



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)



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 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
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

DEFINITIONS

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
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 Takeovers Code, including but not limited to Conch Venture, Qi Shengli (齊生立), Li Qunfeng (李群峰), Wang Chunjian (汪純健), Guo Dan (郭丹), Yan Zi (晏滋), Ji Xian (紀憲), Ma Wei (馬偉) and Wang Jingqian (王敬謙)
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 2025 to 30 June 2025
RMB:	the lawful currency of the PRC
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)

DEFINITIONS

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)
West Cement:	中國西部水泥有限公司 (West China Cement Limited*), a company listed on the Stock Exchange (stock code: 2233)
Takeovers Code:	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong (as amended, supplemented or otherwise modified from time to time)

* 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. WANG Chunjian (<i>General Manager</i>) Ms. LIAO Dan Mr. FAN Zhan
(III) NON-EXECUTIVE DIRECTORS:	Mr. LI Qunfeng (<i>Chairman of the Board</i>) Mr. LYU Wenbin (Appointed on 24 March 2025) Mr. MA Wei Mr. JIANG Dehong (Resigned on 24 March 2025)
(IV) INDEPENDENT NON-EXECUTIVE DIRECTORS:	Mr. DING Wenjiang Ms. WANG Jiafen Ms. LI Chen
(V) AUDIT COMMITTEE:	Ms. WANG Jiafen (<i>Chairlady</i>) Mr. DING Wenjiang Ms. LI Chen
(VI) REMUNERATION AND NOMINATION COMMITTEE:	Mr. DING Wenjiang (<i>Chairman</i>) Mr. LI Qunfeng Ms. WANG Jiafen Ms. LI Chen
(VII) STRATEGY, SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE:	Mr. LI Qunfeng (<i>Chairman</i>) Mr. WANG Chunjian Mr. DING Wenjiang Mr. LYU Wenbin (Appointed on 24 March 2025) Mr. JIANG Dehong (Resigned on 24 March 2025)
(VIII) JOINT COMPANY SECRETARIES:	Ms. LIAO Dan Mr. LEE Leong Yin
(IX) AUTHORISED REPRESENTATIVES:	Mr. LI Qunfeng Mr. WANG Chunjian

1. CORPORATE INFORMATION

(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 Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
(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 2025)

1. Operation results

Item	January– June 2025 Amount (RMB'000)	January– June 2024 Amount (RMB'000)	Changes between the Reporting Period and the corresponding period of the previous year (%)
Revenue	777,184	804,007	–3.34
Profit before taxation	2,663	108,968	–97.56
(Loss)/profit for the period	–9,033	92,304	–109.79
Net profit attributable to the equity shareholders of the Company	4,325	82,141	–94.73

2. Assets and liabilities

Item	30 June 2025 Amount (RMB'000)	31 December 2024 Amount (RMB'000)	Changes between the Reporting Period and the end of the previous year (%)
Total assets	9,805,499	9,750,378	0.57
Total liabilities	6,155,900	6,091,454	1.06
Equity attributable to the equity shareholders of the Company	2,952,305	2,947,980	0.15

3. BUSINESS REVIEW AND OUTLOOK

(I) MACRO ENVIRONMENT

In the first half of 2025, China's macroeconomy maintained overall stability, with its ecological civilization construction further solidifying its strategic role as a core task in the modernization process. At the national level, the government deepened the transition toward green and low-carbon development, leveraging synergy in pollution reduction and carbon reduction as key initiatives. Efforts focused on the management of emerging pollutants and the recycling of resources, driving an advance leap in ecological environment quality from "quantitative" to "qualitative" change. In February 2025, the General Office of the Ministry of Ecology and Environment issued the "Guiding Opinions on Further Strengthening Environmental Management of Hazardous Waste and Strictly Preventing Environmental Risks" (《關於進一步加強危險廢物環境治理 嚴密防控環境風險的指導意見》), explicitly requiring a reduction in the proportion of hazardous waste disposed of in landfills (below 10% by 2030). In June 2025, multiple government agencies jointly launched a three-year nationwide campaign to strengthen enforcement against on illegal dumping and disposal of solid waste, aiming to establish a closed-loop regulatory system by targeting violations across the entire waste management chain. Under the dual policy impetus, the industry accelerated its shift toward resource recovery and standardization.

Against this backdrop, the solid and hazardous waste disposal industry exhibited dual characteristics: on one hand, tightening environmental regulations heightened compliance awareness among waste-generating companies, gradually unlocking disposal demand; on the other hand, end-use waste-generating companies mitigated incremental demand through technological advancements and process optimization, achieving source reduction. Coupled with price declines driven by "race-to-the-bottom" competition and persistent supply-demand imbalances, the loss-making situation in the solid and hazardous waste disposal industry continued to widen, posing severe challenges to the survival of enterprises.

(II) BUSINESS REVIEW

During the Reporting Period, the Group proactively responded to external pressures by vigorously expanding its market presence. While the total volume of solid and hazardous waste disposal increased period-to-period, the Group's profitability declined during the Reporting Period due to falling disposal prices. Nevertheless, the Group maintained stable operations, with accounts receivable decreasing period-to-period and refined management initiatives such as cost reduction and efficiency improvement were steadily advanced.

In environmental protection business development, the Group aligned closely with national policies, steadfastly implementing its development concepts of "industrial synergy, technological advancement, and sustainable development". Leveraging its competitive edge in cement kiln co-processing, the Group enhanced its resource acquisition capabilities and advanced synergistic initiatives such as alternative fuels, sludge treatment, comprehensive resource utilization, oil sludge treatment, and fly ash washing. These efforts further consolidated its leading position in the solid and hazardous waste disposal industry.

At the end of the Reporting Period, the Group put into operation and constructed a total of 85 environmental protection projects in 21 provinces, municipalities, and autonomous regions across the country, including 40 general hazardous waste projects, 7 fly ash washing projects, 6 oil sludge treatment projects, 25 industrial solid waste projects and 7 comprehensive resource utilization projects. The treatment scale of the projects was approximately 11,922,300 tonnes/year (excluding projects subject to approval and to be constructed).

3. BUSINESS REVIEW AND OUTLOOK

Industrial hazardous waste treatment and comprehensive resource utilization

1) Project expansion

By closely adhering to the strategic core of “cement kiln co-processing treatment + comprehensive resource utilization”, the Group persisted in the development direction of “harmless treatment, resource recycling, and service orientation,” steadily advancing project expansion. During the Reporting Period, the Group focused on conducting market research and investment feasibility studies for the Tongling Copper Tailings Resource Recycling Project (800,000 tonnes/year). The Group also organized on-site investigations into projects such as metal resource recycling and medical waste disposal, effectively solidifying the foundation for project pipeline.

2) Project operation

In terms of market expansion, the Group focused on bidding for major waste-generating enterprises and placed great emphasis on customers at the source, maintaining growth in the number of contracts signed. Leveraging the platform advantages of regional hazardous waste (fly ash) disposal center, the Group successfully opened up a cross-provincial fly ash transfer route from Zhejiang to Anhui and secured disposal rights for fly ash projects from multiple waste incineration enterprises. The Group also successfully established its first alternative fuel source collection center in Nantong, Jiangsu Province, further accelerating its layout over alternative fuel sources.

In terms of operation and management, the Group strengthened production management collaboration with cement plant facilities, optimized production organization, and drove continuous reductions in operating costs. It focused on digital and intelligent transformation, achieving the widespread application of information systems across the Northwest, East China, and Zhejiang regions. The Group also enhanced production process control and deepened technological upgrades and measures, thereby further improving disposal efficiency.

During the Reporting Period, the total treatment volume of industrial hazardous waste of the Group was approximately 518,700 tonnes, representing a period-to-period decrease of approximately 5.67%, among which approximately 440,500 tonnes were general hazardous waste, approximately 47,800 tonnes were oil sludge, and approximately 30,400 tonnes were fly ash. Approximately 1,500 tonnes of comprehensive resource utilization matte products were sold, representing a period-on-period increase of approximately 32.70%; and approximately 275,100 tonnes of alternative fuels were produced and sold, representing a period-to-period increase of approximately 193.60%.

3. BUSINESS REVIEW AND OUTLOOK

Industrial solid waste treatment

1) Project expansion

The Group has fully leveraged its synergistic advantages in the environmental protection industry and actively promoted the expansion of “small yet excellent and small yet beautiful” projects involving sludge drying and industrial solid waste treatment. In July 2025, the Group successfully secured the contract for a project (150,000 tonnes/year) in Fenyi, Jiangxi Province.

2) Project operation

The Group has fully leveraged its project capacity advantages to intensify its expansion into the solid waste market. During the Reporting Period, the total treatment volume of industrial solid waste of the Group was approximately 850,700 tonnes, representing a period-to-period increase of approximately 3.57%.

At the end of the Reporting Period, details of general hazardous waste treatment projects of the Group are set out in the following table:

No.	Status of Construction	Region	Project Location	Treatment Capacity	Hazardous Waste Qualification	Completion Date
1	In operation	East China	Wuhu, Anhui Province	266,000 tonnes/year	130,000 tonnes/year	December 2017
2			Suzhou, Anhui Province	200,000 tonnes/year	125,000 tonnes/year	August 2018
3			Yixing, Jiangsu Province	190,000 tonnes/year	100,000 tonnes/year	December 2019
4			Wuhu, Anhui Province	16,500 tonnes/year	16,500 tonnes/year	January 2021
5			Ningguo, Anhui Province	100,000 tonnes/year	70,000 tonnes/year	January 2022
6			Nanjing, Jiangsu Province	100,000 tonnes/year	94,600 tonnes/year	January 2022
7		Zhejiang	Fuyang, Zhejiang Province	200,000 tonnes/year	90,000 tonnes/year	June 2022
8		Jiangxi	Yiyang, Jiangxi Province	300,000 tonnes/year	170,000 tonnes/year	May 2018
9			Sanming, Fujian Province	200,000 tonnes/year	40,500 tonnes/year	August 2019
10			Fuzhou, Jiangxi Province	100,000 tonnes/year	75,000 tonnes/year	October 2022
11		Hunan	Qiyang, Hunan Province	270,000 tonnes/year	69,500 tonnes/year	January 2020
12			Linxiang, Hunan Province	190,000 tonnes/year	88,500 tonnes/year	January 2021
13			Wuhan, Hubei Province	18,000 tonnes/year	18,000 tonnes/year	December 2023
14		Guangdong	Yangchun, Guangdong Province	205,000 tonnes/year	85,300 tonnes/year	August 2020
15			Shaoguan, Guangdong Province	430,000 tonnes/year	180,600 tonnes/year	April 2023
16			Qingyuan, Guangdong Province	70,000 tonnes/year	67,500 tonnes/year	August 2023
17			Luoding, Guangdong Province	300,000 tonnes/year	100,000 tonnes/year	April 2024

3. BUSINESS REVIEW AND OUTLOOK

No.	Status of Construction	Region	Project Location	Treatment Capacity	Hazardous Waste Qualification	Completion Date	
18	In operation	Guangxi	Xingye, Guangxi Region	320,000 tonnes/year	161,500 tonnes/year	August 2018	
19			Chongzuo, Guangxi Region	100,000 tonnes/year	85,000 tonnes/year	March 2021	
20			Longan, Guangxi Region	100,000 tonnes/year	70,000 tonnes/year	March 2021	
21			Guilin, Guangxi Region	230,000 tonnes/year	50,000 tonnes/year	July 2021	
22		Chongqing-Sichuan	Zhong County, Chongqing	448,000 tonnes/year	143,500 tonnes/year	June 2019	
23			Nantong, Chongqing	160,000 tonnes/year	50,000 tonnes/year	December 2022	
24		Yunnan-Guizhou	Wenshan, Yunnan Province	71,000 tonnes/year	66,000 tonnes/year	August 2019	
25			Qing Town, Guizhou Province	150,000 tonnes/year	100,000 tonnes/year	September 2019	
26		Northwest China	Fuping, Shaanxi Province	100,000 tonnes/year	100,000 tonnes/year	April 2016	
27			Qian County, Shaanxi Province	80,100 tonnes/year	80,100 tonnes/year	April 2017	
28			Qianyang, Shaanxi Province	100,000 tonnes/year	78,000 tonnes/year	October 2018	
29			Tongchuan, Shaanxi Province	100,000 tonnes/year	81,500 tonnes/year	August 2019	
30			Pingliang, Gansu Province	130,000 tonnes/year	60,000 tonnes/year	June 2022	
31			Jiayuguan, Gansu Province	200,000 tonnes/year	100,000 tonnes/year	June 2022	
32			Tongchuan, Shaanxi Province	200,000 tonnes/year	147,000 tonnes/year	April 2024	
33			Yongdeng, Gansu Province	100,000 tonnes/year	40,000 tonnes/year	April 2025	
34			Shandong	Sishui, Shandong Province	250,000 tonnes/year	100,000 tonnes/year	January 2020
35				Tai'an, Shandong Province	160,000 tonnes/year	100,000 tonnes/year	December 2020
36		Henan	Luoyang, Henan Province	138,000 tonnes/year	72,000 tonnes/year	December 2020	
37			Jiyuan, Henan Province	80,000 tonnes/year	50,000 tonnes/year	December 2020	
38			Dengfeng, Henan Province	100,000 tonnes/year	80,000 tonnes/year	July 2021	
39		Northeast China	Hulunbuir, Inner Mongolia	50,000 tonnes/year	35,000 tonnes/year	June 2022	
40			Arong Qi, Inner Mongolia	100,000 tonnes/year	85,000 tonnes/year	June 2022	
Subtotal				6,622,600 tonnes/year	3,455,600 tonnes/year		

Note 1: The Dezhou project (100,000 tonnes/year) has been removed from the project list due to production suspension;

Note 2: The processing capacity of the Shandong Sishui project has been adjusted according to the approved environmental impact assessment (EIA) capacity.

3. BUSINESS REVIEW AND OUTLOOK

At the end of the Reporting Period, details of fly ash washing projects of the Group are set out in the following table:

No.	Status of Construction	Region	Project Location	Treatment Capacity	Actual/Expected Completion Date
1	In operation	East China	Wuhu, Anhui Province	100,000 tonnes/year	December 2020
2			Quanjiao, Anhui Province	100,000 tonnes/year	May 2023
3		Jiangxi	Yiyang, Jiangxi Province	100,000 tonnes/year	March 2022
4		Hunan	Yiyang, Hunan Province	49,500 tonnes/year	March 2022
5		Northwest China	Qian County, Shaanxi Province	50,000 tonnes/year	December 2023
Subtotal				399,500 tonnes/year	
6	Under construction	Zhejiang	Taizhou, Zhejiang Province	50,000 tonnes/year	March 2026
7		East China	Chaohu, Anhui Province	100,000 tonnes/year	May 2026
Subtotal				150,000 tonnes/year	
Total				549,500 tonnes/year	

At the end of the Reporting Period, details of oil sludge treatment projects of the Group are set out in the following table:

No.	Status of Construction	Region	Project Location	Treatment Capacity	Hazardous Waste Qualification	Completion Date
1	In operation	Northwest China	Yulin, Shaanxi Province	225,000 tonnes/year	225,000 tonnes/year	May 2020
2			Qingyang, Gansu Province	96,000 tonnes/year	88,000 tonnes/year	April 2024
3		Shandong	Binzhou, Shandong Province	100,000 tonnes/year	100,000 tonnes/year	May 2021
4			Dongying, Shandong Province	160,000 tonnes/year	160,000 tonnes/year	January 2022
5		Northeast China	Jinzhou, Liaoning Province	Oil sludge treatment: 20,000 tonnes/year Incineration: 42,000 tonnes/year	62,000 tonnes/year	September 2023
6		Sichuan-Chongqing Region	Zhong County, Chongqing (Phase I)	50,000 tonnes/year	50,000 tonnes/year	January 2025
Total				693,000 tonnes/year	685,000 tonnes/year	

3. BUSINESS REVIEW AND OUTLOOK

At the end of Reporting Period, details of industrial solid waste treatment projects of the Group are set out in the following table:

No.	Status of Construction	Region	Project Location	Treatment Capacity	Actual/Expected Completion Date
1	In operation	East China	Huaining, Anhui Province	66,000 tonnes/year	September 2017
2			Huaibei, Anhui Province	132,000 tonnes/year	December 2017
3			Fanchang, Anhui Province	210,000 tonnes/year	July 2020
4			Chizhou, Anhui Province	200,000 tonnes/year	November 2020
5			Quanjiao, Anhui Province	60,000 tonnes/year	July 2021
6			Zongyang, Anhui Province	100,000 tonnes/year	July 2021
7			Chaohu, Anhui Province (sludge drying)	200,000 tonnes/year	January 2023
8			Wuhu, Anhui Province (sludge drying)	146,000 tonnes/year	February 2023
9			Tongling, Anhui Province	650,000 tonnes/year	March 2023
10		Hunan	Yiyang, Hunan Province	66,200 tonnes/year	January 2021
11			Xinhua, Hunan Province	66,000 tonnes/year	January 2022
12		Guangdong	Yunfu, Guangdong Province	160,000 tonnes/year	June 2023
13			Changjiang, Hainan Province	100,000 tonnes/year	January 2024
14		Sichuan-Chongqing region	Liangping, Chongqing Municipality	235,000 tonnes/year	September 2019
15			Guangyuan, Sichuan Province	120,000 tonnes/year	January 2020
16			Mianyang, Sichuan Province	100,000 tonnes/year	March 2024
17			Dazhou, Sichuan Province	250,000 tonnes/year	April 2024
18			Dazhou, Sichuan Province	155,000 tonnes/year	May 2024
19		Yunnan-Guizhou region	Shuicheng, Guizhou Province	66,000 tonnes/year	October 2023
20		Northwest China	Mian County, Shaanxi Province	16,500 tonnes/year	October 2017
21		Shandong	Baoding, Hebei Province	100,000 tonnes/year	March 2021
22			Jining, Shandong Province	50,000 tonnes/year	April 2024
23		Henan	Xin'an, Henan Province	49,500 tonnes/year	June 2022
24		Non-regional projects	Changshou, Chongqing Municipality	149,000 tonnes/year	April 2022
Subtotal				3,447,200 tonnes/year	
25	Under construction	Sichuan-Chongqing region	Junlian, Sichuan Province	130,000 tonnes/year	September 2025
Subtotal				130,000 tonnes/year	
Total				3,577,200 tonnes/year	

Note: In June 2025, the Group completed the transfer of 51% equity interest in Changshan Haiyu Nengyuan Environmental Protection Technology Co., Ltd. (常山海宇能遠環保科技有限公司) (“**Changshan Haiyu**”) and 70% equity interest in Zhejiang Haiyu Nengyuan Environmental Protection Technology Co., Ltd. (浙江海宇能遠環保科技有限公司) (“**Zhejiang Haiyu**”). In July 2025, the Group completed the transfer of 60% equity interest in Xiangtan Haihuan Nengyuan Environmental Protection Technology Co., Ltd. (湘潭海環能遠環保科技有限公司) (“**Xiangtan Haihuan**”). Following the completion of the equity transfers, the Group no longer holds any equity interests in Changshan Haiyu, Zhejiang Haiyu and Xiangtan Haihuan. Consequently, the Zhejiang Changshan (250,000 tonnes/year), Zhejiang Lin'an (100,000 tonnes/year) and Hunan Xiangtan (200,000 tonnes/year) projects have been removed from the relevant project tables.

3. BUSINESS REVIEW AND OUTLOOK

At the end of the Reporting Period, details of alternative fuel processing projects of the Group are set out in the following table:

No.	Status of Construction	Region	Project Location	Production Capacity	Completion Date
1	In operation	Guangdong	Qingyuan, Guangdong Province	30,000 tonnes/year	July 2023
2		East China	Wuhu, Anhui Province	100,000 tonnes/year	November 2023
3			Chizhou, Anhui Province	100,000 tonnes/year	May 2024
4			Xuancheng, Anhui Province	50,000 tonnes/year	January 2025
5			Chizhou, Anhui Province	100,000 tonnes/year	January 2025
Subtotal				380,000 tonnes/year	

At the end of the Reporting Period, details of the comprehensive utilization project of other resource of the Group are set out in the following table:

No.	Status of Construction	Region	Project Location	Treatment Capacity	Hazardous Waste Qualification	Completion Date
1	In operation	Zhejiang	Ninghai, Zhejiang Province	100,000 tonnes/year	100,000 tonnes/year	May 2021
2		Guangdong	Changjiang, Hainan Province	15,000 vehicles/year	/	January 2025

At the end of the Reporting Period, the treatment capacity of the Group's projects in operation and under construction was approximately 11,922,300 tonnes/year, the details of which are set out in the following table:

(Unit: 10,000 tonnes/year)

Category	General hazardous waste	Fly ash washing		Oil sludge treatment	Industrial solid waste		Comprehensive resource utilization
		In operation	Under construction		In operation	Under construction	
Treatment capacity	662.26	39.95	15	69.3	344.72	13	48

3. BUSINESS REVIEW AND OUTLOOK

(III) FUTURE PLAN AND OUTLOOK

2025 is a pivotal year for China to deepen environmental governance and advance its “dual carbon” goals. Strengthening the regulation of hazardous waste landfill disposal and promoting standardized hazardous waste treatment will be key focal points of national environmental policies. Enterprises with full-chain service capabilities, core technological advantages, and refined operational expertise will embrace broader development opportunities. Anchoring its dual roles as a “policy responder” and “technology leader”, and guided by the overarching principle of “capacity utilization, efficiency enhancement, and accelerated development”, the Group will focus on its core environmental protection business, and leverage synergies across industries alongside refined management strengths to persistently consolidate its core competitiveness. To this end, the Group will focus on the following aspects of work:

Enhancing synergies for principal businesses promotion while strengthening core businesses to drive development

The Group will continue to consolidate its synergistic advantages in the environmental protection industry by proactively sourcing information on mature industrial projects such as sludge drying, alternative fuels and medical waste. Through thorough evaluation and site selection, the Group aims to promote large-scale development of these sectors. It will also advance its strategic layout in resource utilization industry, with a focus on areas such as construction waste recycling, rare and precious metals recovery, and new energy recycling. In-depth research and multi-dimensional feasibility studies will be conducted to assess project viability. Seizing the policy opportunity brought by national restrictions on hazardous waste landfill, the Group will intensify cooperation with domestic waste-to-energy enterprises to facilitate upstream planning of fly ash treatment projects. By simultaneously advancing both establishment and acquisition for projects, the Group will increase engagement with listed environmental companies and actively explore opportunities for overseas synergistic project development.

3. BUSINESS REVIEW AND OUTLOOK

Expanding volume and raising prices to stabilize operations while enhancing efficiency through lean management

In terms of market expansion, the Group will continue to strengthen its market development efforts for bulk solid waste, including fluorine-containing sludge, lime slag and tailings. It will closely monitor bidding activities from oilfield enterprises to increase the intake of general solid waste and oily sludge, thereby boosting project capacity utilization. The Group will enhance industry communication and cooperation to maintain and stabilize market prices, with a strong focus on improving service quality and implementing multiple measures to stabilize and increase pricing. Leveraging the favorable landfill reduction policies, the Group will utilize the platform advantages of regional hazardous waste (fly ash) treatment centers to actively expand the market share of fly ash disposal projects. It will also seize opportunities arising from environmental protection policies by staying responsive to emergency project needs, thereby improving overall profitability. Additionally, efforts will be made to accelerate development of upstream markets for alternative fuels in the Yangtze River Delta and Pearl River Delta regions, strengthening control over alternative fuel sources and improving operational efficiency.

In terms of operation and management, the Group will promote deeper integration of production management with cement plant partners, and firmly advance technical upgrades and improvements to enhance disposal efficiency. It will also strengthen meticulous cost control, with a focus on optimizing material consumption, labor allocation, transportation, and sales expenses. These efforts aim to reduce costs and improve operational efficiency.

Innovation-driven formulating advantage while technology empowerment compiling new chapters

The Group will fully leverage the research and development platforms of its environmental protection research institute and academician workstation, and focus on key areas such as new pollutant treatment, sludge deodorization and wall-breaking agents. It will deepen technological research and accelerate the conversion of technological achievements into practical applications. Efforts will be intensified to promote technological iteration, aiming to reduce costs and enhance efficiency in fly ash projects, thereby strengthening the Group's core competitiveness. At the same time, the Group will accelerate digitalization by continuously advancing the promotion and application of its hazardous waste information system to enhance standardized management capabilities.

Strengthening management for quality and efficiency while mitigating risks to safeguard the bottom line

The Group will enhance control over trade receivables by improving the customer credit rating system, strengthening contract performance tracking, and optimizing the assessment system for receivables collection. These measures aim to accelerate payment recovery and ensure stable and secure cash flow. Focusing on key business areas, the Group will reinforce supervision over policy implementation to improve risk prevention capabilities. It will also solidify the foundation of safety management, foster a strong environmental protection mindset, and uphold its responsibilities as an environmental enterprise through high standards and practices.

4. MANAGEMENT DISCUSSION AND ANALYSIS

(I) FINANCIAL PROFITABILITY

Item	January– June 2025 Amount (RMB'000)	January– June 2024 Amount (RMB'000)	Changes between the Reporting Period and the corresponding period of the previous year (%)
Revenue	777,184	804,007	–3.34
Profit before taxation	2,663	108,968	–97.56
(Loss)/profit for the period	–9,033	92,304	–109.79
Net profit attributable to equity shareholders of the Company	4,325	82,141	–94.73

During the Reporting Period, the Group recorded revenue of RMB777.18 million, representing a period-on-period decrease of 3.34%. Profit before taxation amounted to RMB2.66 million, representing a period-on-period decrease of 97.56%. Loss for the period amounted to RMB9.03 million, representing a period-on-period decrease of 109.79%. Net profit attributable to equity shareholders of the Company amounted to RMB4.33 million, representing a period-on-period decrease of 94.73%.

1. Revenue by business stream

Item	January–June 2025		January–June 2024		Change in amount (%)	Change in percentage (Percentage points)
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
Industrial hazardous waste treatment services	497,554	64.02	558,627	69.48	–10.93	–5.46
General hazardous waste	395,276	50.86	469,119	58.35	–15.74	–7.49
Oil sludge	58,312	7.50	42,861	5.33	36.05	2.17
Fly ash	43,966	5.66	46,647	5.80	–5.75	–0.14
Industrial solid waste treatment services	185,265	23.84	197,293	24.54	–6.10	–0.70
Comprehensive resource utilization	94,365	12.14	48,087	5.98	96.24	6.16
Total	777,184	100.00	804,007	100.00	–3.34	–

4. MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, revenue of the Group was derived from three 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 streams:

- (i) Revenue from **industrial hazardous waste treatment services** was RMB497.55 million, representing a period-on-period decrease of 10.93%, of which:

Revenue from **general hazardous waste** was RMB395.28 million, representing a period-on-period decrease of 15.74%. The decrease in revenue was mainly attributable to the following reasons: firstly, the intensified market competition resulting in the decrease of prices in provinces such as Chongqing, Shaanxi and Jiangxi; and secondly, the additional time of shifting suspension of cement kilns, affecting the treatment of the hazardous waste from companies in Jiyuan, Fuyang, Nanjing.

Revenue from **oil sludge treatment** was RMB58.31 million, representing a period-on-period increase of 36.05%. This was primarily due to the rapid growth of the Dongying project and the commencement of operation of projects in Zhong County and Qingyang.

Revenue from **fly ash treatment** was RMB43.97 million, representing a period-on-period decrease of 5.75%. This was primarily due to the insufficient treatment volume of certain fly ash projects, resulting in a decrease in revenue.

- (ii) Revenue from **industrial solid waste treatment services** was RMB185.27 million, representing a period-on-period decrease of 6.1%. This was primarily due to the delays in the execution of certain planned orders for disposal of contaminated soil by the Group, which resulted in insufficient treatment volume.
- (iii) Revenue from **comprehensive resource utilization** was RMB94.37 million, representing a period-to-period increase of 96.24%. This was primarily due to the commencement of operation of alternative fuel projects in Chizhou and Wuhu, as well as the automobile disassembly project in Changjiang.

4. MANAGEMENT DISCUSSION AND ANALYSIS

2. Gross profit and gross profit margin

Item	January–June 2025		January–June 2024		Change in amount (%)	Change in percentage (Percentage points)
	Gross profit	Gross profit margin	Gross profit	Gross profit margin		
	(RMB'000)	(%)	(RMB'000)	(%)		
Industrial hazardous waste treatment services	168,321	33.83	254,677	45.59	–33.91	–11.76
General hazardous waste	142,387	36.02	228,307	48.67	–37.63	–12.65
Oil sludge	17,429	29.89	12,769	29.79	36.49	0.10
Fly ash	8,505	19.34	13,602	29.16	–37.47	–9.82
Industrial solid waste treatment services	74,363	40.14	90,597	45.92	–17.92	–5.78
Comprehensive resource utilization	3,569	3.78	14,377	29.90	–75.18	–26.12
Total	246,253	31.69	359,651	44.73	–31.53	–13.04

During the Reporting Period, the Group recorded a gross profit of RMB246.25 million, representing a period-on-period decrease of 31.53%. With a breakdown by business streams:

- (i) Gross profit margin for **industrial hazardous waste treatment services** was 33.83%, representing a period-on-period decrease of 11.76 percentage points, among which:

Gross profit margin for **general hazardous waste** was 36.02%, representing a period-on-period decrease of 12.65 percentage points, which was primarily due to intensified competition in the market, resulting in a period-on-period decrease of price by RMB96 per ton in hazardous waste treatment.

Gross profit margin for **oil sludge treatment** was 29.89%, basically flat period-on-period.

Gross profit margin for **fly ash treatment** was 19.34%, representing a period-on-period decrease of 9.82 percentage points, which was primarily due to the insufficient treatment volume, resulting in failure of cost dilution.

- (ii) Gross profit margin for **industrial solid waste treatment services** was 40.14%, representing a period-on-period decrease of 5.78 percentage points, which was primarily due to the decrease in gross profit margin resulted from the price decline of projects in Quanjiao, Guangyuan, Fuyang and other areas.
- (iii) Gross profit margin for **comprehensive resource utilization** was 3.78%, representing a period-on-period decrease of 26.12 percentage points, which was primarily due to the unstable operation of the production system of the Ninghai project, which resulted in a negative gross profit margin on account of higher operating costs, leading to a decrease in the overall gross profit margin.

4. MANAGEMENT DISCUSSION AND ANALYSIS

3. Other income

During the Reporting Period, the Group's other income amounted to RMB37.76 million, representing a period-on-period decrease of RMB0.39 million, or 1.01%.

4. Distribution costs

During the Reporting Period, the Group's distribution costs amounted to RMB58.74 million, representing a period-on-period decrease of RMB14 million, or 19%, 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 RMB150.98 million, representing a period-on-period increase of RMB2.19 million, or 1.47%, which was primarily due to the increase in depreciation, amortisation and other expenses resulting from the capitalisation of newly operational projects.

6. Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB60.9 million, representing a period-on-period increase of RMB8.1 million, or 15.34%, which was primarily due to the discontinuation of the capitalisation of finance costs as a result of the commencement of operation of certain new projects, and excluding the effect of capitalisation, the finance costs decreased by RMB14.23 million period-on-period.

7. Profit before taxation

During the Reporting Period, the Group's profit before taxation amounted to RMB2.66 million, representing a period-on-period decrease of RMB106.31 million, or 97.56%.

4. MANAGEMENT DISCUSSION AND ANALYSIS

(II) FINANCIAL POSITION

As at the end of the Reporting Period, the Group's total assets amounted to RMB9,805.50 million, representing an increase of RMB55.12 million as compared to the end of the previous year. The equity attributable to equity shareholders of the Company amounted to RMB2,952.31 million, representing an increase of RMB4.33 million as compared to the end of the previous year. Gearing ratio of the Group (total liabilities/total assets) was 62.78%, representing an increase of 0.31 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 2025 (RMB'000)	As at 31 December 2024 (RMB'000)	Change between the end of the Reporting Period and the end of the previous year (%)
Property, plant and equipment	7,412,279	7,396,978	0.21
Non-current assets	8,180,039	8,242,107	-0.75
Current assets	1,625,460	1,508,271	7.77
Non-current liabilities	4,170,199	3,819,517	9.18
Current liabilities	1,985,701	2,271,937	-12.60
Net current liabilities	360,241	763,666	-52.83
Equity attributable to equity shareholders of the Company	2,952,305	2,947,980	0.15
Total assets	9,805,499	9,750,378	0.57
Total liabilities	6,155,900	6,091,454	1.06

4. 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 RMB8,180.04 million, representing a decrease of 0.75% as compared to the end of the previous year, primarily due to the decrease in trade and other receivables due after one year.

Current assets of the Group amounted to RMB1,625.46 million, representing an increase of 7.77% as compared to the end of the previous year, primarily due to the increase in bank deposits of the Company.

2. Non-current liabilities and current liabilities

As at the end of the Reporting Period, non-current liabilities of the Group amounted to RMB4,170.20 million, representing an increase of 9.18% as compared to the end of the previous year, primarily due to the issuance of the 2025 first tranche green medium-term notes of RMB1 billion with a term of 3 years by Anhui Conch Environment Group during the Reporting Period.

Current liabilities of the Group amounted to RMB1,985.70 million, representing a decrease of 12.6% as compared to the end of the previous year, primarily due to the repayment of long-term borrowings due within one year during the Reporting Period.

As at the end of the Reporting Period, current ratio of the Group was 0.82 (compared to 0.66 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 RMB360.24 million, representing a decrease of RMB403.43 million as compared to the end of the previous year, mainly due to the issuance of the 2025 first tranche green medium-term notes of RMB1 billion by Anhui Conch Environment Group in the PRC in April 2025, with an issuance rate of 1.8%, which was mainly used to replace long-term borrowings, in order to optimize capital structure.

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 RMB2,952.31 million, representing an increase of 0.15% as compared to the end of the previous year.

4. MANAGEMENT DISCUSSION AND ANALYSIS

(III) LIQUIDITY AND CAPITAL SOURCES

During the Reporting Period, the Group proactively expanded fundraising channels, strengthened the collection of accounts receivable, improved the returns on its stock capital and conducted reasonable allocation of project loans, so as to fully satisfy the Company's capital needs. As at the end of the Reporting Period, the Group's cash and cash equivalents amounted to RMB616.03 million, which were mainly denominated in RMB.

1. Bank loans

Item	As at 30 June 2025 (RMB'000)	As at 31 December 2024 (RMB'000)
Due within one year	741,663	867,687
Due after one year but within two years	811,130	882,455
Due after two years but within five years	772,365	1,264,658
Due after five years	51,209	133,065
Total	2,376,367	3,147,865

As at the end of the Reporting Period, the Group's bank loan balance amounted to RMB2,376.37 million, representing a decrease of RMB771.50 million as compared to the end of the previous year, primarily due to the issuance of green medium-term notes by a subsidiary of the Group during the Reporting Period, which were used to replace bank loans. As at the end of the Reporting Period, all of the Group's bank loans were denominated in RMB, and most of the loan interests were subject to variable interest rate.

4. MANAGEMENT DISCUSSION AND ANALYSIS

2. Cash flows

As at the end of the Reporting Period, the Group's balance of cash and cash equivalents was RMB616.03 million, representing a period-on-period increase of RMB267.51 million.

Item	January to June 2025 (RMB'000)	January to June 2024 (RMB'000)
Net cash generated from operating activities	268,213	245,532
Net cash used in investing activities	-184,735	-338,397
Net cash generated from financing activities	186,929	195,133
Net increase in cash and cash equivalents	270,407	102,268
Cash and cash equivalents at the beginning of the period	345,622	246,254
Cash and cash equivalents at the end of the period	616,029	348,522

Net cash generated from operating activities

During the Reporting Period, net cash generated from operating activities of the Group amounted to RMB268.21 million, representing a period-on-period increase of RMB22.68 million, which was mainly due to the increase in cash inflows from operating activities as a result of the Group's intensified efforts in collecting accounts receivable.

Net cash used in investing activities

During the Reporting Period, net cash used in investing activities of the Group amounted to RMB184.74 million, representing a period-on-period decrease of RMB153.66 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 RMB186.93 million, representing a period-on-period decrease of RMB8.2 million, primarily due to an increase in loan repayments and borrowings during the Reporting Period.

4. MANAGEMENT DISCUSSION AND ANALYSIS

(IV) 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 2025 (RMB'000)	As at 30 June 2024 (RMB'000)
Contracted for	129,331	153,272
Authorized but not contracted for	223,701	184,075
Total	353,032	337,347

(V) 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 and US 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. 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.

(VI) CONTINGENT LIABILITIES

As at the end of the Reporting Period, the Group provided guarantees for banking facilities of 雲浮光嘉海中環保科技有限公司 (Yunfu Guangjia Haizhong Environmental Protection Technology Co., Ltd.*), an associate of the Group, amounting to RMB24,000,000 (31 December 2024: RMB24,000,000). As at the end of the Reporting Period, these facilities were utilised to the extent of RMB12,526,000 (31 December 2024: RMBNil). The Directors do not consider it probable that a claim will be made against the Group under any of these guarantees.

(VII) PLEDGE OF ASSETS

As at the end of the Reporting Period, the bank loans of the Group amounting to RMB75,280,000 (31 December 2024: RMB77,280,000) 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 RMB65,980,000 (31 December 2024: RMB47,550,000) were secured by plant and land provided by 寧海馨源泰環保科技有限公司 (Ninghai Xinyuntai Environmental Protection Technology Co., Ltd.*), a subsidiary of the Group.

4. MANAGEMENT DISCUSSION AND ANALYSIS

(VIII) MATERIAL INVESTMENTS

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

(IX) 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.

(X) 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.

(XI) HUMAN RESOURCES

During the Reporting Period, the Group attached great importance to human resources management and continued to improve and optimise the system, and regularly organised professional business training for employees in various positions to enhance their comprehensive vocational skills. During the Reporting Period, the Group organised professional knowledge and skills training in production safety, process technology, marketing business, financial and internal control, etc., organised cross-unit and multi-position rotation training for outstanding technical management members in a timely manner and arranged internal and external declaration and assessment of middle and senior level professions in the chemical division, environmental division and electrical and mechanical division, so as to promote professional training and skills enhancement of the Group's professional talent team.

As at the end of the Reporting Period, the Group had 3,062 (31 December 2024: 3,288) 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) was approximately RMB219.35 million (30 June 2024: approximately RMB191.95 million).

5. OTHER INFORMATION

(I) INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2025 (30 June 2024: 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)	481,395,879	Long positions	26.35%
Subtotal		495,295,879		27.11%
China Conch Venture Holdings International Limited	Interest of controlled corporation (note 1)	481,395,879	Long positions	26.35%
Wuhu Conch Venture Property Co., Ltd.	Interest of controlled corporation (note 1)	481,395,879	Long positions	26.35%
Conch Holdings	Interest of controlled corporation (note 1)	481,395,879	Long positions	26.35%
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)	93,872,379	Long positions	5.14%
Subtotal		481,395,879		26.35%

5. 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)	109,178,00	Long positions	5.98%
QI Shengli	Beneficial owner	9,412,500	Long positions	0.52%
	Interests held jointly with another person (note 3)	471,983,379	Long positions	25.84%
	Subtotal	481,395,879		26.35%
GUO Dan	Interest of controlled corporation (note 6)	32,725,000	Long positions	1.79%
	Interests held jointly with another person (note 3)	448,670,879	Long positions	24.56%
	Subtotal	481,395,879		26.35%
YAN Zi	Interest of controlled corporation (note 7)	35,033,752	Long positions	1.92%
	Interests held jointly with another person (note 3)	446,362,127	Long positions	24.43%
	Subtotal	481,395,879		26.35%

5. 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)	471,315,879	Long positions	25.80%
	Subtotal	481,395,879		26.35%
WANG Jingqian	Beneficial owner	1,930,000	Long positions	0.11%
	Interests held jointly with another person (note 3)	479,465,879	Long positions	26.25%
	Subtotal	481,395,879		26.35%

5. OTHER INFORMATION

Notes:

- (1) Among the above Shares, (i) 195,261,879 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) 9,412,500 Shares held by QI Shengli, (iii) 2,050,000 Shares held by LI Qunfeng, (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) 2,541,127 Shares held by MA Wei and (ix) 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.

5. 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. Li Qunfeng (note 1)	Beneficial owner	2,050,000	Long positions	0.11%
	Interests held jointly with another person	479,345,879	Long positions	26.24%
	Subtotal	481,395,879		26.35%
Mr. Wang Chunjian (note 1)	Beneficial owner	100,000	Long positions	0.01%
	Interests held jointly with another person	481,295,879	Long positions	26.35%
	Subtotal	481,395,879		26.35%
Mr. Ma Wei (note 1)	Beneficial owner	2,541,127	Long positions	0.14%
	Interests held jointly with another person	478,854,752	Long positions	26.21%
	Subtotal	481,395,879		26.35%
Ms. Liao Dan (note 2)	Interest of spouse	481,395,879	Long positions	26.35%

5. OTHER INFORMATION

Notes:

1. Mr. Li Qunfeng, Mr. Wang Chunjian and Mr. Ma Wei are Parties Acting in Concert. Accordingly, Mr. Li Qunfeng, Mr. Wang Chunjian 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) Qi Shengli holds 9,412,500 Shares, (iii) Li Qunfeng holds 2,050,000 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) Ma Wei holds 2,541,127 Shares and (ix) Wang Jingqian holds 1,930,000 Shares are interested.
2. 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) Qi Shengli holds 9,412,500 Shares, (iii) Li Qunfeng holds 2,050,000 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) Ma Wei holds 2,541,127 Shares and (ix) Wang Jingqian holds 1,930,000 Shares are interested.

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.

5. OTHER INFORMATION

(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. Ms. Li Chen has been appointed as the independent director of Tianshan Material with effect from 11 February 2025;
2. Mr. Jiang Dehong has resigned as the non-executive Director and a member of the Strategy, Sustainability and Risk Management Committee of the Company with effect from 24 March 2025;
3. Mr. Lyu Wenbin has been appointed as the non-executive Director and a member of the Strategy, Sustainability and Risk Management Committee of the Company with effect from 24 March 2025 and the non-executive director of Conch Venture with effect from 27 March 2025;
4. Mr. Fan Zhan has resigned as the non-executive director of West Cement with effect from 27 May 2025 and has been appointed as the employee director of Conch Cement with effect from 29 May 2025.

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.

5. OTHER INFORMATION

(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.

(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 2025. The Audit Committee has no disagreement with the accounting treatment methods adopted by the Company.

5. OTHER INFORMATION

(IX) REMUNERATION AND NOMINATION COMMITTEE

As at the end of the Reporting Period, the Remuneration and Nomination Committee comprises Mr. Li Qunfeng (Chairman of the Board and a non-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.

(X) STRATEGY, SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

As at the end of the Reporting Period, the Strategy, Sustainability and Risk Management Committee comprises Mr. Li Qunfeng (Chairman of the Board and a non-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. Li Qunfeng 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.

5. OTHER INFORMATION

(XI) PROPERTY, PLANT AND EQUIPMENT

As at the end of the Reporting Period, the property, plant and equipment of the Group amounted to approximately RMB7,412.28 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.

- (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 will be adjusted from September 2025 to December 2026 or before.
- (2) Progress of Property No. 2: The Group obtained the land use right certificate for Property No. 2 among the Relevant Lands on 23 March 2022, which has a gross site area of 27,229 sq.m., for a term commencing from 7 June 2022 to 7 June 2072. The Group also obtained the real property ownership certificate of the property on 9 October 2023, which has a gross floor area of 8,659.74 sq.m..
- (3) 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 2025 or before.
- (4) 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 Property No. 4 will be June 2026 or before.

5. OTHER INFORMATION

- (5) 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 2025 or before.
- (6) 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 2025 or before.
- (7) 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 2025 or before.

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

(XII) MATERIAL EVENTS SUBSEQUENT TO THE REPORTING PERIOD

As at the end of the Reporting Period and up to the date of this report, there has been no material events affecting the Company and its subsidiaries that require to be disclosed.

On behalf of the Board

China Conch Environment Protection Holdings Limited

LI Qunfeng

Chairman

Anhui Province, the PRC, 26 August 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2025 — unaudited
(Expressed in Renminbi yuan)

	Notes	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Revenue	4	777,184	804,007
Cost of sales		(530,931)	(444,356)
Gross profit		246,253	359,651
Other income	5	37,756	38,143
Distribution costs		(58,740)	(72,735)
Administrative expenses		(150,981)	(148,790)
Impairment loss on trade and bills receivables	6(b)	(9,528)	(11,710)
Profit from operations		64,760	164,559
Finance costs	6(a)	(60,902)	(52,804)
Share of profits and losses of associates	10	(1,195)	(2,787)
Profit before taxation	6	2,663	108,968
Income tax	7	(11,696)	(16,664)
(Loss)/profit for the period		(9,033)	92,304
Attributable to:			
Equity shareholders of the Company		4,325	82,141
Non-controlling interests		(13,358)	10,163
(Loss)/profit for the period		(9,033)	92,304
Earnings per share	8		
— Basic (RMB cents)		0.24	4.50
— Diluted (RMB cents)		0.24	4.50

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 2025 — unaudited
(Expressed in Renminbi yuan)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
(Loss)/profit for the period	(9,033)	92,304
Other comprehensive income for the period (after tax and reclassification adjustments)	—	—
Total comprehensive income for the period	(9,033)	92,304
Attributable to:		
Equity shareholders of the Company	4,325	82,141
Non-controlling interests	(13,358)	10,163
Total comprehensive income for the period	(9,033)	92,304

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2025 — unaudited
(Expressed in Renminbi yuan)

	Notes	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment	9	7,412,279	7,396,978
Right-of-use assets	9	315,785	319,818
Intangible assets	9	124,381	129,784
Goodwill		10,254	10,254
Interests in associates	10	72,748	73,943
Non-current portion of trade and other receivables	11	225,316	293,991
Deferred tax assets		19,276	17,339
		8,180,039	8,242,107
Current assets			
Inventories		35,497	38,525
Trade and other receivables	11	898,488	998,218
Restricted bank deposits	12	65,446	125,906
Bank deposits with original maturity over three months	12	10,000	–
Cash and cash equivalents	12	616,029	345,622
		1,625,460	1,508,271
Current liabilities			
Loans and borrowings	13	741,663	867,687
Trade and other payables	14	1,217,790	1,382,760
Contract liabilities		22,032	16,825
Lease liabilities		743	1,537
Income tax payables		3,473	3,128
		1,985,701	2,271,937
		(360,241)	(763,666)
Total assets less current liabilities		7,819,798	7,478,441

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2025 — unaudited
(Expressed in Renminbi yuan)

	Notes	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Non-current liabilities			
Loans and borrowings	13	1,634,704	2,280,178
Unsecured medium-term notes (“MTN”)		2,500,000	1,500,000
Lease liabilities		7,579	8,929
Deferred tax liabilities		27,916	30,410
		4,170,199	3,819,517
Net assets		3,649,599	3,658,924
Capital and reserves	15		
Share capital		14,837	14,837
Reserves		2,937,468	2,933,143
Equity attributable to equity shareholders of the Company		2,952,305	2,947,980
Non-controlling interests		697,294	710,944
Total equity		3,649,599	3,658,924

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the six months ended 30 June 2025 — unaudited
(Expressed in Renminbi yuan)

	Attributable to equity shareholders of the Company							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	Non-controlling interests RMB'000	
Balance at 1 January 2024	14,837	1,184,167	(156,918)	278,937	1,672,014	2,993,037	717,153	3,710,190
Changes in equity for the six months ended 30 June 2024:								
Profit for the period	-	-	-	-	82,141	82,141	10,163	92,304
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	82,141	82,141	10,163	92,304
Capital contribution by non-controlling interests	-	-	-	-	-	-	1,149	1,149
Dividends approved in respect of the previous years	-	-	-	-	(50,044)	(50,044)	-	(50,044)
Balance at 30 June 2024	14,837	1,184,167	(156,918)	278,937	1,704,111	3,025,134	728,465	3,753,599

The accompanying notes form part of interim financial report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the six months ended 30 June 2025 — 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 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 the interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 June 2025 — unaudited
(Expressed in Renminbi yuan)

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Operating activities:			
Cash generated from operations		283,995	261,150
Tax paid		(15,782)	(15,618)
Net cash generated from operating activities		268,213	245,532
Investing activities:			
Payment for purchase of property, plant and equipment, construction in progress and intangible assets		(176,171)	(366,693)
Proceeds from disposal of property, plant and equipment		465	97
Payment for purchase of right-of-use assets		(1,993)	(15,110)
Proceeds from maturity of bank deposits over three months		–	4,044
Payments for maturity of bank deposits over three months		(10,000)	–
Proceeds from maturity of financial assets measured at FVPL		–	45,000
Payment for investments in associates		–	(8,000)
Other cash flows arising from investing activities		2,964	2,265
Net cash used in investing activities		(184,735)	(338,397)
Financing activities:			
Proceeds from loans and borrowings		367,255	779,448
Repayment of loans and borrowings		(1,133,017)	(505,557)
Proceeds from unsecured MTN issuance		1,000,000	–
Interest paid		(45,116)	(78,340)
Capital contribution from non-controlling interests		12,075	1,149
Profit distribution to non-controlling interests		(11,345)	–
Other cash flows used in financing activities		(2,923)	(1,567)
Net cash generated from financing activities		186,929	195,133
Net increase in cash and cash equivalents		270,407	102,268
Cash and cash equivalents at 1 January		345,622	246,254
Cash and cash equivalents at 30 June	12	616,029	348,522

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”) are 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 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 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 2024 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 2024 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 2024 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 RMB360,241,000 as at 30 June 2025. 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 2025 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 RMB268.21 million during the six-month period ended 30 June 2025 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, 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 RMB3.19 billion.

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 successfully issued Unsecured MTN in the aggregate amount of not more than RMB3.0 billion (the “Medium-term Notes”) with a validity period of two years from 25 July 2024, the completion of registration date. On 7 August 2024, the first batch of RMB1.5 billion of the Medium-term Notes has been issued. On 25 April 2025, the second batch of RMB1.0 billion of the Medium-term Notes has been issued. Conch Environment Group plans to utilise the remaining RMB0.5 billion to repay the interest-bearing bank loans of Conch Environment Group and its subsidiaries.

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 2024, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period’s financial information.

- Amendments to IAS 21 Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standards are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on 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 2025 and 30 June 2024 recognised in the consolidated statements of profit or loss are as follows:

	Six months ended 30 June	
	2025	2024
	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	185,265	197,293
Industrial hazardous waste treatment services		
— General hazardous waste	395,276	469,119
— Oil sludge	58,312	42,861
— Fly ash	43,966	46,647
	682,819	755,920
Revenue from contracts with customers within the scope of IFRS15, recognised at point in time		
Solid and hazardous waste solutions		
— Comprehensive resource utilization	94,365	48,087
	777,184	804,007

For the six months ended 30 June 2025, 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	
	2025	2024
	RMB'000	RMB'000
Interest income on bank deposits	2,963	2,279
Government grants (i)	30,029	28,278
Others	4,764	7,586
	37,756	38,143

- (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	
	2025	2024
	RMB'000	RMB'000
Interest on loans and borrowings	31,087	77,943
Interest on lease liabilities	223	144
Interest on unsecured MTN	32,549	–
Total interest expense on financial liabilities not at fair value through profit or loss	63,859	78,087
* Less: interest expense capitalised in construction in progress	(2,957)	(25,283)
	60,902	52,804

* The borrowing costs were capitalised at rates of 2.31%–3.85% per annum for six months ended 30 June 2025 (six months ended 30 June 2024: 2.66%–4.65%).

(b) Other items:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Cost of services provided	530,931	444,356
Depreciation of owned property, plant and equipment	167,312	123,342
Depreciation of right-of-use assets	6,042	4,162
Amortisation of intangible assets	9,027	11,481
Loss allowance for trade receivables	9,528	11,710
Short-term lease payments not included in the measurement of lease liabilities	3,525	5,310

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(Expressed in Renminbi unless otherwise indicated)

7 INCOME TAX

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current tax — Hong Kong Profits Tax		
Provision for the period	—	—
Current tax — PRC Income Tax		
Provision for the period	14,572	21,494
Under/(Over) provision in respect of prior years	1,556	(805)
Deferred tax:		
Origination and reversal of temporary differences, net	(4,432)	(4,025)
	11,696	16,664

- (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 estimated annual effective tax rate applicable to group entities incorporated in Hong Kong for the income subject to Hong Kong Profits Tax is 16.5% (2024: 16.5%) to the six months ended 30 June 2025. No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the period.
- (c) The provision for PRC income tax is based on a statutory rate of 25% of the assessable income of the Company's mainland China 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 2025, 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 EARNINGS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2025 is based on the profit attributable to shareholders of the Company for the six months ended 30 June 2025 of RMB4,325,000 (30 June 2024: RMB82,141,000) and the weighted average number of ordinary shares of 1,826,765,059 in issue (30 June 2024: 1,826,765,059).

Diluted earnings per share for the six months ended 30 June 2025 and 2024 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 2025, the Group acquired items of plant and equipment amounting to RMB192,527,000. Items of plant and equipment with a net book value of RMB9,127,000 were disposed of during the six months ended 30 June 2025, resulting in a gain on disposal of RMB17,000.

(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 2025, additions of right-of-use assets amounted to RMB2,602,000.

As at 30 June 2025, leasehold land for own use with carrying amount of RMB24,681,000 (31 December 2024: RMB30,605,000) 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 2025, additions of intangible assets amounted to RMB3,624,000.

10 INTERESTS IN ASSOCIATES

As at 30 June 2025, interests in associates represented share of net assets of four associates that are not individually material. For the six months period ended 30 June 2025, the Group recognised share of losses of associates in the amount of RMB-1,195,000 in the consolidated statement of profit or loss (six months ended 30 June 2024: RMB-2,787,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

11 TRADE AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables		
— Third parties	696,650	808,542
— Related parties (Note 19(b))	97,674	82,112
Bills receivable, carried at amortised cost	41,048	78,526
Bills receivable, carried at FVOCI	15,708	6,337
Less: loss allowance for doubtful debts	(79,908)	(70,381)
Trade and bills receivables	771,172	905,136
Other receivables		
— Deposits	15,766	16,534
— VAT recoverable	37,703	41,860
— Others	48,002	12,847
Prepayments	25,845	21,841
	898,488	998,218
Current portion of trade and other receivables	898,488	998,218
Non-current portion of trade and other receivables	225,316	293,991
Total current and non-current trade and other receivables	1,123,804	1,292,209

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 *(Continued)*

As at 30 June 2025, the Group endorsed undue bills receivable of RMB48,320,000 (2024: RMB64,938,000) 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 2025, the maximum exposure to loss from its continuous involvement represents the amount of bills receivable of RMB48,320,000 (2024: RMB64,938,000) 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 2025 RMB'000	At 31 December 2024 RMB'000
Current	640,731	781,455
Less than 1 year	128,135	118,023
1 to 2 years	2,306	5,658
	771,172	905,136

12 CASH AND CASH EQUIVALENTS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Cash at bank and on hand	691,475	471,528
Less: Restricted bank deposits (Note)	65,446	125,906
Bank deposits with original maturity over three months	10,000	–
Cash and cash equivalents in the consolidated statement of financial position and the consolidated cash flow statement	616,029	345,622

Note: As at 30 June 2025, restricted bank deposits of RMB65,446,000 mainly represent deposits for issuing bank acceptance bills payable (31 December 2024: RMB125,906,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

13 LOANS AND BORROWINGS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Current	741,663	867,687
Non-current	1,634,704	2,280,178
Total	2,376,367	3,147,865

As at 30 June 2025, the bank loans and other interest-bearing borrowings were repayable as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within one year	741,663	867,687
After one year but within two years	811,130	882,455
After two years but within five years	772,365	1,264,658
After five years	51,209	133,065
Total	2,376,367	3,147,865

As at 30 June 2025, the loans and borrowings were secured as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Bank loans		
— Secured	141,263	187,683
— Unsecured	2,233,572	2,934,148
— Bills discounted	1,532	4,064
Other interest-bearing borrowings		
— Guaranteed	—	21,970
Total	2,376,367	3,147,865

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

14 TRADE AND OTHER PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables		
— Third parties	256,482	271,506
— Related parties (Note 19(b))	58,892	66,253
Bills payable	48,474	93,744
Trade and bills payables	363,848	431,503
Other payables and accruals		
— Construction and equipment payables	461,609	434,863
— Deposits	30,696	33,132
— Other taxes and surcharges payables	11,876	10,339
— Accrued payroll and other benefits	8,937	107,924
— Accrued expenses	62,837	65,023
— Others	49,550	42,706
	989,353	1,125,490
Dividends payable	28,171	31,219
Amounts due to related parties (Note 19(b))		
— Construction and equipment payables	197,228	224,777
— Others	3,038	1,274
Trade and other payables	1,217,790	1,382,760

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	363,848	431,503

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

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

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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 2025 RMB'000	At 31 December 2024 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 2024: HKD3 cents per share)	–	51,332

The board of directors does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: 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, China Conch Venture Holdings Limited ("Conch Venture", the ultimate parent Company of the Company before the Company completed spin-off from Conch Venture on 30 March 2022). Board declared the Conch Venture Distribution to the Qualifying Conch Venture Shareholders. The Conch Venture Distribution was satisfied wholly by way of a distribution in specie to the qualifying Conch Venture Shareholders of an aggregate of 1,826,765,059 Shares, representing all the issued Shares of the Company, by way of 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 2025, carrying amount of financial assets and liabilities measured at fair value is RMB15,708,000 (31 December 2024: RMB6,337,000).

17 COMMITMENTS

Commitments outstanding at 30 June 2025 not provided for in the interim financial report:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted for	129,331	77,832
Authorised but not contracted for	223,701	325,836
	353,032	403,668

18 CONTINGENT LIABILITIES

At 30 June 2025, the Group has issued guarantees for banking facilities of its associate, Yunfu Guangjia Haizhong Environmental Protection Technology Co., Ltd. amounting to RMB24,000,000 (31 December 2024: RMB24,000,000). These facilities were utilised to the extent of RMB12,526,000 (31 December 2024: Nil) as at 30 June 2025. The directors do not consider it probable that a claim will be made against the Group under any of these guarantees.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

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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
China Conch Venture Holdings (HK) Limited ("Conch Venture HK") 中國海創控股(香港)有限公司	Subsidiary of Conch Venture
Wuhu Conch Venture Enterprise Limited 蕪湖海創實業有限責任公司	Subsidiary of Conch Venture
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
Huoqiu Conch Venture Environment Engineering Co., Ltd. 霍邱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
Shimen Haichuang Environmental Engineering Co., Ltd. 石門海創環境工程有限責任公司	Subsidiary of Conch Venture
Shizhu Xian Conch Venture Environmental Protection Technology Co., Ltd. 石柱縣海創環保科技有限責任公司	Subsidiary of Conch Venture

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Qiyang Conch Venture Environment Engineering Co., Ltd. 祁陽海創環境工程有限責任公司	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
Ningguo Conch Venture Environment Engineering Co., Ltd. 甯國海創環境工程有限責任公司	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
Luxi Conch Venture Environmental Protection Technology Co., Ltd. 瀘西海創環保科技有限責任公司	Subsidiary of Conch Venture
Zongyang Conch Venture Environmental Protection Technology Co., Ltd. 縱陽海創環保科技有限責任公司	Subsidiary of Conch Venture
Baoshan Haichuang Environmental Engineering Co., Ltd. 保山海創環境工程有限責任公司	Subsidiary of Conch Venture
Pingguo Conch Venture Environmental Protection Technology Co., Ltd. 平果海創環保科技有限責任公司	Subsidiary of Conch Venture

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Dexing Haichuang 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 Venture New Energy-saving Building Material Co., Ltd 安徽海創新型節能建築材料有限責任公司	Subsidiary of Conch Venture
MAANSHAN Conch Venture Environmental Technology Co., Ltd (“MAANSHAN Environmental Technology”) 馬鞍山海創環境科技有限責任公司	Subsidiary of Conch Venture
Tengchong Conch Venture Energy Technology Co., Ltd. 騰沖海創能源科技有限責任公司	Subsidiary of Conch Venture
Hanshou Conch Venture Environmental Protection Technology Co., Ltd. (“Hanshou Environmental Protection”) 漢壽海創環保科技有限責任公司	Subsidiary of Conch Venture
Hunan Huiming Environmental Protection Technology Co., Ltd. (“Hunan Huiming”) 湖南惠明環保科技有限公司	Subsidiary of Conch Venture
Shuangfeng Conch Venture Environment Engineering Co., Ltd. (“Shuangfeng Environment”) 雙峰海創環境工程有限責任公司	Subsidiary of Conch Venture
Dehong Conch Venture Environmental Protection Technology Co., Ltd. (“Dehong Environmental Protection”) 德宏海創環保科技有限責任公司	Subsidiary of Conch Venture
Conch Venture Environmental Technology (Shanghai) Co., Ltd. (“Conch Venture Shanghai”) 海螺創業環保科技(上海)有限公司	Subsidiary of Conch Venture

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19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Anhui Haichuang Lvneng Environmental Protection Group Co., Ltd. ("Wuhu Environment") 安徽海創綠能環保集團股份有限公司	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 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 Holdings Co., Ltd. ("Conch Holdings") 安徽海螺集團有限責任公司	Parent of Conch Cement
Anhui Conch Building Materials Design and Research Institute Co., Ltd. ("Conch Design Institute") 安徽海螺建材設計研究院有限責任公司	Subsidiary of Conch Holdings
Anhui Conch IT Engineering Co., Ltd. ("Conch IT Engineering") 安徽海螺信息技術工程有限責任公司	Subsidiary of Conch Cement
Wuhu Conch Profiles and Science 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
Wuhu Conch Door and Window Co., Ltd. 蕪湖海螺門窗有限責任公司	Subsidiary of Conch New Materials
Wuhu Conch Extrusion Equipment Co., Ltd. 蕪湖海螺擠出裝備有限公司	Subsidiary of Conch New Materials

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(Expressed in Renminbi unless otherwise indicated)

19 MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Name of party (i)	Relationship
Wuhu Conch New Material Co., Ltd. ("Wuhu New Material") 蕪湖海螺新材料有限責任公司	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
Ningbo Conch Plastic Profile Co., Ltd. ("Ningbo Plastic") 寧波海螺塑膠型材有限責任公司	Subsidiary of Conch Cement
Anhui Conch Cement Co., Ltd. ("Conch Cement") 安徽海螺水泥股份有限公司	The ultimate parent Company
Anhui Tongling Conch Cement Co., Ltd. ("Tongling Conch") 安徽銅陵海螺水泥有限公司	Subsidiary of Conch Cement
Anhui Digang Conch Cement Co., Ltd. ("Digang Conch") 安徽荻港海螺水泥股份有限公司	Subsidiary of Conch Cement
Anhui Zongyang Conch Cement Co., Ltd. ("Zongyang Conch") 安徽縱陽海螺水泥股份有限公司	Subsidiary of Conch Cement
Anhui Chizhou Conch Cement Co., Ltd. ("Chizhou Conch") 安徽池州海螺水泥股份有限公司	Subsidiary of Conch Cement
Fenyi Conch Cement Co., Ltd. ("Fenyi Conch") 分宜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
Jiangxi Lushan Conch Cement Co., Ltd. ("Lushan Conch") 江西廬山海螺水泥有限公司	Subsidiary of Conch Cement
Anhui Huaining Conch Cement Co., Ltd. ("Huaining Conch") 安徽懷寧海螺水泥有限公司	Subsidiary of Conch Cement
Zhongguo Cement Co., Ltd. ("Zhongguo Plant") 中國水泥廠有限公司	Subsidiary of Conch Cement
Wuhu Conch Cement Co., Ltd. ("Wuhu Conch") 蕪湖海螺水泥有限公司	Subsidiary of Conch Cement
Hunan Conch Cement Co., Ltd. ("Hunan Conch") 湖南海螺水泥有限公司	Subsidiary of Conch Cement
Prosperity Conch Cement Co., Ltd. ("Prosperity Conch") 英德海螺水泥有限責任公司	Subsidiary of Conch Cement
Xingye Kuiyang Conch Cement Co., Ltd. ("Kuiyang Conch") 興業葵陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Linxiang Conch Cement Co., Ltd. ("Linxiang Conch") 臨湘海螺水泥有限責任公司	Subsidiary of Conch Cement
Quanjiao Conch Cement Co., Ltd. ("Quanjiao Conch") 全椒海螺水泥有限責任公司	Subsidiary of Conch Cement
Guangyuan Conch Cement Co., Ltd. ("Guangyuan Conch") 廣元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
Chongqing Conch Cement Co., Ltd. ("Chongqing Conch") 重慶海螺水泥有限責任公司	Subsidiary of Conch Cement
Jiangxi Ganjiang Conch Cement Co., Ltd. ("Ganjiang Conch") 江西贛江海螺水泥有限責任公司	Subsidiary of Conch Cement
Dazhou Conch Cement Co., Ltd. ("Dazhou Conch") 達州海螺水泥有限責任公司	Subsidiary of Conch Cement
Liquan Conch Cement Co., Ltd. ("Liquan Conch") 禮泉海螺水泥有限責任公司	Subsidiary of Conch Cement
Qianyang Conch Cement Co., Ltd. ("Qianyang Conch") 千陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Yangchun Conch Cement Co., Ltd. ("Yangchun Conch") 陽春海螺水泥有限責任公司	Subsidiary of Conch Cement
Jining Conch Cement Co., Ltd. ("Jining Conch") 濟寧海螺水泥有限責任公司	Subsidiary of Conch Cement
Qiyang Conch Cement Co., Ltd. ("Qiyang Conch") 祁陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Hunan Yiyang Conch Cement Co., Ltd. ("Yiyang Conch") 湖南益陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Suzhou Conch Cement Co., Ltd. ("Suzhou Conch") 宿州海螺水泥有限責任公司	Subsidiary of Conch Cement
Guangyuan Conch Plastic Packaging Co., Ltd. ("Guangyuan Plastic") 廣元海螺塑膠包裝有限責任公司	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
Guiyang Conch Cement Co., Ltd. ("Guiyang Conch") 貴陽海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Guiding Conch Cement Co., Ltd. ("Guiding Conch") 貴定海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Zunyi Conch Cement Co., Ltd. ("Zunyi Conch") 遵義海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Liukuang ruian Conch Cement Co., Ltd. ("Ruian Conch") 貴州六礦瑞安水泥有限公司	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
Qianxinan Development Resources Co., Ltd. 黔西南州發展資源開發有限公司	Subsidiary of Conch Cement
Zhuangxiang Conch Cement Co., Ltd. ("Zhuangxiang Conch") 雲南壯鄉水泥股份有限公司	Subsidiary of Conch Cement
Longan Conch Cement Co., Ltd. ("Longan Conch") 隆安海螺水泥有限責任公司	Subsidiary of Conch Cement
Qianxian Conch Cement Co., Ltd. ("Qianxian Conch") 乾縣海螺水泥有限責任公司	Subsidiary of Conch Cement
Refractory Material Co., Ltd. 安徽海螺暹羅耐火材料有限公司	Subsidiary of Conch Cement
Tongren Conch Cement Co., Ltd. ("Tongren Conch") 銅仁海螺盤江水泥有限責任公司	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
Wenshan Conch Cement Co., Ltd. ("Wenshan Conch") 文山海螺水泥有限責任公司	Subsidiary of Conch Cement
Baoji Conch Plastic Packaging Co., Ltd. ("Baoji Plastic") 寶雞海螺塑膠包裝有限責任公司	Subsidiary of Conch Cement
Shuicheng Conch Panjiang Cement Co., Ltd. ("Shuicheng Conch") 水城海螺盤江水泥有限責任公司	Subsidiary of Conch Cement
Chaohu Conch Cement Co., Ltd. ("Chaohu Conch") 巢湖海螺水泥有限責任公司	Subsidiary of Conch Cement
Fenghuang Construction Co., Ltd. 陝西銅川鳳凰建材有限公司	Subsidiary of Conch Cement
Chongqing Trading Co., Ltd. 重慶海螺物資貿易有限責任公司	Subsidiary of Conch Cement
Yunnan Haizhong Trading Co., Ltd. ("Yunnan Haizhong") 雲南海中貿易有限責任公司	Subsidiary of Conch Cement
Yiyang Conch Cement Co., Ltd. ("Yiyang Conch") 弋陽海螺水泥有限責任公司	Subsidiary of Conch Cement
Wuhu Conch Plastic Products Co., Ltd. ("Wuhu Plastic") 蕪湖海螺塑膠製品有限公司	Subsidiary of Conch Cement
Anhui Ningchang Plastic Packaging Co., Ltd. ("Ningchang Plastic") 安徽寧昌塑膠包裝有限公司	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
Jiangxi Haizhong Trading Co., Ltd. ("Jiangxi Haizhong") 江西海中貿易有限責任公司	Subsidiary of Conch Cement
Guizhou Haizhong Trading Co., Ltd. ("Guizhou Haizhong") 貴州海中貿易有限責任公司	Subsidiary of Conch Cement
Shandong Haizhong Trading Co., Ltd. ("Shandong Haizhong") 山東海中貿易有限責任公司	Subsidiary of Conch Cement
Shanxi Haizhong Trading Co., Ltd. ("Shanxi Haizhong") 陝西海中貿易有限責任公司	Subsidiary of Conch Cement
Anhui Haihui Supply Chain Technology Co., Ltd. ("Haihui Supply Chain Technology") 安徽海慧供應鏈科技有限公司	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	Subsidiary of Conch Holdings
Huaibei Zhongcheng Conch Cement Co., Ltd. ("Zhongcheng Conch") 淮北眾城水泥有限責任公司	Associate of the Conch Cement
Jiangsu Jiexia Environmental Protection Technology Co., Ltd. ("Jiexia Environmental Protection") 江蘇傑夏環保科技有限公司	Associate of the Group

(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	
	2025	2024
	RMB'000	RMB'000
Goods sold to:		
Conch Cement	43,353	–
Service rendered to:		
CKEM	22	47
Conch Holdings	6	9
Conch New Material	187	175
Conch Cement	12,442	16,227
Associates of the Group	1,043	141
Conch Venture and its subsidiaries	1,812	16,259
	15,512	32,858
Purchase of goods from:		
Conch Venture and its subsidiaries	4,892	6,903
CKEM	13	2,306
Conch Cement	3,402	441
	8,307	9,650
Services received from:		
Conch Design Institute	1,047	2,998
Conch Holdings	6,289	245
Conch Cement	37,385	35,247
Conch New Material	–	128
Conch Cement's associates	1,457	788
Conch Venture and its subsidiaries	1,011	6,603
	47,189	46,009

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 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables:		
Conch Venture and its subsidiaries	59,905	59,830
Conch Holdings	486	1,449
Conch Cement	35,283	20,833
Conch New Material	62	–
Conch Cement's associates	1,938	–
	97,674	82,112
Trade payables:		
Conch Cement	55,011	62,425
Conch Cement's associates	3,881	3,828
	58,892	66,253
Other payables (non-trade):		
Conch Venture and its subsidiaries	196,960	221,088
Conch Cement	268	277
Conch IT Engineering	–	3,402
Conch Design Institute	–	828
Conch Holdings	3,038	272
Conch New Materials	–	184
	200,266	226,051
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.