
	Note	2026	2025
		RMB'000	RMB'000
Operating activities:			
Cash generated from operations		92,344	283,995
Tax paid		(12,088)	(15,782)
Net cash generated from operating activities		80,256	268,213
Investing activities:			
Payment for purchase of property, plant and equipment, construction in progress and intangible assets		(130,753)	(176,171)
Proceeds from disposal of property, plant and equipment		3,626	465
Payment for purchase of right-of-use assets		—	(1,993)
Payments for maturity of bank deposits over three months		—	(10,000)
Proceeds from maturity of bank deposits over three months		12,000	—
Other cash flows arising from investing activities		1,296	2,964
Net cash used in investing activities		(113,831)	(184,735)
Financing activities:			
Proceeds from loans and borrowings		268,151	367,255
Repayment of loans and borrowings		(378,561)	(1,133,017)
Proceeds from unsecured MTN issuance		—	1,000,000
Interest paid		(45,446)	(45,116)
Capital contribution from non-controlling interests		—	12,075
Profit distribution to non-controlling interests		—	(11,345)
Other cash flows used in financing activities		(1,118)	(2,923)
Net cash used in/generated from financing activities		(156,974)	186,929
Net (decrease)/increase in cash and cash equivalents		(190,549)	270,407
Cash and cash equivalents at 1 January		437,788	345,622
Cash and cash equivalents at 30 June	12	247,239	616,029

The accompanying notes form part of interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 GENERAL INFORMATION

China Conch Environment Protection Holdings Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands with limited liability under the Cayman Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 30 March 2022 (the “Listing”).

The Company and its subsidiaries (together the “Group”) principally provide treatment solutions for industrial solid waste and hazardous waste, utilizing cement kiln waste treatment technologies in the People’s Republic of China (the “PRC”).

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 26 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of Interim Financial Information is in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRSs.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

2 BASIS OF PREPARATION *(Continued)*

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The company has delivered the 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 Companies Ordinance.

The company's auditor has reported on those financial statements. 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 (3) of the Companies Ordinance.

The Interim Financial Information has been prepared assuming the Group will continue as a going concern notwithstanding that the Group recorded net current liabilities of RMB853,832,000 as at 30 June 2026. The directors have reviewed the current financial performance and working capital forecast as part of their assessment of the Group's ability to continue as a going concern, and after carefully considering the matters described below, the directors have a reasonable expectation that the Group is able to continue as a going concern for at least the next twelve months from 30 June 2026 to meet its obligations, as and when they fall due, having regard to the following:

- (1) the Group generated net cash inflows from operating activities of approximately RMB80.26 million during the six-month period ended 30 June 2026 and expects to continue to improve its working capital management and generate positive operating cash flows for the next twelve months.
- (2) the Group has the ability to obtain new banking and other financing facilities as well as borrowings and has the ability to renew or refinance the banking facilities upon maturity and obtain other borrowings. As at the date of this report, the Group had available unutilised banking facilities of RMB3.07billion;

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

2 BASIS OF PREPARATION *(Continued)*

- (3) Anhui Conch Environment Group Co., Ltd. (“Conch Environment Group”), a subsidiary of the Company, has been approved to apply for the registration and issuance of unsecured MTNs with a total amount of no more than RMB3 billion, valid for two years from the date of completion of registration on 25 July 2024. On August 7, 2024, the first tranche of RMB1.5 billion in medium-term notes was issued. On April 25, 2025, the second tranche of RMB1.0 billion in medium-term notes was issued.

Consequently, the directors have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Group’s ability to continue as a going concern.

The interim financial report is unaudited, but has been reviewed by the Audit Committee of the Company.

3 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period’s financial information.

- | | |
|---|---|
| • Amendments to IFRS 9 and IFRS 7 | • <i>Amendments to the Classifications and Measurement of Financial Instruments</i> |
| • Amendments to IFRS 9 and IFRS 7 | • <i>Contracts Referencing Nature-dependent electricity</i> |
| • Annual Improvements to IFRS Accounting Standards —Volume 11 | • <i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7</i> |

The amended IFRS Accounting Standards that are effective from 1 January 2026 did not have any significant impact on the Group’s accounting policies and the interim condensed consolidated financial information.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are provision of treatment solutions for industrial solid waste and hazardous waste.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by each significant category for the six months ended 30 June 2026 and 30 June 2025 recognised in the consolidated statements of profit or loss are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS15, recognised over time		
Solid and hazardous waste solutions		
Industrial solid waste treatment services	172,181	185,265
Industrial hazardous waste treatment services		
— General hazardous waste	359,970	395,276
— Oil sludge	44,576	58,312
— Fly ash	69,766	43,966
	646,493	682,819
Revenue from contracts with customers within the scope of IFRS15, recognised at point in time		
Solid and hazardous waste solutions		
— Comprehensive resource utilization	118,499	94,365
	764,992	777,184

For the six months ended 30 June 2026, there was no customer from which revenue accounted for 10% or more of the Group's revenue.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

4 REVENUE AND SEGMENT REPORTING *(Continued)*

(b) Segment reporting

(i) Services from which reportable segments derive their revenue

Information reported to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance is more focused on the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance on industrial solid and hazardous waste solutions. Resources are allocated based on what is beneficial for the Group in enhancing its industrial solid and hazardous waste solutions activities as a whole rather than any specific service. Performance assessment is based on the results of the Group as a whole. Therefore, management considers there is only one operating segment under the requirements of IFRS 8, Operating segments.

(ii) Geographic information

The geographical location of revenue is based on the selling location. All of the Group's revenue from external customers is from the PRC. The geographical location of the specified non-current assets (primarily property, plant and equipment, right-of-use assets, intangible assets, goodwill, interests in associates) is based on the physical location of the assets, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of interests in associates. During the Relevant Periods, substantially all of the Group's specified non-current assets are physically located in the PRC.

5 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Interest income on bank deposits	1,296	2,963
Government grants (i)	4,783	30,029
Net gain on disposal of property, plant and equipment	536	—
Others	(5,148)	4,764
	1,467	37,756

- (i) Government grants mainly represented subsidies received from local government authorities for encouraging the Group's development in the industrial solid waste solutions in the respective PRC cities.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Interest on loans and borrowings	26,989	31,087
Interest on lease liabilities	326	223
Interest on unsecured MTN	24,770	32,549
Total interest expense on financial liabilities not at fair value through profit or loss	52,085	63,859
* Less: interest expense capitalised in construction in progress	(1,347)	(2,957)
	50,738	60,902

* The borrowing costs were capitalised at rates of 2.55%–2.85% per annum for six months ended 30 June 2026 (six months ended 30 June 2025: 2.31%–3.85%).

(b) Other items:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Cost of services provided	546,500	530,931
Depreciation of owned property, plant and equipment	186,549	167,312
Depreciation of right-of-use assets	5,027	6,042
Amortisation of intangible assets	8,904	9,027
Loss allowance for trade receivables	2,917	9,528
Short-term lease payments not included in the measurement of lease liabilities	5,686	3,525

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

7 INCOME TAX

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Current tax — Hong Kong Profits Tax		
Provision for the period	—	—
Current tax — PRC Income Tax		
Provision for the period	10,528	14,572
Under provision in respect of prior years	1,006	1,556
Deferred tax:		
Origination and reversal of temporary differences, net	(1,835)	(4,432)
	9,699	11,696

- (a) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (b) The Company's subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at 16.5% of the estimated assessable profits. No provision for Hong Kong profits tax has been made for the six months ended 30 June 2026 (2025: Nil) as there were no assessable profits during the six months ended 30 June 2026 and 2025.
- (c) The provision for PRC income tax is based on a statutory rate of 25% of the assessable income of the Company's Chinese Mainland subsidiaries as determined in accordance with the relevant income tax rules and regulations of the PRC.
- (d) Pursuant to Notice No.23 issued by the State Administration of Taxation on 23 April 2020 and relevant local tax authorities' notices, certain subsidiaries are entitled to a preferential income tax rate of 15% as qualifying companies located in western areas in the PRC.
- (e) Pursuant to the PRC Enterprise Income Tax Law Implementing Regulations issued by State Council of the PRC, certain subsidiaries engaged in solid waste solutions are eligible for income tax exemption for the first three years starting from the year in which revenue is generated and 50% income tax reduction for the next three years.
- (f) The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year. As such, it may not be entirely representative of future circumstances. For the six months ended 30 June 2026, the Group does not expect a material exposure to Pillar Two income taxes

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

8 (LOSS)/EARNINGS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2026 is based on the loss attributable to shareholders of the Company for the six months ended 30 June 2026 of RMB17,935,000 (30 June 2025: profit of RMB4,325,000) and the weighted average number of ordinary shares of 1,826,765,059 in issue (30 June 2025: 1,826,765,059).

Diluted earnings per share for the six months ended 30 June 2026 and 2025 is the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued.

9 PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

(a) Acquisition and disposals of owned property, plant and equipment

During the six months ended 30 June 2026, the Group acquired items of plant and equipment amounting to RMB119,374,000. Items of plant and equipment with a net book value of RMB3,090,000 were disposed of during the six months ended 30 June 2026, resulting in a gain on disposal of RMB536,000.

(b) Right-of-use assets

Right-of-use assets represent properties leased for own use and leasehold land for own use. During the six months ended 30 June 2026, additions of right-of-use assets amounted to RMB995,000.

As at 30 June 2026, leasehold land for own use with carrying amount of RMB23,962,000 (31 December 2025: RMB24,322,000) were pledged as collaterals for certain bank loans.

(c) Intangible assets

Intangible assets consist of software, pollutant discharge permit, non-patent technology and customer relationship. During the six months ended 30 June 2026, additions of intangible assets amounted to RMB1,046,000.

10 INTERESTS IN ASSOCIATES

As at 30 June 2026, interests in associates represented share of net assets of four associates that are not individually material. For the six months period ended 30 June 2026, the Group recognised share of profits of associates in the amount of RMB966,000 in the consolidated statement of profit or loss (six months ended 30 June 2025: RMB-1,195,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

11 TRADE AND OTHER RECEIVABLES AND OTHER ASSETS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade receivables		
— Third parties	654,631	690,263
— Related parties (Note 19(b))	125,751	119,178
Bills receivable, carried at amortised cost	37,392	35,051
Bills receivable, carried at FVTOCI	17,197	19,421
Less: loss allowance	(121,412)	(118,495)
Trade and bills receivables	713,559	745,418
Other receivables		
— Deposits	16,888	16,774
— VAT recoverable	35,513	35,397
— Others	21,186	28,623
— Less: loss allowance	(1,410)	(1,410)
Prepayments	21,252	21,807
Current portion of trade and other receivables and other assets	806,988	846,609
Non-current portion of trade and other receivables and other assets	174,763	179,616
Total current and non-current trade and other receivables and other assets	981,751	1,026,225

All of the current portion of trade and other receivables are expected to be recovered within one year.

All of the amounts due from related parties are unsecured, non-interest bearing and repayable on demand.

Non-current portion of trade and other receivables mainly consist of non-current portion of VAT recoverable, which are expected to be deducted after one year.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

11 TRADE AND OTHER RECEIVABLES AND OTHER ASSETS *(Continued)*

As at 30 June 2026, the Group endorsed undue bills receivable of RMB41,180,000 (2025: RMB70,726,000) to its suppliers to settle trade payables of the same amount and derecognised these bills receivable and payables to suppliers in their entirety from statement of financial position as the Group's management considered that the risks and rewards of ownership of these undue bills have been substantially transferred. The Group's continuous involvement in these derecognised undue bills receivable is limited to when the issuance banks of these undue bills are unable to settle the amounts to the holders of these bills. As at 30 June 2026, the maximum exposure to loss from its continuous involvement represents the amount of bills receivable of RMB41,180,000 (2025: RMB70,726,000) which the Group endorsed to its suppliers. These undue bills receivable were due within six months from date of issuance.

Ageing analysis

As of the end of the reporting periods, the ageing analysis of trade receivables and bills receivable (which are included in trade and other receivables), based on the past due aging and net of loss allowance, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current	597,144	644,341
Less than 1 year	106,693	90,830
1 to 2 years	9,722	10,247
	713,559	745,418

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

12 CASH AND CASH EQUIVALENTS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at bank and on hand	356,594	577,214
Less: Restricted bank deposits (Note)	(37,355)	(55,426)
Bank deposits with original maturity over three months	(72,000)	(84,000)
Cash and cash equivalents in the consolidated statement of financial position and the consolidated cash flow statement	247,239	437,788

Note: As at 30 June 2026, restricted bank deposits of RMB37,355,000 mainly represent deposits for issuing bank acceptance bills payable (31 December 2025: RMB55,426,000).

13 LOANS AND BORROWINGS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current	869,547	713,946
Non-current	1,140,862	1,407,330
Total	2,010,409	2,121,276

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

13 LOANS AND BORROWINGS *(Continued)*

As at 30 June 2026, the bank loans and other interest-bearing borrowings were repayable as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within one year	869,547	713,946
After one year but within two years	854,711	981,785
After two years but within five years	235,965	382,229
After five years	50,186	43,316
Total	2,010,409	2,121,276

As at 30 June 2026, the loans and borrowings were secured as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Bank loans		
— Secured	134,003	165,635
— Unsecured	1,865,344	1,950,641
— Bills discounted	6,562	500
Other interest-bearing borrowings		
— Guaranteed	4,500	4,500
Total	2,010,409	2,121,276

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

14 TRADE AND OTHER PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables		
— Third parties	285,281	320,898
— Related parties (Note 19(b))	63,685	55,936
Bills payable	50,072	65,127
Trade and bills payables	399,038	441,961
Other payables and accruals		
— Construction and equipment payables	350,525	371,336
— Deposits	37,694	36,461
— Other taxes and surcharges payables	8,482	9,591
— Accrued payroll and other benefits	3,381	101,624
— Accrued expenses	74,185	81,652
— Unsecured MTNs Due within One Year	32,250	25,480
— Others	20,882	35,739
	926,437	1,103,844
Dividends payable	27,490	27,244
Amounts due to related parties (Note 19(b))		
— Construction and equipment payables	196,030	203,841
— Others	2,917	3,088
Trade and other payables	1,152,874	1,338,017

An ageing analysis of trade and bills payables of the Group is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year	399,038	441,961

The amounts due to related parties are unsecured, non interest-bearing and repayable on demand.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

15 CAPITAL, RESERVE AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of HKD nil cents per share (six months ended 30 June 2025: Nil)	—	—

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

(b) Share capital

The Company was incorporated on 2 March 2020 in the Cayman Islands as an exempted company with limited liability. Upon incorporation, the Company's authorised share capital was HK\$150,000,000 divided into 15,000,000,000 ordinary shares ("Shares") with a per value of HK\$0.01 each.

On 16 March 2022, the Board of China Conch Venture Holdings Limited ("Conch Venture", the ultimate parent company of the Company before the Company completed its spin-off from Conch Venture on 30 March 2022) declared a distribution of an aggregate of 1,826,765,059 Shares to the Qualifying Conch Venture Shareholders, representing all the issued Shares of the Company, at the capitalisation of HK\$18,267,651 (equivalent to approximately RMB14,837,000) from the share premium account of the Company.

(c) Nature and purpose of reserves

(i) Share premium and distributability of reserves

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

16 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

As at 30 June 2026, carrying amount of financial assets and liabilities measured at fair value is RMB17,197,000 (31 December 2025: RMB19,421,000).

17 COMMITMENTS

Commitments outstanding at 30 June 2026 not provided for in the interim financial report:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Contracted for	55,380	65,727
Authorised but not contracted for	110,920	212,067
	166,300	277,794

18 CONTINGENT LIABILITIES

At 30 June 2026, the Company provided guarantees for the bank loans of its subsidiaries, with a guarantee amount of RMB303,167,000 (2025: RMB340,290,000). The directors of the Company consider that the Company will not have significant risks due to such guarantees.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS

During the period, transactions with the following parties are considered as related party transactions.

Name of party (i)	Relationship
China Conch Venture Holdings Limited ("Conch Venture") 中國海螺創業控股有限公司	Major shareholder of Conch Holdings
Yanshan Conch Venture Environment Engineering Co., Ltd. 硯山海創環境工程有限責任公司	Subsidiary of Conch Venture
Yiyang Conch Venture Environment Energy Co., Ltd. 弋陽海創環境能源有限責任公司	Subsidiary of Conch Venture
Sishui Conch Venture Environment Engineering Co., Ltd. 泗水海螺創業環境工程有限責任公司	Subsidiary of Conch Venture
Shanggao Conch Venture Environmental Protection Technology Co., Ltd. 上高海創環保科技有限公司	Subsidiary of Conch Venture
XianYang Conch Venture Environment Energy Co., Ltd. 咸陽海創環境能源有限責任公司	Subsidiary of Conch Venture
Tongchuan Conch Venture Environment Energy Co., Ltd. 銅川海創環境能源有限責任公司	Subsidiary of Conch Venture
Fusui Conch Venture Environment Engineering Co., Ltd. 扶綏海創環境工程有限責任公司	Subsidiary of Conch Venture
Zongyang Conch Venture Environmental Protection Technology Co., Ltd. 縱陽海創環保科技有限公司	Subsidiary of Conch Venture

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Dexing Conch Venture Environmental Protection Technology Co., Ltd. 德興海創環保科技有限責任公司	Subsidiary of Conch Venture
Anhui Conch Kawasaki Engineering Co., Ltd. 安徽海螺川崎工程有限公司	Subsidiary of Conch Venture
Shanghai Conch Kawasaki Engineering Co., Ltd. 上海海螺川崎節能環保工程有限公司	Subsidiary of Conch Venture
Anhui Conch Venture New Energy Materials Co., Ltd. 安徽海創新能源材料有限公司	Subsidiary of Conch Venture
Wuwei Conch Venture Environmental Protection Technology Co., Ltd. 無為海創環保科技有限責任公司	Subsidiary of Conch Venture
Anhui Conch Kawasaki Energy Conservation Equipment Manufacturing Co., Ltd. 安徽海螺川崎節能設備製造有限公司	Subsidiary of Conch Venture
Anhui Conch Venture Recycling Technology Co., Ltd. 安徽海創循環科技有限公司	Subsidiary of Conch Venture
Bozhou Conch Venture New Energy-saving Building Material Co., Ltd. 亳州海創新型節能建築材料有限責任公司	Subsidiary of Conch Venture
Jiangxi Jingsheng Environmental Protection Co., Ltd. 江西景聖環保有限公司	Subsidiary of Conch Venture
Hunan Huiming Environmental Protection Technology Co., Ltd. 湖南惠明環保科技有限公司	Subsidiary of Conch Venture

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Xichou Conch Venture Energy technology Co., Ltd. 西疇海創新能源科技有限責任公司	Subsidiary of Conch Venture
Binzhou Conch Venture Environmental Protection Energy Co., Ltd. 彬州海創環保能源有限責任公司	Subsidiary of Conch Venture
Yangxian Conch Venture Environmental Protection Technology Co., Ltd. 洋縣海創環保科技有限責任公司	Subsidiary of Conch Venture
Pingliang Conch Venture Energy Technology Co., Ltd. 平涼海創能源科技有限責任公司	Subsidiary of Conch Venture
Kunming Conch Venture Environment Engineering Co., Ltd. 昆明海創環境工程有限責任公司	Subsidiary of Conch Venture
Wuhu Conch Venture Environmental Technology Co., Ltd. 蕪湖海創環境科技有限責任公司	Subsidiary of Conch Venture
Anhui Conch Cement Co., Ltd. ("Conch Cement") 安徽海螺水泥股份有限公司	The ultimate parent company
Anhui Digang Conch Cement Co., Ltd. 安徽荻港海螺水泥股份有限公司	Subsidiary of Conch Cement
Anhui Zongyang Conch Cement Co., Ltd. 安徽縱陽海螺水泥股份有限公司	Subsidiary of Conch Cement
Anhui Chizhou Conch Cement Co., Ltd. 安徽池州海螺水泥股份有限公司	Subsidiary of Conch Cement

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(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Anhui Jinggong Testing and Inspection Center Co., Ltd. 安徽精公檢測檢驗中心有限公司	Subsidiary of Conch Cement
Hainan Changjiang Conch Cement Co., Ltd. 海南昌江海螺水泥有限公司	Subsidiary of Conch Cement
Xiangshan Conch Cement Co., Ltd. 象山海螺水泥有限責任公司	Subsidiary of Conch Cement
Conch Material Trading Co., Ltd. 安徽海螺物資貿易有限責任公司	Subsidiary of Conch Cement
Anhui Zhizhi Engineering Technology Co., Ltd. 安徽智質工程技術有限公司	Subsidiary of Conch Cement
Anhui Wuhu Conch Construction and Installation Engineering Co., Ltd. 安徽蕪湖海螺建築安裝工程有限責任公司	Subsidiary of Conch Cement
Shimen Conch Cement Co., Ltd. 石門海螺水泥有限責任公司	Subsidiary of Conch Cement
Fusui Xinning Conch Cement Co., Ltd. 扶綏新寧海螺水泥有限責任公司	Subsidiary of Conch Cement
Bazhong Conch Cement Co., Ltd. 巴中海螺水泥有限責任公司	Subsidiary of Conch Cement
Tongling Conch Environmental Technology Co., Ltd. 銅陵海螺環境科技有限公司	Subsidiary of Conch Cement
Nanchang Conch Cement Co., Ltd. 南昌海螺水泥有限責任公司	Subsidiary of Conch Cement

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Ganzhou Conch Cement Co., Ltd. 贛州海螺水泥有限責任公司	Subsidiary of Conch Cement
Jinxian Conch Cement Co., Ltd. 進賢海螺水泥有限責任公司	Subsidiary of Conch Cement
Longnan Conch Cement Co., Ltd. 龍南海螺水泥有限責任公司	Subsidiary of Conch Cement
Fenyi Conch Construction Materials Co., Ltd. 分宜海螺建築材料有限責任公司	Subsidiary of Conch Cement
Jiangxi Yiyang Conch New Construction Material Co., Ltd. 江西弋陽海螺新型建材有限責任公司	Subsidiary of Conch Cement
Xingye Kuiyang Conch Cement Co., Ltd. 興業葵陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Beiliu Conch Cement Co., Ltd. 北流海螺水泥有限責任公司	Subsidiary of Conch Cement
Liangping Conch Cement Co., Ltd. 梁平海螺水泥有限責任公司	Subsidiary of Conch Cement
Pingliang Conch Cement Co., Ltd. 平涼海螺水泥有限責任公司	Subsidiary of Conch Cement
Linxia Conch Cement Co., Ltd. 臨夏海螺水泥有限責任公司	Subsidiary of Conch Cement
Fenyi Conch Cement Co., Ltd. 分宜海螺水泥有限責任公司	Subsidiary of Conch Cement
Anhui Conch IT Engineering Co., Ltd. 安徽海螺信息技術工程有限責任公司	Subsidiary of Conch Cement

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(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Jiangxi Lushan Conch Cement Co., Ltd. 江西廬山海螺水泥有限公司	Subsidiary of Conch Cement
Zhongguo Cement Co., Ltd. 中國水泥廠有限公司	Subsidiary of Conch Cement
Wuhu Conch Cement Co., Ltd. 蕪湖海螺水泥有限公司	Subsidiary of Conch Cement
Hunan Conch Cement Co., Ltd. 湖南海螺水泥有限公司	Subsidiary of Conch Cement
Yingde Conch Cement Co., Ltd. 英德海螺水泥有限責任公司	Subsidiary of Conch Cement
Linxiang Conch Cement Co., Ltd. 臨湘海螺水泥有限責任公司	Subsidiary of Conch Cement
Quanjiao Conch Cement Co., Ltd. 全椒海螺水泥有限責任公司	Subsidiary of Conch Cement
Guangyuan Conch Cement Co., Ltd. 廣元海螺水泥有限責任公司	Subsidiary of Conch Cement
Chongqing Conch Cement Co., Ltd. 重慶海螺水泥有限責任公司	Subsidiary of Conch Cement
Jiangxi Ganjiang Conch Cement Co., Ltd. 江西贛江海螺水泥有限責任公司	Subsidiary of Conch Cement
Dazhou Conch Cement Co., Ltd. 達州海螺水泥有限責任公司	Subsidiary of Conch Cement
Liquan Conch Conch Cement Co., Ltd. 禮泉海螺水泥有限責任公司	Subsidiary of Conch Cement
Qianyang Conch Cement Co., Ltd. 千陽海螺水泥有限責任公司	Subsidiary of Conch Cement

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Yangchun Conch Cement Co., Ltd. 陽春海螺水泥有限責任公司	Subsidiary of Conch Cement
Jining Conch Cement Co., Ltd. 濟寧海螺水泥有限責任公司	Subsidiary of Conch Cement
Qiyang Conch Cement Co., Ltd. 祁陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Hunan Yiyang Conch Cement Co., Ltd. 湖南益陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Suzhou Conch Cement Co., Ltd. 宿州海螺水泥有限責任公司	Subsidiary of Conch Cement
Guangyuan Conch Plastic Packaging Co., Ltd. 廣元海螺塑膠包裝有限責任公司	Subsidiary of Conch Cement
Guiyang Conch Panjiang Cement Co., Ltd. 貴陽海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Guiding Conch Panjiang Cement Co., Ltd. 貴定海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Zunyi Conch Panjiang Cement Co., Ltd. 遵義海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Longan Conch Cement Co., Ltd. 隆安海螺水泥有限責任公司	Subsidiary of Conch Cement
Qianxian Conch Cement Co., Ltd. 乾縣海螺水泥有限責任公司	Subsidiary of Conch Cement
Anhui Conch Siam Refractory Material Co., Ltd. 安徽海螺暹羅耐火材料有限公司	Subsidiary of Conch Cement

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Tongren Conch Panjiang Cement Co., Ltd. 銅仁海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Wenshan Conch Cement Co., Ltd. 文山海螺水泥有限責任公司	Subsidiary of Conch Cement
Anhui Xuancheng Conch Cement Co., Ltd. 安徽宣城海螺水泥有限公司	Subsidiary of Conch Cement
Baoji Conch Plastic Packaging Co., Ltd. 寶雞海螺塑膠包裝有限責任公司	Subsidiary of Conch Cement
Chaohu Conch Cement Co., Ltd. 巢湖海螺水泥有限責任公司	Subsidiary of Conch Cement
Shaanxi Tongchuan Fenghuang Building Material Co., Ltd. 陝西銅川鳳凰建材有限公司	Subsidiary of Conch Cement
Chongqing Conch Material Trading Co., Ltd. 重慶海螺物資貿易有限責任公司	Subsidiary of Conch Cement
Yiyang Conch Cement Co., Ltd. 弋陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Wuhu Conch Plastic Products Co., Ltd. 蕪湖海螺塑膠製品有限公司	Subsidiary of Conch Cement
Anhui Ningchang Plastic Packaging Co., Ltd. 安徽寧昌塑膠包裝有限公司	Subsidiary of Conch Cement
Jiangxi Haizhong Trading Co., Ltd. 江西海中貿易有限責任公司	Subsidiary of Conch Cement
Guangdong Qingxin Cement Co., Ltd. 廣東清新水泥有限公司	Subsidiary of Conch Cement

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Ninghai Qiangjiao Conch Cement Co., Ltd. 寧海強蛟海螺水泥有限公司	Subsidiary of Conch Cement
Jiande Conch Cement Co., Ltd. 建德海螺水泥有限責任公司	Subsidiary of Conch Cement
Xing'an Conch Cement Co., Ltd. 興安海螺水泥有限責任公司	Subsidiary of Conch Cement
Shanghai Conch Logistic Co., Ltd. 上海海螺物流有限公司	Subsidiary of Conch Cement
Anhui Tongling Conch Cement Co., Ltd. 安徽銅陵海螺水泥有限公司	Subsidiary of Conch Cement
Anhui Huaining Conch Cement Co., Ltd. 安徽懷寧海螺水泥有限公司	Subsidiary of Conch Cement
Shuicheng Conch Panjiang Cement Co., Ltd. 水城海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Anhui Conch Building Materials Design and Research Institute Co., Ltd. 安徽海螺建材設計研究院有限責任公司	Subsidiary of Conch Cement
Fengyang Conch Photovoltaic Technology Co., Ltd. 鳳陽海螺光伏科技有限公司	Subsidiary of Conch Cement
Xuancheng Conch Building Photovoltaic Technology Co., Ltd. 宣城海螺建築光伏科技有限公司	Subsidiary of Conch Cement
Guangdong Conch Hongfeng Cement Co., Ltd. 廣東海螺鴻豐水泥有限公司	Subsidiary of Conch Cement

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Guangdong Qingyuan Guangying Cement Co., Ltd. 廣東清遠廣英水泥有限公司	Subsidiary of Conch Cement
Yingde Conch Plastic Packaging Co., Ltd. 英德海螺塑膠包裝有限責任公司	Subsidiary of Conch Cement
Guizhou Liukuangruian Cement Co., Ltd. 貴州六礦瑞安水泥有限公司	Subsidiary of Conch Cement
Changjiang Conch Huangsheng Plastic Packaging 昌江海螺華盛塑膠包裝有限公司	Subsidiary of Conch Cement
Guiding Conch Plastic Packaging Co., Ltd. 貴定海螺塑膠包裝有限責任公司	Subsidiary of Conch Cement
Shuangfeng Conch Cement Co., Ltd. 雙峰海螺水泥有限公司	Subsidiary of Conch Cement
Anhui Conch Kawasaki Equipment Manufacturing Co., Ltd. ("CKEM") 安徽海螺川崎裝備製造有限公司	Joint venture of Conch Cement
Huaibei Xiangshan Cement Company Limited 淮北相山水泥有限責任公司	Joint venture of Conch Cement
Anhui Conch Holdings Co., Ltd. ("Conch Holdings") 安徽海螺集團有限責任公司	Parent of Conch Cement
Wuhu Conch International Hotel Co., Ltd. 蕪湖海螺國際大酒店有限公司	Subsidiary of Conch Holdings
Yingde Conch International Hotel Co., Ltd. 英德海螺國際大酒店有限公司	Subsidiary of Conch Holdings

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Anhui Conch Biomass Energy Technology Co., Ltd. 安徽海螺生物質能科技有限公司	Subsidiary of Conch Holdings
Wuhu Conch Property Service Co., Ltd. 蕪湖海螺物業服務有限責任公司	Subsidiary of Conch Holdings
Anhui Antailixin Engineering Management Co., Ltd. 安徽安天利信工程管理股份有限公司	Subsidiary of Conch Holdings
Conch (Anhui) Energy Saving and Environment Protection New Material Co., Ltd. ("Conch New Materials") 海螺(安徽)節能環保新材料股份有限公司	Subsidiary of Conch Holdings
Anhui Haixin Mineralization Materials Technology Co., Ltd. 安徽海鑫礦化材料科技有限公司	Subsidiary of Conch Holdings
Anhui Conch Material Technology Co., Ltd. ("Conch Material Technology") 安徽海螺材料科技股份有限公司	Subsidiary of Conch Holdings
Tongling Conch New Material Technology Co., Ltd. 銅陵海螺新材料科技有限公司	Subsidiary of Conch Material Technology
Guigang Conch TCC New Material Technology Co., Ltd. 貴港海螺台泥新材料科技有限公司	Subsidiary of Conch Material Technology
Xianyang Conch New Material Technology Co., Ltd. 咸陽海螺新材料科技有限公司	Subsidiary of Conch Material Technology
Wuhu Conch Extrusion Equipment Cos., Ltd. 蕪湖海螺擠出裝備有限公司	Subsidiary of Conch New Materials

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Wuhu Conch Ecological Home Technology Co., Ltd. 蕪湖海螺生態家居科技有限公司	Subsidiary of Conch New Materials
Yingde Conch Profiles Co., Ltd. 英德海螺型材有限責任公司	Subsidiary of Conch New Materials
Baoji Conch Profiles Co., Ltd. 寶雞海螺型材有限責任公司	Subsidiary of Conch New Materials
Henan Conch Songji New Materials Co., Ltd. 河南海螺嵩基新材料有限公司	Subsidiary of Conch New Materials
Anhui Conch Resource Comprehensive Utilization Technology Co., Ltd. 安徽海螺資源綜合利用科技有限公司	Subsidiary of Conch New Materials
Guangxi Conch Environment Technology Co., Ltd. 廣西海螺環境科技有限公司	Subsidiary of Conch New Materials
Chengdu Conch Profile Co., Ltd. 成都海螺型材有限責任公司	Subsidiary of Conch New Materials
Henan Kangningte Environmental Protection Technology CO.,Ltd. 河南康寧特環保科技股份有限公司	Subsidiary of Conch New Materials
Shandong Conch Profile Co., Ltd. 山東海螺型材有限責任公司	Subsidiary of Conch New Materials

(i) The English translation of the names is for reference only. The official names of these entities are in Chinese.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

(a) Significant related party transactions

Particulars of significant transactions between the Group and the above related parties during the period are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Goods sold to:		
Conch Holdings and its subsidiaries	9	–
Conch Cement and its subsidiaries	64,415	43,353
	64,424	43,353
Service rendered to:		
CKEM	–	22
Conch Holdings and its subsidiaries	1,337	6
Conch New Material and its subsidiaries	1,643	187
Conch Cement and its subsidiaries	16,371	12,442
Associates of the Group	148	1,043
Conch Venture and its subsidiaries	2,768	1,812
	22,267	15,512
Purchase of goods from:		
Conch Venture and its subsidiaries	3,603	4,892
CKEM	–	13
Conch Cement and its subsidiaries	2,579	3,402
Conch Cement's associates	2	–
	6,184	8,307
Services received from:		
Conch Holdings and its subsidiaries	3,491	6,289
Conch Cement and its subsidiaries	29,966	38,432
Conch Cement's associates	73	1,457
Conch Venture and its subsidiaries	747	1,011
	34,277	47,189

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

(b) Balances with related parties

Balances with related parties at the end of each reporting period are as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade receivables:		
Conch Venture and its subsidiaries	61,978	61,753
Conch Holdings and its subsidiaries	147	164
Conch Cement and its subsidiaries	63,151	56,960
Conch New Materials and its subsidiaries	474	300
Conch Material Technology and its subsidiaries	1	1
	125,751	119,178
Other receivables (non-trade):		
Conch Cement and its subsidiaries	–	386
A joint venture of Conch Cement	–	100
Conch Holdings and its subsidiaries	–	25
	–	511
Trade payables:		
Conch Cement and its subsidiaries	63,130	52,601
A joint venture of Conch Cement	–	2,862
Conch Holdings and its subsidiaries	353	397
Conch New Materials and its subsidiaries	4	71
Conch Venture and its subsidiaries	198	–
Conch Material Technology and its subsidiaries	–	5
	63,685	55,936

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

(b) Balances with related parties *(Continued)*

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Other payables (non-trade):		
Conch Venture and its subsidiaries	196,030	199,410
Conch Cement and its subsidiaries	804	4,431
Conch Holdings and its subsidiaries	2,113	3,088
	198,947	206,929
Dividends payable to the then-shareholder of acquired subsidiary:		
Conch Venture and its subsidiaries	27,182	27,182

20 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the reporting period that require additional disclosure or adjustments.