光大綠色環保
Everbright Greentech

CHINA EVERBRIGHT GREENTECH LIMITED
中國光大綠色環保有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1257)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue increased by 3% to HK$3,491,567,000 (2025: HK$3,400,122,000)
- Earnings before interest, taxation, depreciation and amortisation ("EBITDA") increased by 7% to HK$1,038,508,000 (2025: HK$974,366,000)
- Profit attributable to equity shareholders of the Company increased by 2% to HK$195,349,000 (2025: HK$190,791,000)
- Interim dividend of HK2.9 cents per share (2025: HK2.8 cents per share)

INTERIM FINANCIAL RESULTS

The board (the "Board") of directors (the "Directors") of China Everbright Greentech Limited (the "Company") announces the unaudited interim financial results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026. The interim financial results are unaudited, but have been reviewed by KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), whose independent review report is included in the interim report to be sent to the shareholders of the Company (the "Shareholders"). The interim financial results have also been reviewed by the Audit and Risk Management Committee of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June 2026 (Unaudited) HK$'000	2025 (Unaudited) HK$'000
REVENUE	*4*	**3,491,567**	3,400,122
Direct costs and operating expenses		**(2,727,843)**	(2,543,344)
GROSS PROFIT		**763,724**	856,778
Other revenue		**221,108**	208,605
Other gains/(losses), net		**2,299**	(25,490)
Impairment losses of goodwill, property, plant and equipment and interest in an associate		**(149,783)**	(178,379)
Administrative expenses		**(239,750)**	(316,569)
Finance costs	*5*	**(249,763)**	(294,302)
Share of losses of associates		**(1,053)**	(6,223)
Share of profits of joint ventures		**347**	9
PROFIT BEFORE TAX	*6*	**347,129**	244,429
Income tax	*7*	**(91,308)**	(80,570)
PROFIT FOR THE PERIOD		**255,821**	163,859
ATTRIBUTABLE TO:			
Equity shareholders of the Company		**195,349**	190,791
Holders of perpetual medium-term notes		**65,948**	21,174
Non-controlling interests		**(5,476)**	(48,106)
		255,821	163,859
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY	*9*		
Basic and diluted		**HK9.46 cents**	HK9.23cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**255,821**	163,859
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Changes in fair value of debtors at fair value through other comprehensive income, net of tax	**154,923**	(48,046)
Exchange differences on translation of foreign operations, net of nil tax	**697,881**	336,716
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**852,804**	288,670
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,108,625**	452,529
ATTRIBUTABLE TO:		
Equity shareholders of the Company	**1,042,045**	468,284
Holders of perpetual medium-term notes	**65,948**	21,174
Non-controlling interests	**632**	(36,929)
	1,108,625	452,529

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Investment properties		**29,436**	30,515
Property, plant and equipment		**3,658,196**	3,647,144
Right-of-use assets		**357,377**	372,351
Intangible assets		**11,587,101**	11,294,081
Interests in joint ventures		**34,852**	32,850
Interests in associates		**174,376**	227,838
Financial assets at fair value through other comprehensive income		**3,472**	3,300
Other receivables, deposits and prepayments	*10*	**232,472**	258,164
Contract assets	*11*	**6,245,953**	6,062,717
Deferred tax assets		**539,604**	520,268
Total non-current assets		**22,862,839**	22,449,228
CURRENT ASSETS			
Inventories		**384,450**	338,825
Debtors, other receivables, deposits and prepayments	*10*	**9,043,435**	8,537,534
Contract assets	*11*	**1,009,171**	931,684
Tax recoverable		**1,308**	2,703
Pledged bank deposits		**41,582**	43,125
Deposits with banks		**–**	25,078
Cash and cash equivalents		**2,228,758**	2,276,140
Total current assets		**12,708,704**	12,155,089

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*
At 30 June 2026

	Notes	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
CURRENT LIABILITIES			
Creditors, other payables and accrued expenses	*12*	**2,230,007**	2,352,956
Interest-bearing bank and other borrowings		**7,864,477**	6,937,355
Lease liabilities		**4,670**	5,087
Tax payables		**97,616**	81,565
Total current liabilities		**10,196,770**	9,376,963
NET CURRENT ASSETS		**2,511,934**	2,778,126
TOTAL ASSETS LESS CURRENT LIABILITIES		**25,374,773**	25,227,354
NON-CURRENT LIABILITIES			
Other payables and accrued expenses	*12*	**288,378**	256,505
Interest-bearing bank and other borrowings		**10,553,641**	11,447,541
Lease liabilities		**30,233**	30,984
Deferred tax liabilities		**723,398**	691,752
Total non-current liabilities		**11,595,650**	12,426,782
NET ASSETS		**13,779,123**	12,800,572
EQUITY			
Share capital		**1,608,029**	1,608,029
Reserves		**8,887,330**	7,897,718
Total equity attributable to equity shareholders of the Company		**10,495,359**	9,505,747
Perpetual medium-term notes		**3,236,960**	3,248,653
Non-controlling interests		**46,804**	46,172
TOTAL EQUITY		**13,779,123**	12,800,572

NOTES

1. GENERAL INFORMATION AND ACCOUNTING POLICIES

The unaudited interim financial report of the Group for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the HKICPA and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The accounting policies adopted in the preparation of the unaudited interim financial report are consistent with those adopted in the preparation of the Group's annual financial statements for the year ended 31 December 2025, except for the accounting policy changes that are expected to be reflected in the annual financial statements for the year ending 31 December 2026, as further detailed in note 2 below.

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 annual financial statements for the year ended 31 December 2025. 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 HKFRS Accounting Standards ("HKFRSs").

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

The Group manages its business by segments, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments.

(i) Integrated biomass utilisation project construction and operation: this segment engages in the construction and operation of biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects, waste-to-energy projects and integrated biomass and waste-to-energy projects to generate revenue from construction services, revenue from operation services as well as finance income.

(ii) Hazardous and solid waste treatment project construction and operation: this segment engages in the construction and operation of hazardous waste landfill projects, hazardous waste incineration projects, general industrial solid waste electricity and heat cogeneration projects and physicochemical and resources recycling projects to generate revenue from construction services, revenue from operation services as well as finance income.

3. OPERATING SEGMENT INFORMATION *(Continued)*

(iii) Environmental remediation project operation: this segment engages in the operation of environmental remediation projects covering restoration of industrial contaminated sites, contaminated farmland, mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river/lake sediments and industrial sludge, construction and operation of wetland parks, environmental stewardship services, anti-seepage at landfill sites and new materials for eco-agricultural restoration to generate revenue from operation services.

(iv) Solar energy and wind power project operation: this segment engages in the operation of solar energy projects and wind power projects to generate revenue from operation services.

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets, interests in associates and joint ventures, financial assets at fair value through other comprehensive income, deferred tax assets and current assets with the exception of intercompany receivables and other corporate assets which are managed on a group basis. Segment liabilities include tax payables, deferred tax liabilities, creditors, other payables and accrued expenses attributable to the activities of the individual segments and interest-bearing bank and other borrowings managed directly by the segments, with the exception of intercompany payables and other corporate liabilities which are managed on a group basis.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment result is "adjusted earnings before interest, taxes, depreciation and amortisation (non-GAAP measure)" (the "Adjusted EBITDA"). To arrive at the Adjusted EBITDA, the Group's earnings are further excluded for items not specifically attributed to individual segments, such as directors' and auditors' remuneration and other head office or corporate administration costs.

In addition to segment information concerning the Adjusted EBITDA, management is provided with segment information concerning revenue, interest expense from borrowings managed directly by the segments, depreciation and amortisation, recognition/(reversal) of credit losses of debtors and contract assets, impairment losses of goodwill, property, plant and equipment and interest in an associate and additions to non-current segment assets used by the segments in their operations.

3. OPERATING SEGMENT INFORMATION *(Continued)*

(i) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Integrated biomass utilisation project construction and operation For the six months ended 30 June		Hazardous and solid waste treatment project construction and operation For the six months ended 30 June		Environmental remediation project operation For the six months ended 30 June		Solar energy and wind power project operation For the six months ended 30 June		Total For the six months ended 30 June	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue *(note 4)*:										
Revenue from external customers and reportable segment revenue	**2,791,673**	2,711,473	**530,941**	515,235	**62,373**	72,680	**106,580**	100,734	**3,491,567**	3,400,122
Segment results:										
Reportable segment result (the Adjusted EBITDA/(Loss before interest, taxation, depreciation and amortisation ("LBITDA")))	**974,422**	1,021,719	**2,681**	26,738	**5,835**	(59,052)	**89,346**	86,761	**1,072,284**	1,076,166
Finance costs									**(249,763)**	(294,302)
Depreciation and amortisation, including unallocated portion									**(441,616)**	(435,635)
Unallocated head office and corporate income									**2,346**	24,353
Unallocated head office and corporate expenses									**(36,122)**	(126,153)
Consolidated profit before tax									**347,129**	244,429
Other segment information:										
Depreciation and amortisation	**242,700**	227,073	**145,792**	157,477	**6,480**	8,157	**44,045**	39,467	**439,017**	432,174
Recognition/(reversal) of credit losses of debtors and contract assets	**2,929**	46,063	**5,005**	(35,141)	**86**	36	**6,699**	2,042	**14,719**	13,000
Impairment losses of goodwill, property, plant and equipment and interest in an associate	**–**	–	**149,783**	112,563	**–**	65,816	**–**	–	**149,783**	178,379
Additions to property, plant and equipment, right-of-use assets, intangible assets and non-current portion of prepayments	**76,414**	79,318	**18,206**	54,252	**–**	7	**3,474**	110,231	**98,094**	243,808
Additions to non-current portion of contract assets	**164,750**	162,063	**1,596**	1,960	**–**	–	**–**	–	**166,346**	164,023

	Integrated biomass utilisation project construction and operation		Hazardous and solid waste treatment project construction and operation		Environmental remediation project operation		Solar energy and wind power project operation		Total	
	30 June	31 December	**30 June**	31 December	**30 June**	31 December	**30 June**	31 December	**30 June**	31 December
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Reportable segment assets	**26,126,060**	25,089,165	**5,685,827**	5,676,428	**593,542**	548,201	**1,431,033**	1,337,493	**33,836,462**	32,651,287
Unallocated head office and corporate assets									**1,735,081**	1,953,030
Consolidated total assets									**35,571,543**	34,604,317
Reportable segment liabilities	**9,626,626**	9,761,463	**3,259,670**	3,863,569	**418,877**	406,041	**381,758**	896,215	**13,686,931**	14,927,288
Unallocated head office and corporate liabilities									**8,105,489**	6,876,457
Consolidated total liabilities									**21,792,420**	21,803,745

3. OPERATING SEGMENT INFORMATION *(Continued)*

(ii) Information about major customers

For the six months ended 30 June 2026, the Group has transactions with 2 (six months ended 30 June 2025: 2) local government authorities in the People's Republic of China (the "PRC" or "China") which individually exceeded 10% of the Group's revenue. The revenue from the above PRC local government authorities during the six months ended 30 June 2026 amounted to HK$919,957,000 (six months ended 30 June 2025: HK$917,821,000) and HK$358,673,000 (six months ended 30 June 2025: HK$343,664,000) respectively.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue from integrated biomass utilisation project construction services	**6,731**	46,488
Revenue from integrated biomass utilisation project operation services	**2,620,192**	2,502,922
Revenue from hazardous and solid waste treatment project operation services	**529,345**	513,275
Revenue from environmental remediation project operation services	**62,373**	72,680
Revenue from solar energy and wind power project operation services	**106,580**	100,734
Revenue from contracts with customers	**3,325,221**	3,236,099
Finance income from service concession arrangements	**166,346**	164,023
Total revenue	**3,491,567**	3,400,122

The aggregated revenue from construction services, revenue from operation services and finance income derived from the local government authorities in the PRC amounted to HK$2,458,456,000 (six months ended 30 June 2025: HK$2,489,873,000) for the six months ended 30 June 2026. The revenues are included in 4 segments as disclosed in note 3.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank and other borrowings	**146,692**	186,021
Interest on lease liabilities	**717**	282
Interest on medium-term notes	**83,310**	88,954
Asset-backed securities arrangement fee	**20,460**	19,307
Finance costs incurred	**251,179**	294,564
Less: Interest capitalised*	**(1,416)**	(262)
Total	**249,763**	294,302

* The borrowing costs have been capitalised at a rate ranging from 2.30% to 2.85% (six months ended 30 June 2025: 2.13% to 3.50%) per annum during the six months ended 30 June 2026.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Amortisation of intangible assets	**297,591**	291,759
Depreciation of property, plant and equipment	**131,873**	131,558
Depreciation of right-of-use assets	**12,152**	12,318
Interest income	**(2,724)**	(5,087)
Government grants*	**(26,888)**	(9,140)
Value-added tax refunds**	**(159,558)**	(150,010)
Lease payments not included in the measurement of lease liabilities	**4,588**	3,865
Cost of inventories consumed	**1,350,185**	1,186,532
Credit losses of debtors and contract assets	**14,719**	13,000
Impairment losses of goodwill, property, plant and equipment and interest in an associate***	**149,783**	178,379
Foreign exchange differences, net	**(12,509)**	80,129
Employee benefit expense		
Wages and salaries	**271,487**	255,251
Pension scheme contributions	**29,939**	38,992

* Government grants of HK$19,525,000 (six months ended 30 June 2025: HK$4,131,000) were granted during the six months ended 30 June 2026 to subsidise certain projects of the Group in the PRC. There were no unfulfilled conditions and other contingencies attached to those grants. There is no assurance that the Group will continue to receive such grants in the future. The remaining amounts represent amortisation of deferred income.

** The Group was entitled to PRC value-added tax refunds of HK$159,558,000 (six months ended 30 June 2025: HK$150,010,000) during the six months ended 30 June 2026. There were no unfulfilled conditions and other contingencies attached to such tax refunds. There is no assurance that the Group will continue to receive such tax refunds in the future.

*** During the six months ended 30 June 2026, adverse market conditions and poor operating performance indicated that impairment existed in parts of the Group's hazardous and solid waste treatment projects. The Group assessed the recoverable amounts of the relevant assets and cash generating units on the basis of value in use and wrote down their carrying amounts accordingly. Aggregate impairment losses of HK$149,783,000 were recognised in profit or loss in "impairment of goodwill, property, plant and equipment and interest in an associate", comprising HK$62,983,000 representing a full impairment loss on the Group's interest in an associate, Anqing Jinghuan Green Environment Solid Waste Comprehensive Disposal Co., Ltd., following continuous operating losses incurred by the associate in the current period and in previous years, as a result of which the recoverable amount of the investment was assessed to be nil; and HK$86,800,000 in respect of the property, plant and equipment of a hazardous and solid waste treatment project, for which the recoverable amount was determined based on value in use.

During the six months ended 30 June 2025, a full impairment loss of HK$65,816,000 in respect of the goodwill of Everbright Ecological Remediation (Jiangsu) Limited was recognised in the Group's profit or loss as a result of the poor operating performance and challenging market conditions. In addition, certain hazardous and solid waste treatment projects ceased operations, impairment loss on property, plant and equipment of HK$112,563,000 was recognised in the Group's profit or loss.

During the six months ended 30 June 2025, a 51% non-wholly owned subsidiary of the Group ceased operations. As a result, an impairment loss of HK$85,326,000 on property, plant and equipment was recognised (which amount is also included in the impairment loss disclosed in the above paragraph). Following the cessation, the Group is in the process of obtaining the necessary approvals to initiate formal liquidation procedures. Upon completion of these procedures, the subsidiary's remaining assets and liabilities, including the bank borrowings, will be dealt with and realised in accordance with applicable laws and regulations.

7. INCOME TAX

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the six months ended 30 June 2026 and 2025.

Tax for the PRC operations is charged at the statutory rate of 25% of the assessable profits under tax rules and regulations in the PRC. During the period, certain PRC subsidiaries are subject to tax concessions under the relevant tax rules and regulations.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current – Elsewhere:		
Charge for the period	**124,805**	100,758
Under tax-provision in prior periods	**15,682**	2,675
Deferred tax	**(49,179)**	(22,863)
Total tax expense for the period	**91,308**	80,570

The Group is subject to the Organisation for Economic Co-operation and Development ("OECD") Global Anti-Base Erosion Model Rules ("Pillar Two model rules") for global minimum tax reform. Hong Kong has enacted the legislation for Pillar Two effective from 1st January 2025. Based on the Group's current assessment and quantification, the exposure would have not been material. However, some degree of uncertainty remains, as the OECD's Inclusive Framework on Pillar Two has indicated that further guidance on Substance-Based Income Exclusion rules for assets and employees is forthcoming.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

8. DIVIDENDS

On 12 August 2026 the Board declared an interim dividend of HK2.9 cents (six months ended 30 June 2025: HK2.8 cents) per ordinary share, amounting to a total of approximately HK$59,916,000 (six months ended 30 June 2025: HK$57,850,000).

9. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the period attributable to equity shareholders of the Company of HK$195,349,000 (six months ended 30 June 2025: HK$190,791,000), and the weighted average number of ordinary shares of 2,066,078,000 (six months ended 30 June 2025: 2,066,078,000) shares during the period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2026 and 2025 in the calculation of diluted earnings per share as there were no potential dilutive ordinary shares during the six months ended 30 June 2026 and 2025.

10. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Notes	**30 June 2026 (Unaudited) *HK$'000***	31 December 2025 (Audited) *HK$'000*
Debtors, net of loss allowances	*(i)*	**8,463,886**	7,977,649
Other receivables, deposits and prepayments		**791,336**	798,004
Amount due from an associate		**115**	–
Amounts due from fellow subsidiaries		**3,831**	3,177
Amounts due from joint ventures		**16,739**	16,868
		9,275,907	8,795,698
Less: Non-current portion – Other receivables, deposits and prepayments		**(232,472)**	(258,164)
Current portion		**9,043,435**	8,537,534

Notes:

(i) An ageing analysis of the debtors, based on the date of invoice (or date of revenue recognition, if earlier) and net of loss allowance as at the end of the reporting period is as follows:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Within 1 month	**639,394**	765,463
More than 1 month but within 2 months	**227,449**	179,628
More than 2 months but within 4 months	**430,437**	487,143
More than 4 months but within 7 months	**535,947**	470,430
More than 7 months but within 13 months	**947,165**	884,950
More than 13 months	**5,683,494**	5,190,035
	8,463,886	7,977,649

Debtors are mainly due immediately to within 90 days from the date of billing.

As at 30 June 2026, the carrying amounts (net of loss allowance) of debtors at amortised cost and at fair value through other comprehensive income of HK$1,483,117,000 (31 December 2025: HK$1,328,261,000) and HK$6,980,769,000 (31 December 2025: HK$6,649,388,000), respectively.

10. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

Notes: (Continued)

(i) *(Continued)*

The movements in the loss allowance for debtors are as follows:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
At beginning of year	**237,303**	196,776
Recognition of credit losses, net	**12,885**	38,872
Written-off	**–**	(4,321)
Disposal of a subsidiary	**(1,608)**	–
Exchange realignment	**12,615**	5,976
At end of period/year	**261,195**	237,303

11. CONTRACT ASSETS

	Notes	**30 June 2026 (Unaudited)** ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Service concession assets	*(a)*	**6,676,045**	6,454,969
Unbilled renewable energy tariff subsidy	*(b)*	**150,740**	128,159
Environmental remediation contract assets	*(c)*	**437,666**	418,358
		7,264,451	7,001,486
Loss allowance		**(9,327)**	(7,085)
		7,255,124	6,994,401
Less: Non-current portion			
– Service concession assets		**(6,096,686)**	(5,906,396)
– Environmental remediation contract assets		**(149,267)**	(156,321)
		(6,245,953)	(6,062,717)
Current portion		**1,009,171**	931,684
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in "Intangible assets"		**82,492**	76,097

11. CONTRACT ASSETS *(Continued)*

Notes:

(a) Service concession assets

Service concession assets arose from the Group's revenue from construction services under certain Build-Operate-Transfer ("BOT") and Build-Operate-Own ("BOO") arrangements and bear interest at rates ranging from 4.65% to 6.60% (31 December 2025: 4.65% to 6.60%) per annum as at 30 June 2026.

Pursuant to the BOT and BOO arrangements, the Group receives no payment from the local government in Chinese Mainland (the "Grantors") during the construction period and instead receives service fees for the Group's operation services when relevant services are rendered during the operating periods. The service concession assets are not yet due for payment and will be settled by the service fees to be received during the operating periods of the arrangements.

All of the current portion of service concession assets are expected to be recovered within 1 year.

(b) Unbilled renewable energy tariff subsidy

The balance represents government on-grid renewable energy tariff subsidy receivables for certain integrated biomass utilisation projects which commenced operations and arose from the Group's revenue from operations. The amounts will be billed and settled upon the completion of government administrative procedures pursuant to notices jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration of the PRC.

(c) Environmental remediation contract assets

The balance arose from performance under environmental remediation contracts. Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.

12. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

	Notes	**30 June 2026 (Unaudited)** ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Creditors			
– third parties	*(i)*	**1,198,016**	1,214,904
– fellow subsidiaries	*(i)*	**37,349**	34,778
Other payables and accrued expenses		**1,043,939**	1,134,326
Amounts due to fellow subsidiaries	*(ii)*	**33,581**	31,581
Amount due to an associate	*(iii)*	**2,623**	2,402
Amount due to a non-controlling interest	*(iv)*	**4,363**	5,593
Loans from non-controlling interests	*(v)*	**4,150**	4,150
Deferred income – government grants		**194,364**	181,727
		2,518,385	2,609,461
Less: Non-current portion			
– Deferred income			
– government grants		**(129,659)**	(114,935)
– Other payables and accrued expenses		**(158,719)**	(141,570)
		(288,378)	(256,505)
Current portion		**2,230,007**	2,352,956

12. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES *(Continued)*

Notes:

(i) Included in "Creditors, other payables and accrued expenses" are creditors with the following ageing analysis based on the date of invoice as at the end of the reporting period:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	HK$'000	*HK$'000*
Within 6 months	**856,255**	895,110
More than 6 months	**379,110**	354,572
	1,235,365	1,249,682

Creditors totalling HK$202,983,000 (31 December 2025: HK$248,095,000) as at 30 June 2026 represent construction payables for the Group's BOT and certain BOO arrangements.

Creditors due to fellow subsidiaries are unsecured, interest-free and repayable in accordance with the contract terms.

(ii) The amounts due to fellow subsidiaries are unsecured, interest-free and repayable on demand.

(iii) The amount due to an associate is unsecured, interest-free and repayable on demand.

(iv) The amount due to a non-controlling interest is unsecured, interest-free and repayable within 1 year.

(v) Loans from non-controlling interests are unsecured, interest-free and repayable on demand.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

In the first half of 2026, the global economic and trade landscape underwent profound reshaping, as intertwined and mounting geopolitical rivalry and protectionism, coupled with increasing regionalisation and localisation of industrial chains and supply chains, contributed to notably growing instability and uncertainty in the international political and economic environment. Domestically, the PRC persisted in the overall working principle of seeking progress while maintaining stability and implemented a more proactive fiscal policy as well as a moderately loose monetary policy with the benefit of a well-launched "15th Five-year Plan ("FYP")", reporting overall stable progress in economic development and in-depth advancement of low-carbon green transformation. In the meantime, the environmental protection industry was experiencing profound changes, as the profit model for traditional biomass power generation operations was set to be reshaped, with the full implementation of the nation's market-based reforms in connection with on-grid tariffs for new energy driving the trade of new-energy power on a full market basis. Elsewhere, a series of policies in relation to development of zero-carbon industrial parks were announced, setting out more rigorous requirements for energy-mix transformation. Responsibility weights for renewable energy consumption continued to increase, while the demand for green power consumption was further unleashed. At the industry level, the transition of the environmental protection industry from a "scale expansion" approach to a "quality and efficiency" driven approach was gaining pace, as technical barriers and integrated servicing capabilities became core factors in competition. The hazardous and solid waste treatment industry became increasingly competitive as ongoing pressure continued to build in the market, placing more rigorous demands on traditional environmental companies in terms of their ability to facilitate business transformation and manage risks.

In the presence of external challenges and changes in the industry, the Group seized opportunities amidst challenges and charted new horizons through reform and change with a focus on its principal "clean energy" business, leveraging the full momentum of "Second-stage Entrepreneurship" as it continued to deepen the strategic elements of "Technologisation, Internationalisation and Ecological Model" in resolute implementation of the national strategy of deepening the "dual carbon" strategy and the decisions and plans for promoting the construction of ecological civilisation and in close tandem with the principal guideline of "progress in stability and quality and efficiency enhancement". Externally, the Group sought vigorous expansion in the heat supply market as well as the green certificate trade and electricity sales business in proactive response to changes in the policy environment associated with the phasing out of tariff subsidies for renewable energy. Implementation of new energy projects such as zero-carbon industrial park and independent energy storage was expedited, while showcase projects for biomass-based sugar production, biomass natural gas and others were implemented in an extension of its industrial chain to high-value segments. Internally, regional reform of its business organisational structure was initiated, whereby the previous management model based on business categories was reformed into six regional management centres in the construction of a new pattern characterised by "coordination at the regional level and in-depth operation at the local level". Meanwhile the construction of intelligent model units at stockyards was also advanced with a view to operational cost reduction and efficiency enhancement through digital empowerment. The Group reported stable growth in overall operating results for the first half of 2026, which was attributable to strong growth in the heat supply business and steady increase in revenue from the principal clean energy business as a percentage of total revenue despite escalating market competition and narrowing profitability faced by the hazardous and solid waste treatment business, coupled with significant narrowing of losses sustained by the hazardous and solid waste treatment business with the benefit of targeted assistance. The results have showcased an ongoing positive trend of development driven by heat supply and an optimised business mix demonstrating excellence in both quality and efficiency.

The Group is principally engaged in the businesses of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. As of 30 June 2026, the Group had 140 environmental protection projects with a total investment of approximately RMB30.343 billion and had undertaken 95 asset-light projects such as environmental remediation projects with a total contract amount of approximately RMB2,380 million.

In terms of market development, the Group was advancing with full force in its new journey of "Second-stage Entrepreneurship" in line with its core development strategy focused on "Technologisation, Internationalisation, and Ecological Model". On the basis of its principal "clean energy" business, the Group sought to enhance the coordinated development of its traditional advantage business and the novel business demonstration. During the period under review, 2 new environmental remediation contracts were signed, there were 13 solar energy projects in Hong Kong in total with an aggregate power generation designed capacity of 3.60 MW. The Group's wind power projects, located primarily in Shanxi Province, offered a total installed capacity of 96 MW. The Group continued to devote strong efforts to the expansion of its asset-light business leveraging the advantage afforded by its existing project presence. During the period under review, the Group completed the signing of environmental remediation contracts worth of approximately RMB47.81 million. In connection with the new materials business, 16 customers had been engaged in relation to the chelating agent business for a total contract amount of RMB11.378 million, while the furnace slag recycling business was advancing in a coordinated manner. Stable growth was reported in the development of the business-to-business ("B2B") asset-light projects, as the development pattern underpinned by dual emphasis on asset-light and asset-heavy operations was coming into shape.

In terms of project construction, the Group was steadily advancing the engineering construction of its projects. During the period under review, the Group had 3 new projects (including 2 environmental remediation projects) under implementation or commencing construction and 1 completed and commissioned project (including 1 environmental remediation project). As of 30 June 2026, the Group had 5 projects under construction or implementation, including 2 integrated biomass utilisation projects and 3 environmental remediation projects. With a strong emphasis on construction safety, construction quality and work scheduling for projects under construction, the Group continued to enhance the management standard at project sites through ongoing optimisation of its construction management system.

In terms of technology research and development ("R&D"), the Group was driving qualitative development of the industry with a special focus on the R&D of frontier technologies in firm adherence to technological innovation as the core engine for development and in close tandem with the national "Dual Carbon" strategy and high-value biomass recycling policy. In connection with high-value biomass recycling, the Group was putting in strong efforts to advance the biomass glycation project. The relevant feasibility study report has been completed and a 1,000-tonne grade test-run scheme for scientific research is under preparation to stock premium projects for extending its industry chain to high-value segments. In connection with the construction of zero-carbon industrial parks, the Group has developed an integrated solution for "green energy supply + digital empowerment", while project listing procedures have been completed for the zero-carbon industrial park projects in Feng County and Dangshan as well as the independent energy storage project in Nanjing Pukou Economic Development Zone (250MW/500MWh) to lay a solid foundation for the creation of smart energy systems and formation of replicable and promotable zero-carbon operational model.

The Group advanced intelligentisation in a steady manner with a special focus on the critical issue of "small plants, large volume of fuel" for biomass power plants. The construction of intelligent stockyard model units commenced at the Zhongxiang Project on a trial basis, featuring five major systems of unmanned post, unmanned patrol, smart security and protection, smart temperature monitoring and China Certified Emission Reduction (CCER), which may alleviate integrity risks at source and allow the stockyard to attain a zero accident rate. The Company has formulated a three-year promotion plan and the smart temperature monitoring and smart security and protection systems are currently in use at the Zhongxiang Project. Inspection and acceptance of delivery of the model units is scheduled for the end of 2026, while the completion of conversion of all 15 biomass projects is scheduled for 2027 to 2029 to generate digital power for green and low-carbon transformation. The Group continued to increase its stock up of proprietary intellectual property rights. As of 30 June 2026, the Group held 120 authorised patents, including 76 invention patents, 39 utility model patents and 5 software copyrights.

During the period under review, the Group commenced the regionalisation reform of its organisational structure in response to requirements of its development strategy, whereby the previous management model based on business categories was adjusted to a regionalised management model on the basis that each region shall manage a reasonable number of projects, covering a reasonable area in terms of radius of distance and be determined through reasonable geographical division, thereby creating a new management pattern characterised by "coordination at the regional level and in-depth operation at the local level" to fully unleash the energy of base-level operations. Riding on the regionalisation reform, various projects seized market opportunities to maximise cost reduction and efficiency enhancement, whilst expanding the heat supply business to accomplish breakthroughs against the trend. In terms of operational management, the Group continued to deepen its effort in refined operational management and advance measures for quality and efficiency enhancement during the period under review, identifying internal potential with in-depth efforts and returning with prominent results in cost reduction and efficiency enhancement. In connection with integrated biomass utilisation, the heat supply business became a new growth engine. Steam sales amounted to 2.60 million tonnes in aggregate for the first half of the year, representing year-on-year growth of 19% and generating heat supply revenue of RMB516 million, representing year-on-year growth of 16.7% and accounting for 16.1% of revenue from principal operations. The coordinated utilisation of three principal sources for heat, namely, biomass, solid waste and waste-to-energy, has resulted in ongoing expansion of its heat supply operations and effectively enhanced the ability of projects to withstand policy and market risks. In connection with value-added green business, the Group continued to explore sales channels for green certificate trading to enhance earnings from the green business. In connection with solar power generation, the Group was actively driving centralised and digitalised operational control for zero-carbon solar projects and reported ongoing improvements in the maintenance efficiency of centralised and distributed solar power stations as well as the operational quality and efficiency of its principal clean energy business. In connection with hazardous and solid waste treatment, the Group adopted an operational management strategy with dual emphasis on quality and efficiency enhancement as well as targeted assistance to counter austere market conditions. Through implementation of the "one enterprise, one policy" initiative at 12 projects prioritised for assistance, maximum reduction in production cost was achieved. Among them, 5 projects achieved turnaround from loss to profit, while 2 projects, including Yancheng Hazardous Waste and Lianyungang Solid Waste, reported substantial narrowing in losses and ongoing improvements in operational quality and efficiency.

In connection with risk management, in view of the complicated and fast-changing external environment, the Group has incorporated comprehensive risk management into its overall development strategy, with a view to addressing challenges presented by political and economic changes in the international scene as well as domestic industrial transformation in a systematic manner and enhancing its strategic resilience on an ongoing basis. The Group reduced various uncertainty factors and their adverse impact on its own strategic planning and operational goals to a maximum extent by constructing a comprehensive and efficient risk management structure. During the period under review, the Group improved its Risk Factors Checklist on the basis of risk assessment results and determined the scope of key management and control risks as the core basis on which end-to-end risk management tasks were advanced in further enhancement of the implementation effectiveness of its risk management. Consolidated analyses of risk events were conducted on a normalised basis to ensure compliance in the subsidiaries' operations and prevent the occurrence of systemic risks at source. During the period under review, the Group precisely implemented its connected transaction management system, clearly delineating the division of responsibilities and transaction reporting procedures among various project companies and business departments. It further refined the monitoring mechanism for continuing connected transaction limits, closely following up and strictly supervising the implementation of each project company to effectively prevent omissions and errors in reporting, and dynamically controlling the utilisation of the limits. Concurrently, the Group continued to implement a monthly reporting mechanism to the Board and implemented a routine compliance training mechanism. Quarterly specialised training sessions on connected transactions were organised for management, the financial management department, and heads of various departments, comprehensively enhancing key personnel's understanding of listing regulatory rules and compliance awareness.

In connection with social responsibility, the Group continued to deepen its commitment to its environmental protection facilities to the public. Environmental impact assessment reports and environmental surveillance data of projects were made available to the public via various media for governmental and public supervision in an ongoing effort towards professional, systematic and comprehensive disclosure in the opening of environmental protection facilities to the public. As of 30 June 2026, a total of 34 projects of the Company were officially opened to the public and 68 offline open-to-the-public activities were held, receiving a total of 1,040 visitors.

During the period under review, the Group's revenue was approximately HK$3,491,567,000, increasing by 3% as compared to HK$3,400,122,000 for the same period last year. EBITDA was approximately HK$1,038,508,000, representing an increase of 7% as compared to HK$974,366,000 for the same period last year. Profit attributable to equity shareholders of the Company was approximately HK$195,349,000, representing an increase of 2% as compared to HK$190,791,000 for the same period last year. Basic earnings per share for the first half of 2026 was HK9.46 cents, an increase of HK0.23 cents from HK9.23 cents in the same period last year. The Group was backed by ready access to various financing options and ample cash flow and reported sound financial indicators across the board. Cash and bank balances as at 30 June 2026 amounted to approximately HK$2,270,340,000. The total amount of bank loan facilities was HK$18,236,040,000, of which HK$7,044,066,000 was unutilised. Available cash and unutilised bank loan facilities amounted to approximately HK$9,314,406,000 in aggregate.

During the period under review, the Group's revenue increased year-on-year. In terms of operations, the integrated biomass utilisation segment continued to optimise its business structure, with the heat supply business serving as a new growth engine driving the segment's performance in a positive direction. The domestic hazardous and solid waste treatment market environment has stabilized, and the treatment unit prices of certain projects increased year-on-year, contributing to related revenue growth. The operating performance of other business segments remained steady with slight improvements. Profit attributable to equity shareholders of the Company recorded an increase, primarily benefiting from the Group's continuous efforts to tap into cost-reduction potential and effective control of operating costs.

In April 2026, the Company completed the issuance of the first tranche of green medium-term notes in 2026, namely the "China Everbright Greentech Limited 2026 First Tranche Green Medium-term Notes" (the "2026 First Tranche Green Medium-term Notes") in the PRC for a principal amount of RMB1.0 billion with a period of 3 years. The fixed coupon rate was 1.75% per annum, determined via centralised bookbuilding. The proceeds from issuance of the 2026 First Tranche Green Medium-term Notes will be used for the repayment of the Group's interest-bearing debts, replenishment of the Group's working capital and/or investment in and construction of the Group's environmental protection projects and for other business development purposes. Further details are set out in the announcement of the Company dated 23 April 2026.

In June 2026, Everbright Greentech Management (Shenzhen) Company Limited*, a wholly-owned subsidiary of the Company, as the vendor and original interest owner, entered into an underlying asset sale and purchase agreement with Shanghai AXA SPDB Assets Management Co., Ltd. ("AXA SPDB Assets Management"), as the purchaser (acting on behalf of the Everbright Greentech Renewable Energy Electricity Price Surcharge Subsidy Fund Phase 2 Carbon Neutrality Green Asset Backed Program (the "ABS Program – Phase 2") and the manager of the ABS Program – Phase 2), and transferred the underlying assets to the ABS Program – Phase 2 managed by AXA SPDB Assets Management in exchange for the related consideration of such transfer. The ABS Program – Phase 2 was established on 25 June 2026, and issued the second tranche of asset-backed securities (the "ABS") (the "Second Tranche of ABS") to qualified institutional investors in the PRC. The Second Tranche of ABS are classified into priority and subordinated tranches, with the issue size of the priority ABS amounting to RMB665 million at a coupon rate of 1.70% and the issue size of the subordinated ABS amounting to RMB35 million. The proceeds received from the issuance of the Second Tranche of ABS will be used for, including but not limited to, replenishing the Group's working capital, repayment of interest-bearing loans, provision of loans to members of the Group, acquisition of fixed assets, investment in the Group's projects and/or other purposes as permitted under the applicable laws and regulations. Further details are set out in the announcement of the Company dated 30 April 2026 and the circular of the Company dated 30 April 2026, respectively.

EVENTS AFTER REPORTING PERIOD

In July 2026, the Company completed the issuance of the second tranche of green medium-term notes of the Company in 2026, namely the "China Everbright Greentech Limited 2026 Second Tranche Green Medium-term Notes (Carbon-neutral Bond)" (the "2026 Second Tranche Green Medium-term Notes (Carbon-neutral Bond)") in the PRC for a principal amount of RMB1.0 billion with a period of 2 years. The fixed coupon rate was 1.61% per annum, determined via centralised bookbuilding. The proceeds from issuance of the 2026 Second Tranche Green Medium-term Notes (Carbon-neutral Bond) will be used for the repayment of the Group's interest-bearing debts, replenishment of the Group's working capital and/or investment in and construction of the Group's environmental protection projects and for other business development purposes. Further details are set out in the announcement of the Company dated 13 July 2026. Upon completion of the issuance of the 2026 Second Tranche Green Medium-term Notes (Carbon-neutral Bond), the remaining unissued registered principal amount of the Company's debt financing instruments was RMB3 billion.

BUSINESS REVIEW

During the period under review, revenue generated from integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power segments amounted to approximately HK$3,491,567,000 in aggregate, comprising approximately HK$6,731,000 from construction services, representing an 86% decrease compared to approximately HK$46,488,000 for the same period last year, and approximately HK$3,318,490,000 from operation services, representing a 4% increase compared to approximately HK$3,189,611,000 for the same period last year. Analysed by nature of revenue, construction services, operation services and finance income accounted for 0.2%, 95.0% and 4.8%, respectively, of the total revenue.

Major financial data of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power projects for the first half of 2026 are summarised as follows:

	For the six months ended 30 June 2026					For the six months ended 30 June 2025				
	Integrated biomass utilisation projects	**Hazardous and solid waste treatment projects**	**Environmental remediation projects**	**Solar energy and wind power projects**	**Total**	Integrated biomass utilisation projects	Hazardous and solid waste treatment projects	Environmental remediation projects	Solar energy and wind power projects	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue										
– construction services	**6,731**	**–**	**–**	**–**	**6,731**	46,488	–	–	–	46,488
– operation services	**2,620,192**	**529,345**	**62,373**	**106,580**	**3,318,490**	2,502,922	513,275	72,680	100,734	3,189,611
– finance income	**164,750**	**1,596**	**–**	**–**	**166,346**	162,063	1,960	–	–	164,023
	2,791,673	**530,941**	**62,373**	**106,580**	**3,491,567**	2,711,473	515,235	72,680	100,734	3,400,122
EBITDA/(LBITDA)*	**974,422**	**2,681**	**5,835**	**89,346**	**1,072,284**	1,021,719	26,738	(59,052)	86,761	1,076,166

* LBITDA is the loss for the period before deduction of interest, taxation, depreciation and amortisation.

The Group remains dedicated to enhancing value for the Shareholders. To reward the Shareholders for their support while taking into account the Group's long-term sustainable development, the Board has declared an interim dividend of HK2.9 cents per share for the six months ended 30 June 2026 (2025: HK2.8 cents per share) to the Shareholders.

Integrated biomass utilisation

The Group mainly utilises biomass raw materials to generate both electricity and heat. Biomass raw materials are categorised into yellow culms and grey culms. Yellow culms consist of agricultural residues, such as wheat straw, rice straw, corn straw, rice husks, peanut husks, etc.; while grey culms consist of forestry residues such as branches, barks and other manufacturing wood wastes, etc. In addition, the Group has developed a unique business model of urban-rural integration combining the construction of integrated biomass utilisation projects and waste-to-energy projects for integrated treatment of agricultural and forestry residues and rural household wastes in a pioneering attempt at treatment of the ecological environment in county areas. The unique advantage of the Group's urban-rural integration model enables it to significantly lower the operating costs of projects and enhance its competitiveness in the industry.

The comprehensive biomass raw material supply regime has safeguarded sufficient fuel supply for and stable operation of the integrated biomass utilisation projects, while the Group has also curbed fuel cost by acquiring biomass raw materials in nearby regions through regional coordination initiatives. Through the combined effect of technological optimisation and refined management capabilities, the Group's integrated biomass utilisation projects sustained long cycles of stable operation, resulting in significant enhancement in operational standards and economic efficiency of the projects.

As of 30 June 2026, the Group had a total of 57 integrated biomass utilisation projects, distributed variously in 10 provinces in China, which were mainly located in Anhui Province, Jiangsu Province, Sichuan Province, Hubei Province and Henan Province, etc. Such projects commanded a total investment of approximately RMB17.354 billion and provided an aggregate power generation designed capacity of 1,069 MW, an aggregate annual biomass processing designed capacity of approximately 8,259,800 tonnes, and a daily aggregate household waste processing designed capacity of approximately 11,610 tonnes.

During the period under review, the Group operated and completed 54 integrated biomass utilisation projects. There were a total of 3 integrated biomass utilisation projects under construction, with an annual biomass processing designed capacity of approximately 170,000 tonnes, an estimated annual steam production capacity of approximately 917,000 tonnes and an annual bio-natural gas production capacity of 10 million cubic metres. The Group's integrated biomass utilisation projects contributed EBITDA of approximately HK$974,422,000, representing a decrease of 5% compared to the same period last year. The integrated biomass utilisation projects contributed net profit of approximately HK$539,522,000, representing a decrease of 14% as compared to the same period last year. The decrease in profit was mainly attributable to the decline in construction profit resulting from the reduction in projects under construction, coupled with the rising procurement cost of biomass fuel, however, operation revenue recorded a year-on-year growth during the period, which was attributable to the overall stable and improved operational quality. In addition, the heat supply business segment served as a notable driver, which has emerged as a new growth engine, benefiting from the sustained optimisation of the business structure, enhancement of both quality and efficiency, and a positive development momentum.

Major operating data of the integrated biomass utilisation segment for the first half of 2026 are summarised as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Percentage Change
Integrated biomass utilisation projects			
On-grid electricity (MWh)	**3,123,018**	3,265,205	-4%
Biomass raw materials processing volume (tonnes)	**3,897,000**	3,742,000	4%
Household waste processing volume (tonnes)	**2,114,000**	2,074,000	2%
Volume of steam supplied (tonnes)	**2,157,000**	1,773,000	22%

Hazardous and solid waste treatment

The Group is principally engaged in the safe treatment and integrated utilisation of wastes including general industrial solid wastes, hazardous wastes and infectious animal carcasses. Currently, the Group conducts the disposal by way of incineration, landfill, physicochemical treatment and integrated utilisation.

The Group is a leading industry player in the hazardous waste treatment business, with capabilities for safely disposing of 44 out of 46 categories of hazardous wastes listed in the National Catalog of Hazardous Wastes. During the period under review, the Group continued to explore the potential of the general industrial solid waste electricity and heat cogeneration business. The Group is well-positioned to fully meet various requirements of customers on the back of its solid technical strengths and ability to provide one-stop services.

As of 30 June 2026, the Group had a total of 45 hazardous and solid waste treatment projects, distributed variously in 6 provinces and autonomous regions in China, which were mainly located in Jiangsu Province, Shandong Province, Anhui Province, Hubei Province, Zhejiang Province, etc. Such projects commanded a total investment of approximately RMB10.982 billion and an aggregate annual processing designed capacity of approximately 2,214,870 tonnes.

During the period under review, the Group operated and completed 36 hazardous and solid waste treatment projects. The Group's hazardous and solid waste treatment projects contributed EBITDA of approximately HK$2,681,000, representing a decrease of 90% compared to the same period last year. Hazardous and solid waste treatment projects recorded net loss of approximately HK$164,171,000, representing a 6% decrease in loss compared to the same period last year. The decrease in EBITDA was mainly attributable to the recognition of higher impairment losses on hazardous and solid waste-related assets and credit losses during the current period compared to the same period last year. However, the Group continued to explore further potential for cost reduction and efficiency enhancement, strictly controlled various production costs, and optimised its asset structure through the disposal of low-profit and non-core assets. As a result, it effectively alleviated historical operational burdens, overall operational quality continued to improve, offsetting part of the loss pressure arising from the impairment.

Major operating data of the hazardous and solid waste treatment segment for the first half of 2026 are summarised as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Percentage Change
Hazardous and solid waste treatment projects			
Hazardous and solid waste processing volume (tonnes)			
– Detoxification treatment	**205,000**	212,000	-3%
– Integrated resource utilisation	**23,900**	27,300	-12%
Sales volume of recycled products (tonnes)	**6,900**	7,300	-5%
On-grid electricity (MWh)	**17,996**	13,039	38%
Volume of steam supplied (tonnes)	**439,000**	403,000	9%

Environmental remediation

The Group's environmental remediation business covers mainly the ecological restoration of landfills, restoration of industrial contaminated sites, restoration of contaminated farmland, treatment of river and lake sediments, anti-seepage at landfill sites and new materials for eco-agricultural restoration.

In connection with qualifications, as of 30 June 2026, the Group held the following accreditations: First-grade Professional Contracting Qualification for Environmental Protection Projects, Second-grade General Contractor for Municipal Public Works, Second-grade General Contractor for Construction Works, Environmental Engineering EPO License (Class B) (for pollution remediation and prevention of water pollution) and Qualification for Installation (Repair and Testing) of Power Facilities (Third Class). It had also obtained an "AAA" corporate credit rating given by a credit rating agency, as well as ISO9001, ISO45001, ISO14001 and ISO29490 management system accreditations.

As of 30 June 2026, the Group had 12 environmental remediation projects under implementation, which were mainly located in Jiangsu Province, Guangdong Province, Zhejiang Province and Anhui Province, with a total contract amount of approximately RMB589 million.

During the period under review, the Group's environmental remediation projects recorded EBITDA of approximately HK$5,835,000, representing an increase in profit of 110% compared to the same period last year. Environmental remediation projects recorded net loss of approximately HK$1,093,000, representing a 98% decrease in loss compared to the same period last year. The decrease in loss during the period was mainly attributable to the fact that no impairment losses for goodwill were recognised during the current period.

Solar energy and wind power

As of 30 June 2026, the Group had 35 operating and completed solar energy projects and 2 wind power projects in operation distributed in Jiangsu Province, Anhui Province, Shanxi Province, Hong Kong and Germany, respectively, involving a total investment of approximately RMB1.937 billion and providing an aggregate power generation designed capacity of 254.72 MW. Among these, the County-wide Solar Energy Advancement Project in Feng County, Jiangsu Province included 9 sub-projects with a total investment of approximately RMB124 million and an aggregate power generation designed capacity of 27.88 MW, all of which have now been put into operation. The Group is responsible for building, managing and operating these projects and selling electricity generated to local power grid companies.

During the period under review, the Group's solar energy and wind power projects contributed EBITDA of approximately HK$89,346,000, representing an increase of 3% compared to the same period last year. Solar energy and wind power projects contributed net profit of approximately HK$32,662,000, representing a decrease of 5% compared to the same period last year. The increase in EBITDA during the period was mainly attributable to better wind conditions for the wind power projects during the current period compared to the same period last year, leading to higher grid-connected power generation. However, the year-on-year increase in asset depreciation, amortisation, and credit losses during the current period resulted in a year-on-year decline in the net profit of the Group.

Major operating data of the solar energy and wind power segment for the first half of 2026 are summarised as follows:

	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Percentage Change
Solar energy and wind power projects			
On-grid electricity (MWh)	**163,224**	145,970	12%

BUSINESS PROSPECTS

In 2026, the environmental protection and energy industries welcomed opportunities arising from profound structural adjustments against the backdrop of an accelerated process of global green transformation coupled with the demand for energy security. On one hand, the strategic status of energy security became increasingly prominent amidst deep corrections in the international economic and trade order and an escalating trend of regionalisation and localisation of industrial chains and supply chains. On the other hand, with the commencement of the "15th FYP", the macro-policy of "progress in stability and quality and efficiency enhancement" continued to generate momentum, as the deep integration of new-quality productivity and low-carbon green transformation opened up broader opportunities for the development of the environmental protection industry. In line with the dual objectives of "safety" and "low carbon" and in adherence to the operating principle of "progress in stability and stability through solidity", the Group will stay focused on its principal operations with proactive efforts to establish its business presence and strengthen technological back-up and project implementation in growth segments such as new energy and energy efficiency enhancement.

In 2026, the nation's "dual carbon" strategy is entering a phase of in-depth advancement, as governance of the ecological environment is reaching new heights in "precision, intelligentisation and systematisation". The Notice Regarding Deepening the Market-oriented New Energy Feed-in Tariff Reform and Promoting the High-quality Development of New Energy and the Notice on Matters Concerning the Orderly Promotion of the Development of Direct Green Power Connection jointly published by the National Development and Reform Commission ("NDRC") and the National Energy Administration continued to generate policy-supported benefits, driving trades in on-grid electricity for new energy on a full market basis to provide a new niche for development for biomass power generation. The Notice on Carrying Out the Construction of Zero-Carbon Industrial Parks jointly published by three departments including the NDRC, which specifically named "Carbon Intensity of Energy Consumption" as a core indicator, will further drive the transformation of energy mix for industrial parks and the green upgrade of industries. As such, the zero-carbon industrial park is becoming an important economic growth pole for strategic new industries. The Notice on Renewable Energy Power Consumption Responsibility Weights and Related Matters published by the General Office of the NDRC and the General Affairs Department of the National Energy Administration set out specific targets for green power consumption ratio to further strengthen the mechanism for restraining consumption, thereby injecting powerful momentum for clean energy development. Under the double impact of policy drive and market mechanism, the environmental protection industry is transitioning from a "scale expansion" approach to a "quality and efficiency" driven approach, where technical barriers and integrated servicing capabilities will become core factors in competition.

Against multiple challenges amidst a volatile macro-environment and escalating industry competition, industrial upgrade and innovative development represent important strategic measures to achieve sustainability for the Group. The Group will resolutely implement strategic planning under the "15th FYP" and will, on the basis of strengthening and improving the quality of its principal biomass operations, foster new growth poles, broaden channels for profit and develop a dual-driven model underpinned by "strong foundation for the traditional business + breakthroughs in emerging fields" with full efforts. First of all, the integrated biomass utilisation business will be deepened and the electricity and heat cogeneration model will be promoted at an expedited pace with a special emphasis on advancing value-added biomass recycling in segments such as heat supply, glycation and gasification, in a bid to consolidate the Company's leading position in the sector. Secondly, the Group will step up with the development of the new energy business as a secondary growth pole, integrating wind power, solar energy, energy storage and virtual power plant technologies in the core scenario of "zero-carbon industrial park" to create a smart energy system, whilst pursuing systematic expansion into overseas markets. Thirdly, active expansion of the B2B asset-light business will be sought, as the Group will make major efforts in the development of the heat supply, gas supply, power trade, green electricity and green certificate and environmental remediation businesses leveraging the advantage afforded by its existing project presence, striving for the B2B business to achieve a profit contribution ratio of no less than 30% by 2030 in its drive to form a new business pattern characterised by "dual emphasis on and concerted development of asset-light and asset-heavy operations", such that the Company's sustainable high-quality development will be supported by a diverse business portfolio.

The Group will focus on attaining breakthroughs in key areas in close tandem with its designated annual targets. Firstly, expansion of the heat supply business will continue, as the acquisition of new users will be expedited and the geographical coverage of heat supply will be extended to further increase the percentage share of revenue from heat supply. Secondly, effective implementation of key projects such as Feng County Zero-carbon Industrial Park, Dangshan Zero-carbon Industrial Park and Nanjing Pukou Energy Storage will be expedited to foster new niches for profit growth as soon as practicable. Thirdly, the accomplishments of regionalisation reforms will be deepened by promoting best practices from Northern Jiangsu and Southern Jiangsu and encouraging the regional management centres to compete with, learn from, track and surpass each other, as well as to enhance efficiency through coordination. Fourthly, inspection and acceptance of intelligent stockyard model units and the implementation of a related marketing programme will be expedited, with a view to enhancing the Group's overall operational and management standards through digital empowerment. Fifthly, projects listing and construction of overseas projects will be advanced in a steady manner and active efforts will be made to develop clean energy markets along the "Belt and Road" regions. The Group is confident that, on the back of the positive developments in the first half of the year, the designated targets for 2026 will be fully achieved to lay a solid foundation for qualitative development during the "15th FYP".

As the commencing year of the "15th FYP", 2026 is also a year of all-round endeavours for the Group's "Second-stage Entrepreneurship". As the flagship under China Everbright Environment Group Limited ("CEEGL") for the "clean energy" business benefitting from the solid backing of China Everbright Group Limited and strong support of the controlling shareholder CEEGL, the Group will enhance its business coordination and continue to advance low-carbon and green transformation in close tandem with the national "dual carbon" strategy on the back of its experience in project operation and competence in market development, while staying strategically focused to expedite industrial upgrade through ongoing innovation and attain substantial revenue growth by deepening its effort in "Technologisation, Internationalisation and Ecological Model". The Group will focus on building core capabilities and overcoming bottlenecks, undistracted in its business endeavours and fully confident in its venture forward as it continues to forge differentiated competitive strengths. In ongoing adherence to the core corporate value of "Create Better Investment Value and Undertake More Social Responsibility", the Group will actively fulfill its social responsibility. As the national "dual carbon" strategy continues to further advance with ongoing improvements to relevant policies and regimes, the Group will firmly seize opportunities in the industry and continue to explore new niches for development to make more contributions towards the building of the beautiful China with the Everbright power.

FINANCIAL REVIEW

Financial position

As at 30 June 2026, the Group's total assets amounted to approximately HK$35,571,543,000 (31 December 2025: HK$34,604,317,000) with net assets amounting to approximately HK$13,779,123,000 (31 December 2025: HK$12,800,572,000). Net asset value per share attributable to equity shareholders of the Company was HK$5.08, representing an increase of 10% as compared to HK$4.60 per share as at the end of 2025. As at 30 June 2026, the gearing ratio (total liabilities over total assets) of the Group was 61.26%, representing a decrease of 1.75 percentage point as compared to that of 63.01% as at the end of 2025. The stability in gearing ratio reflected mainly the benefit of the Company's adoption of a prudent investment strategy in view of economic uncertainties. The current ratio of the Group was 124.63%, representing a decrease of 4.97 percentage points as compared to that of 129.60% as at the end of 2025.

Financial resources

The Group adopts a prudent approach to cash and financial management to ensure proper risk control and lower the costs of funds. It finances its operations primarily with proceeds from the issuance of medium-term notes, internally generated cash flow and bank loans. As at 30 June 2026, the Group had cash and bank balances of approximately HK$2,270,340,000, representing a decrease of approximately HK$74,003,000 as compared to approximately HK$2,344,343,000 at the end of 2025. Most of the Group's cash and bank balances were denominated in Hong Kong dollars and Renminbi.

Indebtedness

The Group endeavours to develop a diverse range of financing options and increasing banking facilities to reserve funds for the development of its environmental protection business. As at 30 June 2026, the Group had total outstanding borrowings of approximately HK$18,418,118,000, representing an increase of approximately HK$33,222,000 as compared to approximately HK$18,384,896,000 as at the end of 2025. The borrowings included secured interest-bearing borrowings of approximately HK$7,108,144,000 (31 December 2025: HK$7,112,361,000) and unsecured interest-bearing borrowings of approximately HK$11,309,974,000 (31 December 2025: HK$11,272,535,000). The borrowings of the Group were denominated in Renminbi and Hong Kong dollars, representing 99.93% and 0.07% of the total respectively. The proportions of fixed-rate loans and floating-rate loans of the Group are 49% and 51%, respectively. As at 30 June 2026, the Group had banking facilities of approximately HK$18,236,040,000 (31 December 2025: HK$18,939,338,000), of which approximately HK$7,044,066,000 (31 December 2025: HK$7,381,745,000) was unutilised. The tenor of banking facilities ranged from 1 year to 18 years.

As at 30 June 2026 and 31 December 2025, the maturities of interest-bearing bank and other borrowings were as follows:

	At 30 June 2026 *HK$ Million*	At 31 December 2025 *HK$ Million*
Within one year	**7,864**	6,937
In the second year	**3,112**	5,028
In the third to fifth year	**5,457**	4,319
After the fifth year	**1,985**	2,101
	18,418	18,385

Foreign exchange risks

The Company's financial statements are denominated in Hong Kong dollars, which is also the functional currency of the Company. The Group's investments made outside Hong Kong (including Chinese Mainland) may incur foreign exchange risks. The Group's operations have been predominantly based in China, which makes up over 95% of its total investments and revenue. The majority of the Group's assets, borrowings and major transactions are denominated in Renminbi, forming basically a natural hedging effect. The Group closely manages its foreign exchange risk through the optimal allocation of borrowings in different currencies, moderate control of borrowings in non-base currencies, and adoption of appropriate financial instruments.

Pledge of assets

Certain banking facilities and other loans of the Group are secured by certain revenue rights, contract assets, intangible assets and receivables in connection with the Group's service concession arrangements, bank deposits, property, plant and equipment and right-of-use assets of the Group. As at 30 June 2026, the aggregate net book value of assets pledged amounted to approximately HK$15,865,039,000 (31 December 2025: HK$15,979,090,000).

Commitments

As at 30 June 2026, the Group had purchase commitments of approximately HK$48,597,000 (31 December 2025: HK$123,948,000) under the construction contracts and capital commitments relating to capital injection in joint ventures, associates and financial asset enterprises of HK$44,789,000 (31 December 2025: HK$42,567,000).

Contingent liabilities

As at 30 June 2026, the Group did not have any contingent liabilities (31 December 2025: Nil).

Tax relief and exemption

The Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's shares.

HUMAN RESOURCES

As at 30 June 2026, the Group had a total of more than 3,200 employees in Hong Kong and Chinese Mainland. For the six months ended 30 June 2026, the total staff cost was approximately HK$301,426,000 (30 June 2025: HK$294,243,000). Employees are remunerated according to their qualifications, experiences, job nature and performance with reference to market conditions. In addition to discretionary performance bonuses, the Group also provides staff with continuous training and other benefits, such as medical insurance and the mandatory provident fund.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group believes that maintaining sound and high standards of corporate governance is not only a key element in safeguarding the interest of the Shareholders but also creating long term value for all relevant stakeholders by enhancing the corporate value, accountability and transparency of the Group. The Group has constantly reinforced its internal control, risk prevention and control, and corporate governance through a set of rules and regulations.

The Board has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules as the code for corporate governance practices of the Company. The Company had complied with all the applicable code provisions set out in Part 2 of the CG Code during the six months ended 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions. Having made specific enquiries with all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code during the period under review.

INTERIM DIVIDEND

To share the fruit of success with Shareholders, the Board has declared an interim dividend of HK2.9 cents per share for the six months ended 30 June 2026 (2025: HK2.8 cents per share) to Shareholders whose names appear on the Register of Members of the Company on Tuesday, 22 September 2026. The interim dividend payout ratio is 30.67% (2025: 30.32%) for the six months ended 30 June 2026. The interim dividend will be payable in cash on or around Tuesday, 13 October 2026.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 18 September 2026 to Tuesday, 22 September 2026 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all transfer documents and the relevant share certificates must be lodged with the Hong Kong Branch Share Registrar and Transfer Office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 17 September 2026.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

SHARE SCHEME

During the period under review, the Company has no share scheme.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement of the Company for the six months ended 30 June 2026 is published on the websites of Hong Kong Exchanges and Clearing Limited ("HKEx") (www.hkex.com.hk) and the Company (http://www.ebgreentech.com/en/ir/announcements.php). The 2026 interim report of the Company will be published on the websites of HKEx and the Company and despatched to the Shareholders who have elected to receive printed copies in due course.

By order of the Board
China Everbright Greentech Limited
ZHU Fugang
Executive Director and Chairman of the Board

Hong Kong, China, 12 August 2026

As at the date of this announcement, the members of the Board comprise:

Dr. ZHU Fugang *(Chairman, Executive Director)*
Mr. LIANG Haidong *(Chief Executive Officer, Executive Director)*
Ms. MAO Jing *(Non-executive Director)*
Mr. CHOW Siu Lui *(Independent Non-executive Director)*
Prof. YAN Houmin *(Independent Non-executive Director)*
Mr. LI Huaqiang *(Independent Non-executive Director)*

* *For identification purpose only*