DONGJIANG ENVIRONMENTAL COMPANY LIMITED*
東江環保股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 00895)

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

The board (the "**Board**") of directors (the "**Directors**") of Dongjiang Environmental Company Limited* (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2026. This interim results announcement, containing the full text of the 2026 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**HKEx**") in relation to information to accompany preliminary announcements of interim results.

This announcement will be published on the websites of the Company (www.dongjiang.com.cn) and HKEx (www.hkexnews.hk), respectively.

The 2026 interim report of the Company will be disseminated to the holders of H shares of the Company and will be also published on the websites of HKEx (www.hkexnews.hk) and the Company (www.dongjiang.com.cn) before 30 September 2026, respectively.

By order of the Board
Dongjiang Environmental Company Limited*
Wang Bi'an
Chairman

Shenzhen, the PRC
27 August 2026

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Wang Bi'an, Mr. Li Xiangli and Mr. Zhu Lintao; two non-executive Directors, being Mr. Liu Xiaoxuan and Ms. Hu Ruifang; and three independent non-executive Directors, being Mr. Lee Kwok Tung Louis, Mr. Li Jinhui and Ms. Xiang Ling.

* *For identification purpose only*

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

WANG Bi'an *(Chairman)*
LI Xiangli *(Chief executive officer)*
ZHU Lintao *(Employee Director)*

NON-EXECUTIVE DIRECTORS

WANG Shi *(resigned on 10 March 2026)*
LIU Xiaoxuan
JIA Guorong *(resigned on 20 April 2026)*
HU Ruifang *(appointed on 29 June 2026)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

LEE Kwok Tung Louis
LI Jinhui
XIANG Ling

AUTHORISED REPRESENTATIVES

WANG Bi'an
WU Qi

COMPANY SECRETARY

WU Qi

AUDIT AND RISK MANAGEMENT COMMITTEE

LEE Kwok Tung Louis *(Chairman)*
LI Jinhui
WANG Shi *(resigned on 10 March 2026)*
XIANG Ling *(appointed on 10 March 2026)*

REMUNERATION AND APPRAISAL COMMITTEE

XIANG Ling *(Chairman)*
LEE Kwok Tung Louis
ZHU Lintao

NOMINATION COMMITTEE

LI Jinhui *(Chairman)*
WANG Bi'an
XIANG Ling

STRATEGIC DEVELOPMENT COMMITTEE

WANG Bi'an *(Chairman)*
LI Jinhui
WANG Shi *(resigned on 10 March 2026)*

STOCK CODES

A shares listed on Shenzhen Stock Exchange: 002672
H shares listed on The Stock Exchange of Hong Kong Limited: 00895

AUTHORISED REPRESENTATIVE TO ACCEPT SERVICE OF PROCESSES AND NOTICES

Jeffrey Mak Law Firm

AUDITORS

WUYIGE Certified Public Accountants LLP

LEGAL ADVISERS

Jeffrey Mak Law Firm (as to Hong Kong law)
Beijing Kangda (Guangzhou) Law Firm (as to PRC law)

PRINCIPAL BANKER

China Merchants Bank

HONG KONG H SHARE REGISTRAR

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

REGISTERED OFFICE

1st Floor, 3rd Floor,
North of 8th Floor, 9th – 12th Floors
Dongjiang Environmental Building
No. 9 Langshan Road
North Zone of Hi-tech Industrial Park
Nanshan District, Shenzhen
The People's Republic of China

COMPANY'S WEBSITE

www.dongjiang.com.cn

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 4201, 42/F
Tower 1, Lippo Centre
89 Queensway, Admiralty
Hong Kong

DEFINITIONS

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

"A Share(s)"	A share(s) in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in RMB on the Shenzhen Stock Exchange
"Articles"	the articles of association of the Company currently in force
"Audit and Risk Management Committee"	the audit and risk management committee of the Board
"Baowu Environment"	Baowu Group Environmental Resources Technology Co., Ltd.* (寶武集團環境資源科技有限公司), a company incorporated in the PRC with limited liability, and a substantial shareholder of the Company as at the date of this report, which is controlled by China Baowu Steel Group Co., Ltd.,* (中國寶武鋼鐵集團有限公司)
"Board"	the board of Directors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Company" or "Dongjiang Environmental"	Dongjiang Environmental Company Limited* (東江環保股份有限公司), a joint stock limited company incorporated in the PRC, whose H Shares and A Shares are listed on the Stock Exchange and the Shenzhen Stock Exchange, respectively
"CSRC"	China Securities Regulatory Commission
"Director(s)"	the director(s) of the Company

"Elephant Logistics"	Guangdong Elephant Logistics Technology Co., Ltd.* (廣東大象物流科技有限公司), a company established in the PRC with limited liability and a non-wholly-owned subsidiary of the Company
"first half of 2026" or "Reporting Period" or "the First Half"	the six months ended 30 June 2026
"Group"	the Company and its subsidiaries
"Guangdong Rising Holdings Group"	Guangdong Rising Holdings Group Co., Ltd.* (廣東省廣晟控股集團有限公司), a company incorporated in the PRC with limited liability, and a substantial shareholder of the Company as at the date of this report; which is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Guangdong Province* (廣東省人民政府國有資產監督管理委員會)
"H Share(s)"	share(s) in the share capital of the Company, with a par value of RMB1.00 each, which are listed on the Stock Exchange, subscribed for and traded in HK$
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"PRC"	the People's Republic of China

"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shareholder(s)"	holder(s) of Share(s)
"Share(s)"	A Share(s) and H Share(s)
"Soho High Hope Group"	Jiangsu Soho High Hope Group Co., Ltd.,* (江蘇蘇豪匯鴻集團股份有限公司), formerly known as Jiangsu High Hope International Group Co., Ltd.,* (江蘇匯鴻國際集團股份有限公司), a joint stock limited company established in the PRC, which is listed on the Shanghai Stock Exchange with the stock code of 600981 and is a substantial shareholder of the Company as at the date of this report and is controlled by Jiangsu SOHO Holdings Group Co., Ltd.,* (江蘇省蘇豪控股集團有限公司)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

In this interim report, the English names of the PRC entities are translations of their Chinese names and included herein for identification purposes only. In the event of any inconsistency between the Chinese and English names, the Chinese names shall prevail.

The Board hereby announces the unaudited interim results of the Group for the six months ended 30 June 2026, together with the comparative figures of the corresponding period of 2025, as follows:

Unless otherwise stated, in this report, the financial information without specifying denominated currency is presented in Renminbi, otherwise presented in the specified currency.

CONSOLIDATED BALANCE SHEET

As at 30 June 2026

Items	Balance at the end of the period	Balance at the beginning of the period
Current assets:		
Monetary fund	**1,019,673,354.55**	1,206,668,947.31
Settlement deposits		
Lendings to banks and other financial institutions		
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	**48,663,549.04**	64,160,247.07
Trade receivable	**670,425,482.21**	745,887,890.30
Receivables financing	**15,825,498.12**	18,059,053.26
Prepayments	**123,207,379.57**	121,744,957.40
Premium receivable		
Reinsurance accounts receivable		
Provision for reinsurance contract receivable		
Other accounts receivable	**213,950,996.07**	222,980,539.93
Including: Interest receivable		
Dividend receivable		
Financial assets held under resale agreements		
Inventories	**642,445,020.51**	639,318,024.03
Including: Data resources		
Contract assets		
Assets held-for-sale		
Non-current asset due within one year	**9,161,805.65**	9,161,805.65
Other current assets	**93,727,803.01**	101,204,760.12
Total current assets	**2,837,080,888.73**	3,129,186,225.07

CONSOLIDATED BALANCE SHEET *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Non-current assets:		
Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	**279,343,718.96**	285,914,866.92
Investment in other equity instruments	**12,242,896.51**	4,242,896.51
Other non-current financial assets		
Investment properties	**420,310,035.00**	420,310,035.00
Fixed assets	**4,022,390,233.42**	4,282,996,525.15
Construction in progress	**27,665,632.75**	15,313,954.59
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**7,253,486.07**	1,907,107.05
Intangible assets	**1,205,180,887.74**	1,237,068,471.77
Including: Data resources		
Development expenditure		
Including: Data resources		
Goodwill	**377,999,953.79**	377,999,953.79
Long-term unamortized expenses	**50,114,788.30**	55,013,649.16
Deferred income tax assets	**60,838,946.38**	60,694,626.34
Other non-current assets	**27,032,318.11**	36,979,589.67
Total non-current assets	**6,490,372,897.03**	6,778,441,675.95
Total assets	**9,327,453,785.76**	9,907,627,901.02

CONSOLIDATED BALANCE SHEET *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Current liabilities:		
Short-term borrowings	**1,718,987,276.33**	1,648,729,219.93
Borrowings from central bank		
Loans from other banks		
Held-for-trading financial liabilities		
Derivative financial liabilities	**11,620,363.97**	3,768,510.75
Notes payable	**20,000,000.00**	
Trade payable	**420,023,502.39**	521,018,268.23
Receipts in advance	**1,334,831.95**	834,893.77
Contract liabilities	**194,535,352.56**	157,321,459.13
Proceeds from disposal of financial assets under agreements to repurchase		
Receipt of deposits and placements from banks and other financial institutions		
Acting trading securities		
Acting underwriting securities		
Employee benefits payables	**26,386,750.15**	40,998,488.01
Tax payable	**33,669,773.34**	30,315,687.50
Other payables	**191,251,389.52**	304,137,151.63
Including: Interest payable		
Dividend payable		
Handling charges and commission payable		
Reinsurance accounts payable		
Liabilities held-for-sale		
Non-current liabilities due within one year	**1,054,064,573.83**	1,548,512,093.05
Other current liabilities	**30,532,002.02**	31,491,323.97
Total current liabilities	**3,702,405,816.06**	4,287,127,095.97

CONSOLIDATED BALANCE SHEET *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	**1,642,081,063.12**	1,298,437,307.66
Bonds payable	**910,934,798.87**	909,146,754.65
Including: Preferred shares		
Perpetual bond		
Lease liabilities	**2,654,220.54**	930,876.38
Long-term accounts payables	**104,047,301.07**	136,234,058.23
Long-term employee benefits payables		
Provisions	**257,246,009.55**	248,439,115.35
Deferred income	**134,369,134.77**	141,548,067.28
Deferred income tax liabilities	**55,469,663.63**	55,539,606.28
Other non-current liabilities	**4,895,669.80**	8,243,215.40
Total non-current liabilities	**3,111,697,861.35**	2,798,519,001.23
Total liabilities	**6,814,103,677.41**	7,085,646,097.20

CONSOLIDATED BALANCE SHEET *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Owners' equity:		
Share capital	**1,105,255,802.40**	1,105,255,802.40
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	**1,314,741,156.60**	1,314,741,156.60
Less: Treasury shares		
Other comprehensive income	**27,288,354.05**	27,221,023.83
Special reserve	**10,216,594.36**	5,878,887.05
Surplus reserve	**269,816,271.96**	269,816,271.96
General risk reserve		
Undistributed profits	**-615,242,109.92**	-346,806,761.69
Total equity attributable to owners of the parent company	**2,112,076,069.45**	2,376,106,380.15
Minority interests	**401,274,038.90**	445,875,423.67
Total owners' equity	**2,513,350,108.35**	2,821,981,803.82
Total liabilities and owners' equity	**9,327,453,785.76**	9,907,627,901.02

BALANCE SHEET OF THE PARENT COMPANY

As at 30 June 2026

Items	Balance at the end of the period	Balance at the beginning of the period
Current assets:		
Monetary fund	**744,307,398.76**	928,732,292.22
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	**18,752,543.41**	41,740,483.25
Trade receivable	**166,972,542.36**	180,397,074.75
Receivables financing	**635,068.47**	3,010,775.66
Prepayments	**84,771,470.10**	32,114,248.49
Other accounts receivable	**2,206,728,831.93**	2,285,026,737.11
Including: Interest receivable		
Dividend receivable	**33,000,000.00**	33,000,000.00
Inventories		
Including: Data resources		
Contract assets		
Assets held-for-sale		
Non-current assets due within one year	**9,161,805.65**	9,161,805.65
Other current assets	**1,374,200.69**	1,858,805.48
Total current assets	**3,232,703,861.37**	3,482,042,222.61

BALANCE SHEET OF THE PARENT COMPANY *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	**3,401,200,253.87**	3,396,639,621.32
Investment in other equity instruments	**8,000,000.00**	
Other non-current financial assets		
Investment properties	**132,876,435.00**	132,876,435.00
Fixed assets	**53,071,489.03**	55,680,779.93
Construction in progress	**4,899,981.60**	4,899,981.60
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	**24,670,595.58**	27,015,980.75
Including: Data resources		
Development expenditure		
Including: Data resources		
Goodwill		
Long-term unamortized expenses	**5,968,766.38**	6,193,541.50
Deferred income tax assets	**9,586,649.23**	9,586,649.23
Other non-current assets	**546,000.00**	546,000.00
Total non-current assets	**3,640,820,170.69**	3,633,438,989.33
Total assets	**6,873,524,032.06**	7,115,481,211.94

BALANCE SHEET OF THE PARENT COMPANY *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Current liabilities:		
Short-term borrowings	**1,528,453,114.59**	1,241,002,269.34
Held-for-trading financial liabilities		
Derivative financial liabilities	**11,620,363.97**	3,768,510.75
Notes payable		33,000,000.00
Trade payable	**105,967,817.58**	194,589,943.78
Receipts in advance		
Contract liabilities	**38,734,148.03**	11,147,070.65
Employee benefits payables	**1,681,303.86**	3,879,455.67
Tax payable	**794,070.11**	1,272,060.93
Other payables	**872,430,938.93**	979,375,466.02
Including: Interest payable		
Dividend payable		
Liabilities held-for-sale		
Non-current liabilities due within one year	**750,525,000.00**	1,223,646,564.25
Other current liabilities	**4,999,570.90**	5,283,972.93
Total current liabilities	**3,315,206,327.97**	3,696,965,314.32

BALANCE SHEET OF THE PARENT COMPANY *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Non-current liabilities:		
Long-term borrowings	**556,250,000.00**	362,500,000.00
Bonds payable	**910,934,798.87**	909,146,754.65
Including: Preferred shares		
Perpetual bond		
Lease liabilities		
Long-term accounts payables		
Long-term employee benefits payables		
Provisions	**48,851,554.99**	48,851,554.99
Deferred income	**4,168,361.39**	4,603,687.01
Deferred income tax liabilities	**3,024,757.68**	3,024,757.68
Other non-current liabilities	**16,554.62**	16,554.62
Total non-current liabilities	**1,523,246,027.55**	1,328,143,308.95
Total liabilities	**4,838,452,355.52**	5,025,108,623.27

BALANCE SHEET OF THE PARENT COMPANY *(Continued)*

Items	Balance at the end of the period	Balance at the beginning of the period
Owners' equity:		
Share capital	**1,105,255,802.40**	1,105,255,802.40
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	**1,501,422,854.57**	1,501,422,854.57
Less: Treasury shares		
Other comprehensive income	**3,509,701.20**	3,509,701.20
Special reserve		
Surplus reserve	**253,304,996.86**	253,304,996.86
Undistributed profits	**-828,421,678.49**	-773,120,766.36
Total owners' equity	**2,035,071,676.54**	2,090,372,588.67
Total liabilities and owners' equity	**6,873,524,032.06**	7,115,481,211.94

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the six months ended 30 June 2026

Items			First half of 2026	First half of 2025
I.	**Total operating revenue**		**1,358,184,571.19**	1,500,470,309.76
	Including:	Operating revenue	**1,358,184,571.19**	1,500,470,309.76
		Interest income		
		Premium earned		
		Handling charges and commission income		
II.	**Total operating cost**		**1,659,315,566.22**	1,846,670,942.48
	Including:	Cost of operation	**1,294,407,599.44**	1,451,916,569.17
		Interest expenses		
		Handling charges and commission expenses		
		Surrenders		
		Net claims expenses		
		Net provisions for insurance reserve		
		Insurance policy dividend paid		
		Reinsurance costs		
		Tax and levies	**27,308,867.50**	20,304,468.72
		Selling expenses	**40,257,723.69**	41,851,616.53
		Administrative expenses	**179,540,865.39**	170,893,774.94
		Research and development expenses	**46,286,118.48**	67,829,792.46
		Finance costs	**71,514,391.72**	93,874,720.66
	Including:	Interest expense	**84,730,521.91**	94,743,471.81
		Interest income	**1,546,181.96**	2,603,195.24
	Add:	Other gains	**12,741,144.50**	16,917,438.43
		Investment income (Loss represented in "-" signs)	**-3,746,558.84**	8,232,515.82

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
Including: Investment income from associates and joint ventures	**-5,650,571.01**	6,044,247.78
Gains on derecognition of financial assets at amortized cost		
Foreign exchange gains (Loss represented in "-" signs)		
Gain from net exposure hedgings (Loss represented in "-" signs)		
Gains from changes in fair value (Loss represented in "-" signs)	**-11,233,568.73**	2,797,574.60
Credit impairment losses (Loss represented in "-" signs)	**8,598,859.78**	-4,051,548.35
Asset impairment losses (Loss represented in "-" signs)	**-20,005,930.84**	-7,049,014.26
Gains on disposal of assets (Loss represented in "-" signs)	**61,950.02**	37,313.81
III. Operating profit (Loss represented in "-" signs)	**-314,715,099.14**	-329,316,352.67
Add: Non-operating income	**4,176,456.21**	4,117,710.29
Less: Non-operating expenses	**4,121,158.51**	-418,250.59

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
IV. Total profits (Total loss represented in "-" signs)	**-314,659,801.44**	-324,780,391.79
Less: Income tax expenses	**3,814,120.88**	3,460,345.21
V. Net profits (Net loss represented in "-" signs)	**-318,473,922.32**	-328,240,737.00
(1) Breakdown by continuity of operation		
1. Net profits from continuing operations (Net loss represented in "-" signs)	**-318,473,922.32**	-328,240,737.00
2. Net profits from discontinued operations (Net loss represented in "-" signs)		
(2) Breakdown by attributable interests		
1. Net profits attributable to shareholders of the parent company (Net loss represented in "-" signs)	**-268,435,348.23**	-278,177,080.22
2. Profit and loss attributable to minority interests (Net loss represented in "-" signs)	**-50,038,574.09**	-50,063,656.78

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
VI. Other comprehensive income, net of tax	**67,330.22**	28,522.21
Other comprehensive income attributable to owners of the parent company, net of tax	**67,330.22**	28,522.21
(1) Other comprehensive income that cannot be reclassified to profit and loss		
1. Changes arising from remeasuring defined benefit plan		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Change in fair value of investments in other equity instruments		
4. Change in fair value due to enterprise's own credit risk		
5. Others		

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
(2) Other comprehensive income that will be reclassified to profit and loss	**67,330.22**	28,522.21
1. Other comprehensive income that can be reclassified to profit or loss under the equity method		
2. Change in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Reserve for cash flow hedging		
6. Exchange difference on translation of financial statements in foreign currency	**67,330.22**	28,522.21
7. Others		
Other comprehensive income attributable to minority interests, net of tax		

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
VII. Total comprehensive income	**-318,406,592.10**	-328,212,214.79
Total comprehensive income attributable to owners of the parent company	**-268,368,018.01**	-278,148,558.01
Total comprehensive income attributable to minority interest	**-50,038,574.09**	-50,063,656.78
VIII. Earnings per share:		
(1) Basic earnings per share	**-0.24**	-0.25
(2) Diluted earnings per share	**-0.24**	-0.25

INCOME STATEMENT OF THE PARENT COMPANY (UNAUDITED)

For the six months ended 30 June 2026

Items			First half of 2026	First half of 2025
I.	**Operating revenue**		**259,408,800.24**	350,817,891.13
	Less:	Cost of operation	**250,680,694.31**	343,887,443.53
		Tax and levies	**1,163,917.01**	976,898.34
		Selling expenses	**582,166.71**	833,075.94
		Administrative expenses	**30,706,475.14**	29,209,399.50
		Research and development expenses	**7,412,436.61**	8,604,172.88
		Finance costs	**15,144,712.15**	28,181,429.71
	Including:	Interest expense	**28,418,773.91**	28,258,280.83
		Interest income	**1,284,652.24**	1,795,214.27
	Add:	Other gains	**964,875.18**	1,740,910.92
		Investment income (Loss represented in "-" signs)	**-1,757,380.48**	10,742,515.82
	Including:	Investment income from associates and joint ventures	**-3,661,392.65**	6,044,247.78
		Gains on derecognition of financial assets at amortized cost (Loss represented in "-" signs)		
		Gain from net exposure hedging (Loss represented in "-" signs)		
		Gains from changes in fair value (Loss represented in "-" signs)	**-11,233,568.73**	2,797,574.60
		Credit impairment losses (Loss represented in "-" signs)	**3,119,375.50**	3,230,316.49
		Asset impairment losses (Loss represented in "-" signs)		
		Gains on disposal of assets (Loss represented in "-" signs)		30,081.19

INCOME STATEMENT OF THE PARENT COMPANY (UNAUDITED) *(Continued)*

Items	First half of 2026	First half of 2025
II. Operating profit (Loss represented in "-" signs)	**-55,188,300.22**	-42,333,129.75
Add: Non-operating income	**36,979.90**	58,283.65
Less: Non-operating expenses	**131,243.19**	-710,745.82
III. Total profit (Total loss represented in "-" signs)	**-55,282,563.51**	-41,564,100.28
Less: Income tax expenses	**18,348.62**	-17,651.30
IV. Net profit (Net loss represented in "-" signs)	**-55,300,912.13**	-41,546,448.98
(1) Net profits from continuing operations (Net loss represented in "-" signs)	**-55,300,912.13**	-41,546,448.98
(2) Net profits from discontinued operations (Net loss represented in "-" signs)		
V. Other comprehensive income, net of tax		
(1) Other comprehensive income that cannot be reclassified to profit and loss		
1. Changes arising from remeasuring defined benefit plan		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Change in fair value of investments in other equity instruments		
4. Change in fair value due to enterprise's own credit risk		
5. Others		

INCOME STATEMENT OF THE PARENT COMPANY (UNAUDITED) *(Continued)*

Items	First half of 2026	First half of 2025
(2) Other comprehensive income that will be reclassified to profit and loss		
1. Other comprehensive income that can be reclassified to profit or loss under the equity method		
2. Change in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Reserve for cash flow hedging		
6. Exchange difference on translation of financial statements in foreign currency		
7. Others		
VI. Total comprehensive income	**-55,300,912.13**	-41,546,448.98
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the six months ended 30 June 2026

Items	First half of 2026	First half of 2025
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	**1,795,365,912.76**	1,703,361,655.81
Net increase in customer deposits and placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in borrowings from other financial institutions		
Cash received from original insurance contract premium		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interest, handling charges and commission		
Net increase in loans from banks and other financial institutions		
Net increase in cash from repurchase business		
Net cash received from acting trading securities		
Refund of taxes and levies	**4,204,316.87**	4,646,400.49
Other cash receipts relating to operating activities	**44,472,400.42**	32,804,729.85
Sub-total of cash inflows from operating activities	**1,844,042,630.05**	1,740,812,786.15

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
Cash paid for goods and services	**1,236,981,824.34**	1,378,375,285.25
Net increase in customer loans and advances		
Net increase in placements with central bank and other banks		
Cash paid for compensation under original insurance contract		
Net increase in lendings to banks and other financial institutions		
Cash paid for interest, handling charges and commission		
Cash paid for policyholders' dividend		
Cash paid to and on behalf of employees	**292,299,389.18**	285,835,914.40
Payments of taxes and levies	**59,721,819.31**	47,972,128.25
Other cash payments relating to operating activities	**165,201,827.07**	79,337,786.83
Sub-total of cash outflows from operating activities	**1,754,204,859.90**	1,791,521,114.73
Net cash flows from operating activities	**89,837,770.15**	-50,708,328.58

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
II. Cash flows from investing activities:		
Cash received upon withdrawal of investments	**1,280,000,000.00**	1,125,000,000.00
Cash received from investment income	**3,027,648.97**	4,078,630.30
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**335,193.29**	21,316.00
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities		
Sub-total of cash inflows from investing activities	**1,283,362,842.26**	1,129,099,946.30
Cash paid to acquire fixed assets, intangible assets and other long-term assets	**37,757,535.36**	74,667,503.87
Cash paid on investments	**1,290,215,775.20**	1,128,400,000.00
Net increase of mortgaged loans		
Net cash paid on acquisition of subsidiaries and other operating units		
Other cash payments relating to investing activities		
Sub-total of cash outflows from investing activities	**1,327,973,310.56**	1,203,067,503.87
Net cash flows from investing activities	**-44,610,468.30**	-73,967,557.57

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
III. Cash flows from financing activities:		
Cash received from investment	**120,000.00**	500,000.00
Including: Cash received from minority shareholders' investment in subsidiaries		
Cash received from borrowings	**1,696,179,650.08**	2,162,766,719.80
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	**1,696,299,650.08**	2,163,266,719.80
Cash payments for settlement of borrowings	**1,770,006,808.90**	1,923,127,699.10
Cash payments for distribution of dividend, profit or interest expenses	**65,279,500.99**	77,828,886.11
Including: Cash payments for distribution of dividends and profit by subsidiaries to minority shareholders		3,450,000.00
Other cash payments relating to financing activities	**3,004,665.46**	2,769,173.52
Sub-total of cash outflows from financing activities	**1,838,290,975.35**	2,003,725,758.73
Net cash flows from financing activities	**-141,991,325.27**	159,540,961.07

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

(Continued)

Items	First half of 2026	First half of 2025
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**67,330.22**	28,522.21
V. Net increase in cash and cash equivalents	**-96,696,693.20**	34,893,597.13
Add: Balances of cash and cash equivalents at the beginning of the period	**1,099,872,837.30**	1,016,307,175.22
VI. Balances of cash and cash equivalents at end of period	**1,003,176,144.10**	1,051,200,772.35

CASH FLOW STATEMENT OF THE PARENT COMPANY (UNAUDITED)

For the six months ended 30 June 2026

Items	First half of 2026	First half of 2025
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	**663,356,479.09**	400,867,002.89
Refund of taxes and levies		
Other cash receipts relating to operating activities	**1,574,403,868.54**	1,111,574,628.81
Sub-total of cash inflows from operating activities	**2,237,760,347.63**	1,512,441,631.70
Cash paid for goods and services	**601,234,720.75**	365,476,942.56
Cash paid to and on behalf of employees	**26,693,505.03**	25,147,163.11
Payments of taxes and levies	**3,013,230.75**	921,340.70
Other cash payments relating to operating activities	**1,599,869,288.95**	1,040,697,433.42
Sub-total of cash outflows from operating activities	**2,230,810,745.48**	1,432,242,879.79
Net cash flows from operating activities	**6,949,602.15**	80,198,751.91

CASH FLOW STATEMENT OF THE PARENT COMPANY (UNAUDITED) *(Continued)*

Items	First half of 2026	First half of 2025
II. Cash flows from investing activities:		
Cash received from withdrawal of investments	**1,280,000,000.00**	1,125,000,000.00
Cash received from investment income	**2,952,854.45**	96,628,630.30
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**68,469.77**	
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	**90,720,000.00**	
Sub-total of cash inflows from investing activities	**1,373,741,324.22**	1,221,628,630.30
Cash paid to acquire fixed assets, intangible assets and other long-term assets	**2,829,852.62**	2,069,614.96
Cash paid on investments	**1,295,022,025.20**	1,138,400,000.00
Net cash paid on acquisition of subsidiaries and other operating units		
Other cash payments relating to investing activities	**35,511,661.13**	
Sub-total of cash outflows from investing activities	**1,333,363,538.95**	1,140,469,614.96
Net cash flows from investing activities	**40,377,785.27**	81,159,015.34

CASH FLOW STATEMENT OF THE PARENT COMPANY (UNAUDITED) *(Continued)*

Items	First half of 2026	First half of 2025
III. Cash flows from financing activities:		
Cash received from investment		
Cash received from borrowings	**1,260,030,053.83**	1,427,202,084.23
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	**1,260,030,053.83**	1,427,202,084.23
Cash payments for settlement of borrowings	**1,343,012,748.98**	1,535,969,125.13
Cash payments for distribution of dividend, profit or interest expenses	**52,456,201.78**	48,742,643.04
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	**1,395,468,950.76**	1,584,711,768.17
Net cash flows from financing activities	**-135,438,896.93**	-157,509,683.94
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	**-88,111,509.51**	3,848,083.31
Add: Balances of cash and cash equivalents at the beginning of the period	**830,924,136.03**	760,261,184.33
VI. Balances of cash and cash equivalents at end of period	**742,812,626.52**	764,109,267.64

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (UNAUDITED)

For the six months ended 30 June 2026

Items	First half of 2026														
	Equity attributable to owners of the parent company														
		Other equity instruments													
	Share capital	Preferred shares	Perpetual bond	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Sub-total	Minority interests	Total owners' equity
I. Balance at the end of last year	1,105,255,802.40				1,314,741,156.60		27,221,023.83	5,878,887.05	269,816,271.96		-346,806,761.69		2,376,106,380.15	445,875,423.67	2,821,981,803.82
Add: Changes in accounting policy															
Correction of previous errors															
Others															
II. Balance at the beginning of the current year	1,105,255,802.40				1,314,741,156.60		27,221,023.83	5,878,887.05	269,816,271.96		-346,806,761.69		2,376,106,380.15	445,875,423.67	2,821,981,803.82
III. Movement in the current period (Decrease represented by "-" signs)							67,330.22	4,337,707.31			-268,435,348.23		-264,030,310.70	-44,601,384.77	-308,631,695.47
(1) Total comprehensive income							67,330.22				-268,435,348.23		-268,368,018.01	-50,038,574.09	-318,406,592.10
(2) Owners' contribution and reduction of capital														3,807,205.99	3,807,205.99
1. Owners' contribution to ordinary shares															
2. Capital contribution from holders of other equity instruments															
3. Amount of share-based payment charged to owners' equity															
4. Others														3,807,205.99	3,807,205.99
(3) Profit distribution															
1. Appropriation to surplus reserve															
2. Appropriation to general risk reserve															
3. Distribution to owners (or shareholders)															
4. Others															
(4) Internal transfer of owner's equity															
1. Transfer of capital reserve into capital (or capital stock)															
2. Transfer of surplus reserve to capital (or share capital)															
3. Using surplus reserve to compensate deficit															
4. Transfer of changes in defined benefit plans to retained earnings															
5. Transfer of other comprehensive income to retained earnings															
6. Others															
(5) Special reserve								4,337,707.31					4,337,707.31	1,629,983.33	5,967,690.64
1. Appropriation during the period								12,398,242.29					12,398,242.29	4,074,914.90	16,473,157.19
2. Utilization during the period								8,060,534.98					8,060,534.98	2,444,931.57	10,505,466.55
(6) Others															
IV. Balance at the end of the period	1,105,255,802.40				1,314,741,156.60		27,288,354.05	10,216,594.36	269,816,271.96		-615,242,109.92		2,112,076,069.45	401,274,038.90	2,513,350,108.35

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (UNAUDITED)

(Continued)

For the six months ended 30 June 2025

	First half of 2025														
	Equity attributable to owners of the parent company														
		Other equity instruments													
Items	Share capital	Preferred shares	Perpetual bond	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Sub-total	Minority interests	Total owners' equity
I. Balance at the end of last year Figure	1,105,255,802.40				1,311,186,481.60		27,174,888.46	1,685,773.25	269,816,271.96		884,731,010.75		3,599,850,228.42	551,039,588.24	4,150,889,816.66
Add: Changes in accounting policy															
Correction of previous errors															
Others															
II. Balance at the beginning of the current year	1,105,255,802.40				1,311,186,481.60		27,174,888.46	1,685,773.25	269,816,271.96		884,731,010.75		3,599,850,228.42	551,039,588.24	4,150,889,816.66
III. Movement in the current period (Decrease represented by "-" signs)							28,522.21	3,122,834.25			-278,177,080.22		-275,025,723.76	-50,960,132.63	-325,985,856.39
(1) Total comprehensive income							28,522.21				-278,177,080.22		-278,148,558.01	-50,063,656.78	-328,212,214.79
(2) Owners' contribution and reduction of capital														500,000.00	500,000.00
1. Owners' contribution to ordinary shares														500,000.00	500,000.00
2. Capital contribution from holders of other equity instruments															
3. Amount of share-based payment charged to owners' equity															
4. Others															
(3) Profit distribution														-2,450,000.00	-2,450,000.00
1. Appropriation to surplus reserve															
2. Appropriation to general risk reserve															
3. Distribution to owners (or shareholders)														-2,450,000.00	-2,450,000.00
4. Others															
(4) Internal transfer of owner's equity															
1. Transfer of capital reserve into capital (or capital stock)															
2. Transfer of surplus reserve to capital (or share capital)															
3. Using surplus reserve to compensate deficit															
4. Transfer of changes in defined benefit plans to retained earnings															
5. Transfer of other comprehensive income to retained earnings															
6. Others															
(5) Special reserve								3,122,834.25					3,122,834.25	1,053,524.15	4,176,358.40
1. Appropriation during the period								9,326,173.24					9,326,173.24	3,758,221.30	13,084,394.54
2. Utilization during the period								6,203,338.99					6,203,338.99	2,704,697.15	8,908,036.14
(6) Others															
IV. Balance at the end of the period	1,105,255,802.40				1,311,186,481.60		27,203,410.67	4,808,607.50	269,816,271.96		606,553,930.53		3,324,824,504.66	500,079,455.61	3,824,903,960.27

STATEMENT OF CHANGES IN OWNERS' EQUITY OF THE PARENT COMPANY (UNAUDITED)

For the six months ended 30 June 2026

Items	First half of 2026											
		Other equity instruments										
	Share capital	Preferred shares	Perpetual bond	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
I. Balance at the end of last year	1,105,255,802.40				1,501,422,854.57		3,509,701.20		253,304,996.86	-773,120,766.36		2,090,372,588.67
Add: Changes in accounting policy												
Correction of previous errors												
Others												
II. Balance at the beginning of the current year	1,105,255,802.40				1,501,422,854.57		3,509,701.20		253,304,996.86	-773,120,766.36		2,090,372,588.67
III. Movement in the current period (Decrease represented by "-" signs)										-55,300,912.13		-55,300,912.13
(1) Total comprehensive income										-55,300,912.13		-55,300,912.13
(2) Owners' contribution and reduction of capital												
1. Owners' contribution to ordinary shares												
2. Capital contribution from holders of other equity instruments												
3. Amount of share-based payment charged to owners' equity												
4. Others												
(3) Profit distribution												
1. Appropriation to surplus reserve												
2. Distribution to owners (or shareholders)												
3. Others												
(4) Internal transfer of owner's equity												
1. Transfer of capital reserve into capital (or capital stock)												
2. Transfer of surplus reserve to capital (or share capital)												
3. Using surplus reserve to compensate deficit												
4. Transfer of changes in defined benefit plans to retained earnings												
5. Transfer of other comprehensive income to retained earnings												
6. Others												
(5) Special reserve												
1. Appropriation during the period												
2. Utilization during the period												
(6) Others												
IV. Balance at the end of the period	1,105,255,802.40				1,501,422,854.57		3,509,701.20		253,304,996.86	-828,421,678.49		2,035,071,676.54

STATEMENT OF CHANGES IN OWNERS' EQUITY OF THE PARENT COMPANY (UNAUDITED) *(Continued)*

For the six months ended 30 June 2025

	First half of 2025											
		Other equity instruments										
Items	Share capital	Preferred shares	Perpetual bond	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
I. Balance at the end of last year	1,105,255,802.40				1,501,422,854.57		3,509,701.20		253,304,996.86	240,659,288.00		3,104,152,643.03
Add: Changes in accounting policy												
Correction of previous errors												
Others												
II. Balance at the beginning of the current year	1,105,255,802.40				1,501,422,854.57		3,509,701.20		253,304,996.86	240,659,288.00		3,104,152,643.03
III. Movement in the current period (Decrease represented by "-" signs)										-41,546,448.98		-41,546,448.98
(1) Total comprehensive income										-41,546,448.98		-41,546,448.98
(2) Owners' contribution and reduction of capital												
1. Owners' contribution to ordinary shares												
2. Capital contribution from holders of other equity instruments												
3. Amount of share-based payment charged to owners' equity												
4. Others												
(3) Profit distribution												
1. Appropriation to surplus reserve												
2. Distribution to owners (or shareholders)												
3. Others												
(4) Internal transfer of owner's equity												
1. Transfer of capital reserve into capital (or capital stock)												
2. Transfer of surplus reserve to capital (or share capital)												
3. Using surplus reserve to compensate deficit												
4. Transfer of changes in defined benefit plans to retained earnings												
5. Transfer of other comprehensive income to retained earnings												
6. Others												
(5) Special reserve												
1. Appropriation during the period												
2. Utilization during the period												
(6) Others												
IV. Balance at the end of the period	1,105,255,802.40				1,501,422,854.57		3,509,701.20		253,304,996.86	199,112,839.02		3,062,606,194.05

UNAUDITED INTERIM FINANCIAL STATEMENT NOTES

1. GENERAL

The Company is a joint stock limited company incorporated in the People's Republic of China (the "PRC"). The H Shares and A Shares of the Company are listed on The Stock Exchange of Hong Kong Limited and Shenzhen Stock Exchange, respectively. The address of the registered office and principal place of business of the Company is 1/F, 3/F, North of 8/F, 9/F-12/F of Dongjiang Environmental Building, No. 9 Langshan Road, North Zone of Hi-tech Industrial Park, Nanshan District, Shenzhen, the PRC.

The functional reporting currency of the Company is RMB. The functional reporting currency of its overseas operations is the currency of the place in which they operate. The consolidated financial statements are presented in RMB.

The Company and its subsidiaries (collectively referred to as the "Group") are engaged in environmental protection industry. The business scope mainly includes: collection, treatment and comprehensive utilization of industrial waste; treatment of wastewater, waste gas and waste slag; design, construction and operation of environmental protection facilities; rare and precious metals recovery and utilization; sales of chemical products; production and trading of environmental protection materials, recycled environmental protection products, environmental protection equipments; development, promotion and application of new environmental protection products and technologies; investment in industrial enterprises; import and export of goods and technologies.

2. BASIS OF PREPARATION

The financial statements of the Group have been prepared on a going concern basis to reflect the transactions and events which have occurred, and in accordance with the disclosure requirements of the Accounting Standards for Enterprises – Basic Standards issued by Ministry of Finance of the PRC and other relevant regulations (hereinafter referred to as "Accounting Standard for Business Enterprises"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance as well as the accounting policies and estimates applicable to the Group.

The Directors of the Company have taken into account the Group's available sources of funding for the next twelve months, including but not limited to the unutilised banking facilities ready available to the Group amounted to approximately RMB3,552 million as at 30 June 2026, as well as the expected net cash inflows from operating activities for the next twelve months. This forecast has considered the relevant measures taken by the Group to improve profitability and cash flow, including strict control over costs and expenses, enhanced tracking and risk management of accounts receivable collection, and improved efficiency in use of funds. The Board of the Company believes that the Group has sufficient working capital to continue as a going concern for the next twelve months. Accordingly, these financial statements have been prepared on the basis of going concern assumption.

These interim results have not been audited by the auditors of the Company, but been reviewed by the Audit and Risk Management Committee of the Company.

3. OPERATING REVENUE

Operating revenue represents the net amount received and receivable for goods sold and services rendered by the Group to external customers, net of trade discounts. Analysis of the Group's operating revenue during the Reporting Period is as follows:

Six months ended 30 June 2026

Business segment	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Industrial waste recycling and utilization	**720,947,468.22**	646,104,217.38
Industrial waste treatment and disposal	**372,999,731.85**	396,990,856.03
Rare and precious metals recovery and utilization	**108,862,853.93**	287,227,264.88
Municipal waste treatment and disposal	**38,029,037.99**	44,642,362.92
Renewable energy utilization	**4,842,681.12**	10,590,979.26
Environmental engineering and services	**27,683,938.53**	28,246,587.57
Electronic waste dismantling	**66,921,871.42**	67,557,360.90
Others	**17,896,988.13**	19,110,680.82
Total	**1,358,184,571.19**	1,500,470,309.76

UNAUDITED INTERIM FINANCIAL STATEMENT NOTES

4. SEGMENT INFORMATION

The operations of the Company are classified into eight reportable segments. These reportable segments are determined based on the internal organisation structure, management requirements and reporting system. The management of the Company evaluates the operating results of the segment to decide resource allocation to them and to evaluate their business performance. Major products and services provided by each reportable segment of the Company includes industrial waste recycling and utilization, industrial waste treatment and disposal, rare and precious metals recovery and utilization, municipal waste treatment and disposal, renewable energy utilization, environmental engineering and services, electronic waste dismantling and others.

Analysis of the Group's segmental information by business segments during the Reporting Period is set out below.

For the six months ended 30 June 2026 – unaudited

Items	Industrial Waste Recycling and Utilization	Industrial Waste Treatment and Disposal	Rare and Precious Metal Recovery and Utilization	Municipal Waste Treatment and Disposal	Electronic Waste Dismantling	Environmental Engineering and Services	Renewable Energy Utilization	Others	Unallocated Profits	Inter-segment Offsets	Total
I. Operating revenue	732,494,257.67	404,181,675.03	108,862,853.93	38,029,037.99	66,921,871.42	41,088,624.81	4,842,681.12	23,407,677.08	0.00	-61,644,107.86	1,358,184,571.19
Including: Revenue from sale to external customers	720,947,468.22	372,999,731.85	108,862,853.93	38,029,037.99	66,921,871.42	27,683,938.53	4,842,681.12	17,896,988.13	0.00	0.00	1,358,184,571.19
Revenue from inter-segment transactions	11,546,789.45	31,181,943.18	0.00	0.00	0.00	13,404,686.28	0.00	5,510,688.95	0.00	-61,644,107.86	0.00
II. Cost of operation (inclusive of tax and levies)	640,377,709.21	408,456,210.69	110,821,189.09	23,914,795.62	71,004,555.96	23,710,631.71	4,793,572.57	11,328,934.59	27,308,867.50	0.00	1,321,716,466.94
III. Total profit	-16,162,747.98	-170,474,064.71	-54,470,904.66	8,260,856.45	-13,061,950.12	-1,926,755.41	-2,046,571.99	-4,328,930.37	-53,566,010.30	-6,882,722.35	-314,659,801.44
IV. Total assets	1,799,755,725.21	4,775,116,778.27	984,688,196.88	519,451,536.60	413,337,156.82	454,586,830.89	139,529,896.71	378,763,455.62	3,375,617,367.25	-3,513,393,158.49	9,327,453,785.76
V. Total liabilities	1,120,967,760.98	2,920,686,997.21	639,379,663.87	415,093,083.29	284,708,855.95	158,922,195.56	7,291,866.66	187,670,715.68	3,819,320,992.10	-2,739,938,453.89	6,814,103,677.41
VI. Depreciation and amortization	29,518,843.49	224,902,818.78	26,197,679.00	10,692,465.42	10,767,293.30	3,628,819.20	997,917.99	447,464.67	3,544,351.15	0.00	310,697,653.00
VII. Newly increased amount of construction in progress, fixed assets and intangible assets	9,990,445.87	11,542,286.76	174,120.64	7,450.00	4,961,713.49	2,066,738.27	0.00	2,110,600.26	0.00	0.00	30,853,355.29

For the six months ended 30 June 2025 – unaudited

Items	Industrial Waste Recycling and Utilization	Industrial Waste Treatment and Disposal	Rare and Precious Metal Recovery and Utilization	Municipal Waste Treatment and Disposal	Electronic Waste Dismantling	Environmental Engineering and Services	Renewable Energy Utilization	Others	Unallocated Profits	Inter-segment Offsets	Total
I. Operating revenue	661,524,909.18	418,926,680.14	287,227,264.88	44,642,362.92	67,557,360.90	40,908,544.61	10,590,979.26	26,187,343.82	0.00	-57,095,135.95	1,500,470,309.76
Including: Revenue from sale to external customers	646,104,217.38	396,990,856.03	287,227,264.88	44,642,362.92	67,557,360.90	28,246,587.57	10,590,979.26	19,110,680.82	0.00	0.00	1,500,470,309.76
Revenue from inter-segment transactions	15,420,691.80	21,935,824.11	0.00	0.00	0.00	12,661,957.04	0.00	7,076,663.00	0.00	-57,095,135.95	0.00
II. Cost of operation (inclusive of tax and levies)	612,693,001.17	431,978,186.47	259,881,610.82	35,778,445.20	65,512,799.41	22,918,386.58	12,335,942.91	10,818,196.61	20,304,468.72	0.00	1,472,221,037.89
III. Total profit	-52,618,411.21	-194,426,714.65	-9,576,803.30	6,359,051.30	-9,750,112.09	3,576,311.30	-2,889,308.65	1,410,322.78	-64,556,291.94	-2,308,435.33	-324,780,391.79
IV. Total assets	2,058,040,740.42	4,651,893,891.00	1,167,575,291.95	865,980,124.59	530,803,216.88	495,011,212.08	165,300,218.81	537,355,732.74	4,058,805,724.12	-3,505,238,805.10	11,025,527,347.49
V. Total liabilities	590,227,037.62	2,992,964,446.48	708,512,980.80	464,895,132.62	324,163,962.03	52,019,994.86	8,628,852.16	185,237,837.18	2,624,874,196.37	-750,901,052.90	7,200,623,387.22
VI. Depreciation and amortization	30,494,959.52	234,222,756.64	26,273,603.18	11,906,588.98	10,205,678.55	3,091,820.04	4,034,718.97	368,149.04	5,855,287.88	0.00	326,453,562.80
VII. Newly increased amount of construction in progress, fixed assets and intangible assets	7,539,628.79	16,756,077.59	1,395,779.40	1,733,511.00	784,757.33	3,747,062.78	0.00	105,335.45	2,069,614.96	0.00	34,131,767.30

5. FINANCE COSTS

Items	Amount of the current period	Amount of the previous period
Interest expense	**84,730,521.91**	94,743,471.81
Less: interest income	**1,546,181.96**	2,603,195.24
Exchange gain or loss	**-12,347,018.00**	1,517,236.25
Bank charges and others	**677,069.77**	217,207.84
Total	**71,514,391.72**	93,874,720.66

There was no capitalized interest expense from January to June 2026 (six months ended 30 June 2025: no capitalized interest expense).

Breakdown of interest expenditure

Items	Amount of the current period	Amount of the previous period
Interest expenditure on loans from financial institutions	**65,769,572.14**	78,050,482.03
Bond interest based on effective interest rate	**12,144,356.09**	11,231,096.43
Interest expenditure on decommissioning expenses	**6,668,413.02**	5,361,938.94
Interest expense on lease liabilities	**148,180.66**	99,954.41
Sub-total	**84,730,521.91**	94,743,471.81
Less: Capitalised interest	**0.00**	0.00
Total	**84,730,521.91**	94,743,471.81

6. TAXATION

1. Income Tax Expense

Items	Amount of the current period	Amount of the previous period
Income tax expense of the current period	**4,028,383.57**	3,749,946.01
Deferred income tax expense	**-214,262.69**	-289,600.80
Total	**3,814,120.88**	3,460,345.21

2. Income Tax

Items	Amount of the current period	Amount of the previous period
Income tax expense of the current period		
– Mainland China	**3,549,483.93**	4,337,019.00
– Hong Kong	**–**	–
Overprovision in prior years		
– Mainland China	**478,899.64**	-587,072.99
Total	**4,028,383.57**	3,749,946.01

6. TAXATION *(Continued)*

3. Major taxes and tax rates

Type of tax	Basis of calculation	Tax rate
Value Added Tax	Value-added tax is calculated as the difference of the output value-added tax, which is computed on assessable income at tax rates of 3%, 5%, 6%, 9% and 13%, and the deductible input VAT for the current period.	3%, 5%, 6%, 9% and 13%
City Maintenance and Construction Tax	Based on 5% and 7% of actual payment of turnover tax.	5% and 7%
Enterprise Income Tax	Enterprise Income tax rates are 15%, 16.5%, 20% and 25%, respectively.	15%, 16.5%, 20% and 25%
Education Surcharge	Based on 3% of actual payment of turnover tax.	3%
Local Education Surcharge	Based on 2% of actual payment of turnover tax.	2%
Property Tax	The property tax is levied at 1.2% of the taxable salvage value of the building or 12% of the rental income.	1.2%, 12%

6. TAXATION *(Continued)*

3. Major taxes and tax rates *(Continued)*

Particulars of tax paying entities using different enterprise income tax rates

Name of taxable entities	Income tax rate
Nanping Oasis Environmental Technology Co., Ltd.	Tax exemption
Jingzhou Dongjiang Environmental Technology Co., Ltd.	15%
Wandesi (Tangshan Caofeidian) Environmental Technology Co., Ltd	15%
Fujian Oasis Solid Waste Treatment Co., Ltd.	Half of 25%
Jiangsu Dongjiang Environmental Services Co., Ltd.	Half of 25%
Shaoxing Huaxin Environmental Technology Co., Ltd	25%
Huizhou Dongjiang Environment Technology Co., Ltd.	15%
Kunshan Qiandeng Three Wastes Treatment Co., Ltd.	25%
Jiangmen Dongjiang Environmental Technology Co., Ltd.	25%
Qingyuan Xinlv Environmental Technology Co., Ltd.	25%
Jiaxing Deda Resource Recycling Co., Ltd	25%
Xiamen Oasis Environmental Industrial Co., Ltd	25%
Jiangxi Dongjiang Environmental Technology Co., Ltd.	15%
Shenzhen Baoan Dongjiang Environmental Technology Co., Ltd	15%
Chenzhou Xiongfeng Environment Technology Co., Ltd.	15%

6. TAXATION *(Continued)*

3. Major taxes and tax rates *(Continued)*

Particulars of tax paying entities using different enterprise income tax rates *(Continued)*

Name of taxable entities	Income tax rate
Dongguan Humen Lvyuan Water Co., Ltd.	15%
Xiantao Dongjiang Environmental Technology Co., Ltd.	15%
Foshan Fulong Environmental Protection Technology Co., Ltd.	15%
Dongjiang Environmental Company Limited	15%
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd	15%
Shenzhen Huabao Technology Co., Ltd.	15%
Shenzhen Huatengzhi Technology Co., Ltd.	15%
Shaoguan Dongjiang Environmental Renewable Resources Development Co., Ltd.	15%
Dongguan Hengjian Environment Technology Co., Ltd.	15%
Karamay Wosen Environmental Technology Co., Ltd.	15%
Zhuhai Yongxingsheng Environmental Industrial Waste Recycling and Integrated Treatment Co., Ltd.	15%
Shenzhen Dongjiang Feeds Additives Co., Ltd.	20%
Yunnan Dongjiang Environmental Technology Co., Ltd.	20%
Kunshan Port and Shipping Logistics Co., Ltd.	20%
Qingdao Dongjiang Environmental Recycled Power Co., Ltd.	20%
Nanchang Xinguan Energy Development Co., Ltd.	20%

6. TAXATION *(Continued)*

3. Major taxes and tax rates *(Continued)*

Particulars of tax paying entities using different enterprise income tax rates *(Continued)*

Name of taxable entities	Income tax rate
Hefei Xinguan Energy Development Co., Ltd.	20%
Shenzhen Baoan Dongjiang Environmental Renewable Energy Co., Ltd.	20%
Huizhou Dongjiang Logistic Co., Ltd.	20%
Longyan Oasis Environmental Technology Co., Ltd.	20%
Shenzhen Dongjiang Kaida Transport Co., Ltd.	20%
Zhuhai Dongjiang Kaian Transportation Co., Ltd.	20%
Guangdong Dongjiang Energy Saving Equipment Services Co., Ltd	20%
Hunan Dongjiang Environmental Protection Investment Development Ltd.	25%
Chengdu Hazardous Waste Treatment Centre Co., Ltd	25%
Shenzhen Dongjiang Renewable Energy Co., Ltd.	25%
Dongjiang Environmental (HK) Ltd.	16.50%
Nantong Dongjiang Environmental Technology Co., Ltd	25%
Yancheng Coastal Solid Waste Disposal Co., Ltd.	15%
Xiamen Dongjiang Environmental Technology Co., Ltd.	25%
Xinjiang Dongjiang Resource Recycling Co., Ltd.	25%

6. TAXATION *(Continued)*

3. Major taxes and tax rates *(Continued)*

***Particulars of tax paying entities using different enterprise income tax rates** (Continued)*

Name of taxable entities	Income tax rate
Shenzhen Hengjian Tongda Investment Management Co., Ltd.	25%
Hubei Tianyin Circulation Economic Development Co., Ltd.	25%
Hubei Tianyin Hazardous Waste Centralized Disposal Co., Ltd.	25%
Dongjiang Vehicle Resources Recycling (Hubei) Co., Ltd.	25%
Xiantao Lvyi Environmental Technology Co., Ltd.	25%
Hengshui Ruitao Environmental Technology Co., Ltd.	25%
Jiangsu Dongheng Environmental Holdings Co., Ltd.	25%
Shenzhen Qianhai Dongjiang Environment Technology Service Co., Ltd.	25%
Weifang Dongjiang Environmental Blue Sea Environmental Protection Co., Ltd.	25%
Mianyang Dongjiang Environmental Technology Co., Ltd.	25%
Jieyang Dongjiang Guoye EnvironmentalProtection Technology Co., Ltd.	25%
Zhuhai Dongjiang Environment Technology Co., Ltd.	25%
Guangdong Elephant Logistics Technology Co., Ltd.	25%
Dongjiang Baiyi (Xiamen) Technology Co., Ltd.	25%
Wuhan Shenju Technology Co., Ltd.	25%

6. TAXATION *(Continued)*

4. Tax incentives

1. Enterprise Income tax

(1) According to Article 27 of the Enterprise Income Tax Law of the People's Republic of China, enterprises that engage in environmental protection and energy saving and water saving projects which meet certain requirements enjoy full EIT exemption from the first year (that is the tax year in which the project generates revenue from production and business operation for the first time) to the third year, and 50% EIT reduction from the fourth year to the sixth year. In particular:

① Nanping Oasis High-Temperature Steaming Project enjoyed full EIT exemption from 2024 to 2026 and 50% EIT reduction from 2027 to 2029;

② Materialization project and landfill project of Fujian Oasis enjoyed full EIT exemption from 2021 to 2023 and 50% EIT reduction from 2024 to 2026;

③ Jiangsu Dongjiang Rigid Landfill enjoyed full EIT exemption from 2021 to 2023 and 50% EIT reduction from 2024 to 2026.

(2) According to Article 33 of the Enterprise Income Tax Law of the People's Republic of China, only 90% of the revenue of an enterprise generated from production of products that are not restricted and prohibited by the state and meet the relevant national and industrial standards and of which the main raw materials are the resources specified in the Enterprise Income Tax Preferential Catalogue for Resource Comprehensive Utilization is included in the total revenue. Huizhou Dongjiang, Kunshan Purification, Jiangmen Dongjiang, Qingyuan Xinlv, Jiaxing Deda, Xiamen Oasis, Jiangxi Dongjiang, Baoan Dongjiang and Xiongfeng Environment are entitled to the incentive.

6. TAXATION *(Continued)*

4. Tax incentives *(Continued)*

1. Enterprise Income tax *(Continued)*

(3) According to the Announcement of Ministry of Finance, State Administration of Taxation, Ministry of Ecology and Environment and National Development and Reform Commission in relation to the Corporate Income Tax Issues on Third-Party Enterprises Engaging in Pollution Prevention and Control》(Caishui [2023] No. 38 of Ministry of Finance, State Administration of Taxation, Ministry of Ecology and Environment and National Development and Reform Commissioning), third-party enterprises engaging in pollution prevention and control which meet the conditions are entitled to 15% EIT tax rate for a term from 1 January 2024 to 31 December 2027. Humen Lvyuan, Xiantao Dongjiang, Jingzhou Dongjiang and Foshan Fulong are qualified as enterprises engaged in pollution prevention and control, and enjoy this incentive in 2026.

(4) According to Article 28 of the Enterprise Income Tax Law of the People's Republic of China, Dongjiang Environmental, Longgang Dongjiang, Huizhou Dongjiang, Huabao Technology, Huateng Zhike, Shaoguan Dongjiang, Dongguan Hengjian, Fujian Oasis, Wosen Environmental, Jiangxi Dongjiang, Zhuhai Yongxingsheng, Baoan Dongjiang, Tangshan Wandesi, Foshan Fulong, Xiongfeng Environment and Coastal Solid Waste are entitled to tax incentive as new and high technology enterprises, and enjoy 15% EIT tax rate.

(5) According to Article 3 of the Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax Policies for Further Supporting the Development of Small and Micro – sized Enterprises and Individual Industrial and Commercial Households (Announcement No. 12 of 2023 by the Ministry of Finance and the State Taxation Administration) (《財政部稅務總局關於進一步支援小微企業和個體工商戶發展有關稅費政策的公告》(財政部稅務總局公2023年第12號)), only 25% of the taxable income of small and micro – profitable enterprises is included in the taxable income and they enjoy a 20% corporate income tax rate, which shall be extended until 31 December 2027.

6. TAXATION *(Continued)*

4. Tax incentives *(Continued)*

1. *Enterprise Income tax (Continued)*

Dongjiang Feeds, Yunnan Dongjiang, Port and Shipping Logistics, Qingdao Dongjiang, Huateng Zhike, Nanchang Energy, Hefei Energy, Baoan Energy, Dongjiang Logistics, Longyan Oasis, Nanping Oasis, Dongjiang Kaida, Kaian Transportation and Dongjiang Energy Saving all being subsidiaries of the Company, qualified as small and micro-profit enterprises, and are entitled to the incentive in 2026.

2. *Value Added Tax*

(1) Pursuant to the "Catalogue of Preferential VAT Treatment for Products and Labor Services Involving Comprehensive Utilization of Sources" (2022 Revision) in the Announcement on Improving the VAT Policies for the Resource Comprehensive Utilizations (2021 Announcement No. 40 of the Ministry of Finance and the State Administration of Taxation):

① Revenue from power generation with biogas produced in the course of waste fermentation qualifies for tax incentive of refund of 100% VAT upon collection, and Renewable Energy, Nanchang Energy, Hefei Energy and Baoan Energy are entitled to the incentive;

② Revenue from garbage treatment, sludge treatment and disposal services qualifies for tax incentive of refund of 70% VAT upon collection, and Dongjiang Environmental, Nantong Dongjiang, Jiaxing Deda, Wosen Environmental, Jiangxi Dongjiang, Jiangsu Dongjiang, Hengshui Ruitao, Baoan Dongjiang and Huaxin Environmental are entitled to the incentive;

③ Revenue from wastewater treatment services qualifies for tax incentive of refund of 70% VAT upon collection, and Huizhou Dongjiang, Qianhai Dongjiang and Xiantao Dongjiang are entitled to the incentive;

6. TAXATION *(Continued)*

4. Tax incentives *(Continued)*

2. *Value Added Tax* *(Continued)*

(1) *(Continued)*

④ Wastewater treatment services qualify for VAT exemption under tax incentive policies, and Humen Lvyuan and Jingzhou Dongjiang are entitled to the incentive;

⑤ Revenue from production and sales of resource comprehensive utilization products qualifies for tax incentive of refund of 30% VAT upon collection, and Huizhou Dongjiang, Qingyuan Xinlv, Jiaxing Deda, Xiamen Oasis, Jiangxi Dongjiang, Baoan Dongjiang and Xiongfeng Environment are entitled to the incentive.

(2) According to the Notice on the Tax Policy of Platinum and Its Products (Caishui [2003] No. 86)* (《關於鉑金及其製品稅收政策的通知》(財稅 [2003]86號)), domestic platinum-producing companies are entitled to tax incentives of refund of 100% VAT upon collection for revenue from self-production and self-sale. Xiongfeng Environment is a domestic platinum-producing enterprise, and enjoys this incentive.

(3) According to the Announcement on the Policy of Granting Additional Deduction On Input Tax of VAT For Advanced Manufacturing Enterprises (2023 Announcement No. 43 of the Ministry of Finance and the State Administration of Taxation) (《關於先進製造業企業增值稅加計抵減政策的公告》(財政部稅務總局公告2023年第43號)), advanced manufacturing enterprises are allowed 5% additional deduction of input tax of VAT in the current period from 1 January 2023 to 31 December 2027. Huizhou Dongjiang, Dongguan Hengjian and Xiongfeng Environment enjoy the above-mentioned incentive of additional deduction on input tax of VAT.

7. LOSS PER SHARE

The calculation of the basic loss per share for the Reporting Period is based on the loss attributable to the ordinary equity holders of the Company of approximately RMB268,435,348.23 (for the six months ended 30 June 2025: loss of RMB278,177,080.22) and the weighted average number of 1,105,255,802 shares (for the six months ended 30 June 2025: 1,105,255,802 shares) in issue during the Period.

The Group has no potentially dilutive ordinary shares in issue during the Reporting Period and prior periods, therefore, the diluted (loss) earnings per share is the same as basic (loss) earnings per share for the periods presented.

8. DIVIDEND

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

9. OTHER INCOME

Source of other income	Amount of the period	Amount of last period
Government grants	**12,624,023.73**	15,551,224.04
Additional deduction of Input VAT	**80,433.99**	1,313,864.51
Refund of individual income tax fee	**36,686.78**	52,349.88
Total	**12,741,144.50**	16,917,438.43

10. CASH AND CASH EQUIVALENTS

Item	Balance at the end of the period	Balance at the beginning of the period
Cash on hand	**0.00**	25,000.00
Bank deposits	**647,356,593.90**	767,612,170.71
Other monetary fund	**15,983,108.79**	98,976,376.33
Deposit placed with financial company	**356,333,651.86**	340,055,400.27
Total	**1,019,673,354.55**	1,206,668,947.31
Including: Bank deposits readily available for payments	**1,003,176,144.10**	1,099,847,837.30
Restricted cash and cash equivalents	**16,497,210.45**	106,796,110.01

11. OTHER RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
Trade receivables	**841,454,022.97**	925,431,521.87
Less: Provision for bad debts of trade receivables	**171,028,540.76**	179,543,631.57
	670,425,482.21	745,887,890.30
Notes receivables	**48,715,615.49**	64,181,747.29
Including: Within 180 days	**48,715,615.49**	64,181,747.29
Less: Provision for notes receivables	**52,066.45**	21,500.22
Receivable financing	**15,825,498.12**	18,059,053.26
Prepayments	**123,207,379.57**	121,744,957.40
Other receivables	**300,968,021.32**	310,560,488.34
Less: Provision for bad debts of other receivables	**87,017,025.25**	87,579,948.41
Non-current asset due within 1 year	**9,161,805.65**	9,161,805.65
Total	**1,081,234,710.66**	1,181,994,493.61

11. OTHER RECEIVABLES *(Continued)*

Prior to the acceptance of new customers, the Group applies internal credit assessment policies to assess the credit quality of potential customers and formulates credit limit. Apart from requiring new customers to pay in advance, the Group formulates different credit policies for different customers. The credit period is generally three months, and can be extended to six months for major customers. Regarding sales, the Group recognizes trade receivable and operating revenue at the time point of outbound and acceptance of products, when calculation of the ages of the account begins. The Group does not hold any collateral over trade receivables. Ageing analysis of trade receivable, presented based on the recognition date is as follows:

	As at 30 June 2026	As at 31 December 2025
Aged		
Within 1 year	**365,879,978.86**	389,446,499.13
1 to 2 years	**74,968,489.26**	109,186,096.94
2 to 3 years	**98,215,508.14**	103,441,058.73
Over 3 years	**302,390,046.71**	323,357,867.07
Total	**841,454,022.97**	925,431,521.87

12. INVENTORIES

(1) Classification of inventories

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Provision for value reduction of inventories or impairment provision of contract performance costs	Carrying amount	Book balance	Provision for value reduction of inventories or impairment provision of contract performance costs	Carrying amount
Raw materials	**355,592,758.99**	**13,814,793.74**	**341,777,965.25**	376,145,813.46	11,073,914.88	365,071,898.58
Work-in progress	**135,048,190.06**	**16,585,732.17**	**118,462,457.89**	144,838,065.96	110,113.67	144,727,952.29
Goods in stock	**168,792,426.51**	**4,264,913.51**	**164,527,513.00**	107,439,362.33	4,152,422.98	103,286,939.35
Contract performance cost	**2,389,149.26**	**0.00**	**2,389,149.26**	1,368,739.56	0.00	1,368,739.56
Goods in transit	**12,239,264.71**	**0.00**	**12,239,264.71**	21,561,560.50	396.00	21,561,164.50
Low-valued consumables	**7,701,546.19**	**4,652,875.79**	**3,048,670.40**	7,990,443.93	4,689,114.18	3,301,329.75
Total	**681,763,335.72**	**39,318,315.21**	**642,445,020.51**	659,343,985.74	20,025,961.71	639,318,024.03

12. INVENTORIES *(Continued)*

(2) Provision for value reduction and impairment provision of contract performance costs

Item	Balance at the beginning of the period	Increase in the period Provided	Decrease in the period Reversal or transfer	Balance at the end of the period
Raw materials	11,073,914.88	**3,220,524.46**	479,645.60	13,814,793.74
Work-in progress	110,113.67	**16,585,732.17**	110,113.67	16,585,732.17
Goods in stock	4,152,422.98	**199,674.21**	87,183.68	4,264,913.51
Contract performance cost	0.00	**0.00**	0.00	0.00
Goods in transit	396.00	**0.00**	396.00	0.00
Low-valued consumables	4,689,114.18	**0.00**	36,238.39	4,652,875.79
Total	20,025,961.71	**20,005,930.84**	713,577.34	39,318,315.21

The balance of inventory at the end of the period excludes the capitalised amount of borrowing costs.

13. INVESTMENT IN OTHER EQUITY INSTRUMENTS

Item	Balance at the beginning of the period	Gains recognised in other comprehensive income during the period	Loss recognised in other comprehensive income during the period	Cumulative gains recognised in other comprehensive income at the end of the period	Cumulative loss recognised in other comprehensive income at the end of the period	Dividend income recognised during the period	Balance at the end of the period	Reasons for designation as at fair value through other comprehensive income
Yongxing SRCB Rural Bank Co., Ltd.	4,242,896.51			2,242,896.51			**4,242,896.51**	Long-term holding for strategic purpose
Guangdong Embodiment Intelligence Technology Co., Ltd.							**8,000,000.00**	Long-term holding for strategic purpose
Total	4,242,896.51			2,242,896.51			**12,242,896.51**	

14. LONG-TERM EQUITY INVESTMENTS

			Change during the period									
Investee	Balance (carrying amount) at the beginning of the period	Impairment provision at the beginning of the period	Increase in investments	Decrease in investments	Gain and loss of investment recognised under equity approach	Adjustments to other comprehensive income	Change in other equity interests	Cash dividend or profit declared or paid	Impairment provision	Others	**Balance (carrying amount) at the end of the period**	Impairment provision at the end of the period
I. Joint venture												
Huizhou Dongjiang Veolia Environmental services Limited	88,872,927.57				-5,307,603.37						**83,565,324.20**	
Dongjiang Chongmingniao Digital Technology (Guangdong) Co., Ltd.	2,249,860.30				-6,252.11						**2,243,608.19**	
Dongjiang Baiyi (Xiamen) Technology Co., Ltd.	5,377,558.45				-1,414,956.30					3,962,602.15	**0.00**	
Sub-total	96,500,346.32				-6,728,811.78					3,962,602.15	**85,808,932.39**	
II. Associates												
Fujian Xingye Dongjiang Environmental Technology Co., Ltd.	76,549,212.75				649,856.65						**77,199,069.40**	
ALBA Rising Green Fuel (Jieyang) Ltd.	63,719,177.10				-1,617,668.54						**62,101,508.56**	
Jieyang Guangye Environmental Protection Energy Co., Ltd.	32,464,928.90		3,042,025.20		3,236,376.23						**38,743,330.33**	
Dongguan Fengye Solid Waste Treatment Co., Ltd.	6,588,476.04	3,321,014.65			-848,215.00						**5,740,261.04**	3,321,014.65
Jieyang Guangye Environmental Technology Co., Ltd.	3,496,642.90				58,100.81						**3,554,743.71**	
Guangdong Zihuan Investment Group Co., Ltd.	2,016,982.69				-567,969.95						**1,449,012.74**	
Jieyang Guangye New Energy Environmental Protection Co., Ltd.	2,978,989.82				167,760.57						**3,146,750.39**	
Jieyang Guangye Biotechnology Co., Ltd.	1,400,110.40										**1,400,110.40**	
Shenzhen Resource Environmental Technology Company Limited		190,212.79									**0.00**	190,212.79
Zhenjiang Yongfurun Technology Co., Ltd.	200,000.00										**200,000.00**	
Sub-total	189,414,520.60	3,511,227.44	3,042,025.20		1,078,240.77						**193,534,786.57**	3,511,227.44
Total	285,914,866.92	3,511,227.44	3,042,025.20		-5,650,571.01					3,962,602.15	**279,343,718.96**	3,511,227.44

15. INVESTMENT PROPERTIES

Investment properties measured at fair value

Item	Buildings and structures	Total
I. Balance at the beginning of the period	420,310,035.00	420,310,035.00
II. Movement in the current period		
Add: Purchase		
Transfer from inventories/ fixed assets/construction in progress		
Increase from business combination		
Less: Disposal		
Transfer to others		
Changes in fair value		
III. Balance at the end of the period	420,310,035.00	420,310,035.00

Other explanation

1. The fair value of buildings and structures includes the value of land use right attributable to rented buildings and structures.

2. As of the end of the period, none of properties of the Company is without title certificates.

16. FIXED ASSETS

Item	**Balance at the end of the period**	Balance at the beginning of the period
Fixed assets	**4,022,390,233.42**	4,282,996,525.15
Total	**4,022,390,233.42**	4,282,996,525.15

16. FIXED ASSETS

Details of fixed assets:

Item	Buildings and structures	Plant and machinery	Office equipment	Transportation equipment	Others	Total
I. Original carrying amount:						
1. Balance at the beginning of the period	3,995,125,910.41	2,930,683,100.95	131,600,714.56	116,639,161.61	1,087,831,570.74	8,261,880,458.27
2. Increase in the period	0.00	5,029,546.71	1,206,270.82	1,586,248.06	1,860,182.80	9,682,248.39
(1) Purchase	0.00	4,456,095.38	1,092,111.52	1,586,248.06	1,041,214.88	8,175,669.84
(2) Transfer from construction in progress	0.00	573,451.33	114,159.30	0.00	818,967.92	1,506,578.55
(3) Increase from business combination						0.00
	0.00	0.00	0.00	0.00	0.00	0.00
3. Decrease in the period	18,803.42	16,491,742.80	3,724,255.78	1,286,752.43	1,778,634.98	23,300,189.41
(1) Disposal or retirement	18,803.42	11,447,618.28	2,527,844.27	1,286,752.43	1,590,410.19	16,871,428.59
(2) Transfer to construction in progress	0.00	0.00	0.00	0.00	0.00	0.00
(3) Others	0.00	5,044,124.52	1,196,411.51	0.00	188,224.79	6,428,760.82
4. Balance at the end of the period	3,995,107,106.99	2,919,220,904.86	129,082,729.60	116,938,657.24	1,087,913,118.56	8,248,262,517.25
II. Accumulated depreciation						
1. Balance at the beginning of the period	1,178,447,640.71	1,839,496,027.80	110,849,663.10	79,450,804.02	664,989,104.08	3,873,233,239.71
2. Increase in the period	97,584,920.27	111,993,648.55	3,103,450.92	5,747,465.66	44,176,371.57	262,605,856.97
(1) Provision	97,584,920.27	111,993,648.55	3,103,450.92	5,747,465.66	44,176,371.57	262,605,856.97
3. Decrease in the period	18,239.32	10,371,347.25	2,438,552.97	1,248,149.86	1,461,727.50	15,538,016.90
(1) Disposal or retirement	18,239.32	10,371,347.25	2,438,552.97	1,248,149.86	1,461,727.50	15,538,016.90
4. Balance at the end of the period	1,276,014,321.66	1,941,118,329.10	111,514,561.05	83,950,119.82	707,703,748.15	4,120,301,079.78
III. Impairment provision	0.00	0.00	0.00	0.00	0.00	0.00
1. Balance at the beginning of the period	89,617,157.04	14,981,818.39	581,105.45	262,347.19	208,265.34	105,650,693.41
2. Increase in the period						
(1) Provision						
3. Decrease in the period	0.00	0.00	0.00	0.00	79,489.36	79,489.36
(1) Disposal or retirement	0.00	0.00	0.00	0.00	79,489.36	79,489.36
4. Balance at the end of the period	89,617,157.04	14,981,818.39	581,105.45	262,347.19	128,775.98	105,571,204.05
IV. Carrying amount	0.00	0.00	0.00	0.00		
1. Carrying amount at the end of the period	2,629,475,628.29	963,120,757.37	16,987,063.10	32,726,190.23	380,080,594.43	4,022,390,233.42
2. Carrying amount at the beginning of the period	2,727,061,112.66	1,076,205,254.76	20,169,946.01	36,926,010.40	422,634,201.32	4,282,996,525.15

17. INTANGIBLE ASSETS

Item	Land use right	Patent	Non-patent technology	Concession rights	Emission rights	Total
I. Original carrying amount						
1. Balance at the beginning of the period	889,160,116.86	21,579,015.71	75,930,593.45	1,156,633,629.19	10,849,900.20	2,154,153,255.41
2. Increase in the period	0.00	0.00	210,619.47	3,817,948.09	0.00	4,028,567.56
(1) Purchase	0.00	0.00	210,619.47	3,817,948.09	0.00	4,028,567.56
(2) Internal research and development						
(3) Increase from business combination						
3. Decrease in the period	0.00	0.00	9,200.00	0.00	0.00	9,200.00
(1) Disposal	0.00	0.00	9,200.00	0.00	0.00	9,200.00
4. Balance at the end of the period	889,160,116.86	21,579,015.71	76,132,012.92	1,160,451,577.28	10,849,900.20	2,158,172,622.97
II. Accumulated amortization						
1. Balance at the beginning of the period	162,265,414.94	8,511,020.84	55,570,450.99	624,340,893.30	7,637,165.44	858,324,945.51
2. Increase in the period	7,037,083.77	1,024,991.49	3,254,529.57	23,423,475.39	1,176,071.37	35,916,151.59
(1) Provision	7,037,083.77	1,024,991.49	3,254,529.57	23,423,475.39	1,176,071.37	35,916,151.59
3. Decrease in the period	0.00	0.00	9,200.00	0.00	0.00	9,200.00
(1) Disposal	0.00	0.00	9,200.00	0.00	0.00	9,200.00
4. Balance at the end of the period	169,302,498.71	9,536,012.33	58,815,780.56	647,764,368.69	8,813,236.81	894,231,897.10
III. Impairment provision						
1. Balance at the beginning of the period	2,825,305.90	0.00	0.00	55,934,532.23	0.00	58,759,838.13
2. Increase in the period						
(1) Provision						
3. Decrease in the period						
(1) Disposal						
4. Balance at the end of the period	2,825,305.90	0.00	0.00	55,934,532.23	0.00	58,759,838.13
IV. Carrying amount						
1. Carrying amount at the end of the period	717,032,312.25	12,043,003.38	17,316,232.36	456,752,676.36	2,036,663.39	1,205,180,887.74
2. Carrying amount at the beginning of the period	724,069,396.02	13,067,994.87	20,360,142.46	476,358,203.66	3,212,734.76	1,237,068,471.77

18. OTHER ACCOUNTS PAYABLE

The following is an ageing analysis of trade payables at the end of the Reporting Period, based on recognition date:

	As at 30 June 2026	As at 31 December 2025
Aged		
Within 90 days	**206,881,695.39**	315,054,202.83
91 to 180 days	**33,704,867.63**	17,243,175.26
181 to 365 days	**51,156,437.89**	40,779,073.35
Over 1 year	**128,280,501.48**	147,941,816.79
Trade payables	**420,023,502.39**	521,018,268.23
Notes payable	**20,000,000.00**	0.00
Including: Within 180 days	**20,000,000.00**	0.00
Receipts in advance	**1,334,831.95**	834,893.77
Other payables	**191,251,389.52**	304,137,151.63
Total	**632,609,723.86**	825,990,313.63

19. SHORT-TERM BORROWINGS

Item	Balance at the end of the period	Balance at the beginning of the period
Pledged borrowings	**106,503,420.19**	179,650,000.00
Guaranteed borrowings	**123,900,000.00**	317,349,861.28
Credit borrowings	**1,486,756,229.89**	1,113,946,748.98
Discounted bills	**1,803,114.59**	36,847,675.70
Accrued interest on loans and interest adjustment	**24,511.66**	934,933.97
Total	**1,718,987,276.33**	1,648,729,219.93

At the end of this period, the Company had no overdue outstanding short-term borrowings.

20. LONG-TERM BORROWINGS

Item	Balance at the end of the period	Balance at the beginning of the period
Pledged loan	**25,415,625.00**	35,581,875.00
Pledged borrowings	**748,830,008.29**	586,480,008.29
Guaranteed borrowings	**23,770,438.77**	31,453,378.89
Credit borrowings	**1,326,675,000.00**	1,584,800,000.00
Guaranteed & mortgaged loan	**251,827,936.98**	287,827,936.98
Guaranteed & mortgaged & pledged loan	**249,749,992.85**	252,749,992.85
Long-term loans due within one year	**-984,187,938.77**	-1,480,455,884.35
Total	**1,642,081,063.12**	1,298,437,307.66

The interest rate of long-term loans ranges from 2.3% to 3.9%.

21. LONG-TERM ACCOUNTS PAYABLE

Item	Balance at the end of the period	Balance at the beginning of the period
Long-term accounts payable	**104,047,301.07**	136,234,058.23
Total	**104,047,301.07**	136,234,058.23

Long-term accounts payable by nature

Item	Balance at the end of the period	Balance at the beginning of the period
Finance lease payables	**168,598,076.67**	200,147,777.77
Less: Long-term accounts payable due within one year	**64,550,775.60**	63,913,719.54
Total	**104,047,301.07**	136,234,058.23

22. BONDS PAYABLE

(1) Bonds payable

Item	Balance at the end of the period	Balance at the beginning of the period
First Tranche of Medium-term Notes in 2024 of Dongjiang Environmental Company Limited (24 Dongjiang Environmental MTN001)	**508,339,192.00**	501,305,893.74
First Tranche of Medium-term Notes in 2025 of Dongjiang Environmental Company Limited (25 Dongjiang Environmental MTN001)	**402,595,606.87**	407,840,860.91
Total	**910,934,798.87**	909,146,754.65

(2) Increase or decrease in bond payables (excluding other financial instruments such as preferred shares and perpetual bonds classified as financial liabilities)

Bond name	Par value	Coupon rate	Issue date	Term of bond	Issued amount	Balance at the beginning of the period	Issued during the period	Interest provision based on par value	Premium/ discount amortization	Repayment during the period	Balance at the end of the period	Default or not
First Tranche of Medium-term Notes in 2024 of Dongjiang Environmental Company Limited (24 Dongjiang Environmental MTN001)	500,000,000.00	2.77%	20 November 2024	2+1	500,000,000.00	501,305,893.74	0.00	6,868,083.01	165,215.25		**508,339,192.00**	No
First Tranche of Medium-term Notes in 2025 of Dongjiang Environmental Company Limited (25 Dongjiang Environmental MTN001)	400,000,000.00	2.66%	28 March 2025	2+1	400,000,000.00	407,840,860.91	0.00	5,276,273.08	118,472.88	10,640,000.00	**402,595,606.87**	No
Total					900,000,000.00	909,146,754.65		12,144,356.09	283,688.13	10,640,000.00	**910,934,798.87**	

23. NET CURRENT ASSETS

	As at 30 June 2026	As at 31 December 2025
Current assets	**2,837,080,888.73**	3,129,186,225.07
Less: Current liabilities	**3,702,405,816.06**	4,287,127,095.97
Net current assets	**-865,324,927.33**	-1,157,940,870.90

24. TOTAL ASSETS LESS CURRENT LIABILITIES

	As at 30 June 2026	As at 31 December 2025
Total assets	**9,327,453,785.76**	9,907,627,901.02
Less: Current liabilities	**3,702,405,816.06**	4,287,127,095.97
Total assets less current liabilities	**5,625,047,969.70**	5,620,500,805.05

25. LEASES

(1) Assets leased from the Company

The rental income from lands and buildings (net of government rent, rates and other expenditure) for the current period was RMB5,607,775.80 (same period of last year: RMB5,684,646.06).

As at the end of the Period, the Company as a lessor had minimum future rent receivable under non-cancellable operating leases in respect of leased office and plants properties in the following periods summarized as follows:

Period As	at 30 June 2026	As at 30 June 2025
Within one year	**11,238,873.56**	10,894,111.22
1 to 2 years	**10,774,023.13**	9,126,505.20
Total	**22,012,896.69**	20,020,616.42

(2) Assets leased to the Company

The Company as a Lessee

Type	Amount
Short-term lease expense included in current profit or loss	3,133,996.72
Lease expense of low value assets	
Variable lease payments not included in the lease liability measurement	
Income from sublease of right-of-use assets	
Total cash outflow related to leases	6,134,400.63
Gain or loss from sales and leaseback transactions	

26. DISCLOSURE OF FAIR VALUE

1. Fair value of assets and liabilities measured at fair value at the end of the period

Item	Fair value at the end of the period Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Continuous fair value measurement	–	–	–	–
(ii) Receivable financing		15,825,498.12		15,825,498.12
(1) Notes receivable		15,825,498.12		15,825,498.12
(ii) Other debt investments			12,242,896.51	12,242,896.51
(iv) Investment properties			420,310,035.00	420,310,035.00
2. Leased buildings			420,310,035.00	420,310,035.00
Total assets with continuous fair value measurement		15,825,498.12	432,552,931.51	448,378,429.63
(vi) Held-for-trading financial liabilities		11,620,363.97		11,620,363.97
Derivative financial liabilities		11,620,363.97		11,620,363.97
Total liabilities with continuous fair value measurement		11,620,363.97		11,620,363.97
II. Not continuous fair value measurement	–	–	–	–

26. DISCLOSURE OF FAIR VALUE *(Continued)*

2. Qualitative and quantitative information on valuation technique and important parameters used for continuous and not continuous level 2 fair value measurement items

For receivable financing, the Company uses the present value of cash flows method to determine its fair value, which approximates the carrying amount.

For derivative financial liabilities, the Company uses the discounted cash flow valuation technique based on observable market data, and the market prices of the fair value items are derived from the fair value report of banks.

3. Qualitative and quantitative information on valuation technique and important parameters used for continuous and not continuous level 3 fair value measurement items

For investment in other equity instruments, the Company regards the investment cost and the operating results of the invested enterprise as a reasonable estimate of fair value in measurement because the operating environment, operating conditions and financial status of the investee have not changed substantially.

For investment properties, the Company entrusts an external appraiser to evaluate its fair value. The methods adopted mainly include rental income mode and cost approach. The inputs used mainly include rental growth rate, capitalisation rate and unit price.

4. Fair value of financial assets and financial liabilities not measured at fair value

The Company's financial assets and liabilities measured at amortized cost mainly include: accounts receivable, loans, accounts payable, bond payables, etc. As at 30 June 2026, there was no significant difference between the carrying amount and fair value of the above financial assets and financial liabilities.

27. CHANGES IN SCOPE OF CONSOLIDATION

Compared with the beginning of the year, two consolidated entities were newly added for other reasons, and one consolidated entity was deconsolidated due to the deregistration of a subsidiary during the current period:

(1) In April 2026, Huateng Zhike, a subsidiary of the Company, established a wholly-owned subsidiary, Wuhan Shenju Technology Co., Ltd., with a registered capital of RMB10 million.

(2) In June 2026, Qianhai Dongjiang, a subsidiary of the Company, entered into a supplemental agreement with the minority shareholder of Dongjiang Baiyi (Xiamen) Technology Co., Ltd., a joint venture, to adjust the decision-making mechanism such that major operational decisions require the consent of more than half of the board members. As the number of board members appointed by the Company reached more than two-thirds, enabling it to independently control board decisions, the joint venture was included in the scope of consolidation. The registered capital of this company is RMB10 million, of which Qianhai Dongjiang's subscribed contribution accounted for 51% of the registered capital.

(3) In January 2026, Sanming Oasis Environmental Technology Co., Ltd., a wholly-owned subsidiary of Xiamen Dongjiang, a subsidiary of the Company, completed its deregistration procedures.

28. COMMITMENTS AND CONTINGENCIES

(1) Important commitments

Item	Balance at the end of the period	Balance at the beginning of the period
– Large amount outsourcing contract	**22,950,882.20**	63,457,973.59
– Commitment to purchase and build long-term assets	**6,946,340.00**	16,172,858.76
– Commitments to external investment	**40,704,111.64**	40,976,136.84
Total	**70,601,333.84**	120,606,969.19

(2) Contingencies

1. Cancellation of concession in Shaoyang, Hunan Province

On 27 February 2008, Shaoyang Municipal People's Government and its authorized unit Shaoyang Municipal Administration and Law Enforcement Bureau (whose name is changed to "Shaoyang Municipal Administration and Comprehensive Law Enforcement Bureau", hereinafter referred to as "Shaoyang Urban Management Bureau") as Party A signed the Shaoyang Municipal Domestic Waste Sanitary Landfill Construction and Concession Contract (the "Concession Contract") with Dongjiang Environmental and its authorized unit Hunan Dongjiang as Party B. It was agreed that Party A would grant Party B the Concession of Shaoyang Municipal Domestic Waste Sanitary Landfill for a period of 30 years from June 2011 to June 2041, counting from the opening date of the landfill.

28. COMMITMENTS AND CONTINGENCIES *(Continued)*

(2) Contingencies *(Continued)*

1. *Cancellation of concession in Shaoyang, Hunan Province* *(Continued)*

During the process of the implementation of Concession Contract, Shaoyang's domestic garbage was converted from landfill to incineration due to policy changes. On 29 February 2024, Shaoyang Municipal People's Government served a letter to Dongjiang Environmental Protection, revoking the Concession Contract and recovering the concession on the grounds of major public interests such as energy saving and emission reduction. The Company negotiated with the Shaoyang Municipal People's Government regarding compensation for the government's unilateral termination of the contract. On 18 April 2024, the transfer of assets and operational maintenance responsibilities for the Shaoyang Municipal Domestic Waste Sanitary Landfill and its leachate treatment facilities was completed. As multiple rounds of negotiations between the two parties failed to reach an agreement after the transfer, on 29 September 2024, the Company initiated an administrative lawsuit, demanding that the Shaoyang Municipal People's Government pay the project investment amount and other related costs. The case was heard in court on 21 November 2024. The Company received the Administrative Judgment ((2024) Xiang 05 Xing Chu No. 125) from the Shaoyang Intermediate People's Court. The main contents of the first-instance judgment are as follows: (1) The defendant, Shaoyang Municipal People's Government, is ordered to make a compensation decision to the plaintiffs, Dongjiang Environmental Company Limited and Hunan Dongjiang Environmental Protection Investment Development Ltd., within 60 days from the effective date of this judgment; (2) The other claims of the plaintiffs, Dongjiang Environmental Company Limited and Hunan Dongjiang Environmental Protection Investment Development Ltd., are dismissed.

28. COMMITMENTS AND CONTINGENCIES *(Continued)*

(2) Contingencies *(Continued)*

1. *Cancellation of concession in Shaoyang, Hunan Province (Continued)*

The Company, aggrieved by the first-instance judgment, filed an appeal with the Hunan Provincial Higher People's Court. On 26 February 2026, the Company received the Administrative Judgment ((2025) Xiang Xing Zhong No. 1088) from the Hunan Provincial Higher People's Court. The second-instance judgment is as follows: the appeal is dismissed, and the original judgment is upheld. As of the date of this report, the Company has received the Compensation Notice served by the Shaoyang Urban Management Bureau and has submitted its statements and defence arguments in response.

2. *Progress on the Guarantee Litigation of Tangshan Wandesi*

On 24 December 2021, the Company convened the 15th meeting of the seventh session of the board of directors and approved the "Proposal on Providing Guarantee for the Bank Facility of a Non-wholly-owned Subsidiary". To meet working capital requirements and reduce financing costs, Wandesi (Tangshan Caofeidian) Environmental Technology Co., Ltd ("Tangshan Wandesi") applied for a comprehensive credit facility from HSBC Bank (China) Co., Ltd. Tangshan Branch ("HSBC") with a limit not exceeding RMB200 million. The Company agreed to provide a joint liability guarantee for RMB160 million of such facility with a term not exceeding five years. The other shareholders of Tangshan Wandesi, namely Nanjing Wandesi Environmental Protection Technology Co., Ltd. (hereinafter "Nanjing Wandesi") and Guantuo Technology (Hebei) Co., Ltd. ("Guantuo Technology"), provided counter-guarantee measures by pledging their respective 16% and 4% equity interests in Tangshan Wandesi to the Company. The Company entered into Equity Pledge Agreements with Nanjing Wandesi and Guantuo Technology, respectively, completed the relevant equity pledge registration procedures, and obtained the "Notice of Registration of Equity Pledge" issued by the Tangshan Caofeidian District Administrative Approval Bureau. The Company issued a letter of guarantee to HSBC agreeing to provide a guarantee for Tangshan Wandesi, with a maximum debt amount of RMB160 million.

28. COMMITMENTS AND CONTINGENCIES *(Continued)*

(2) Contingencies *(Continued)*

2. Progress on the Guarantee Litigation of Tangshan Wandesi (Continued)

In view of the continuous fierce competition in the hazardous waste industry, the collection and transportation of waste materials of Tangshan Wandesi after it was put into operation did not meet expectations. The disposal prices continued to decline and the capital turnover of production and operation was difficult. Tangshan Wandesi was unable to timely repay relevant funds to HSBC. In accordance with the relevant provisions of the Letter of Guarantee, the Company shall fulfill its guarantee subrogation obligations in the amount of RMB111.0977 million (comprising the loan principal of RMB110.3509 million and interest of RMB0.7468 million).

The Company filed a lawsuit with the Tangshan Caofeidian District People's Court against Nanjing Wandesi and Guantuo Technology as defendants, seeking a court order to auction or sell the equity interests registered under the "Notice of Registration of Equity Pledge" and requesting priority compensation from the proceeds of such auction or sale. The court accepted the case on 11 October 2025 under docket number (2025) Ji 0209 Min Chu No. 6191. As of the date of this report, no first-instance judgment has been issued in this case.

28. COMMITMENTS AND CONTINGENCIES *(Continued)*

(2) Contingencies *(Continued)*

3. *Series of Cases Filed by Wosen Environmental against Hoshine Silicon Industry Co., Ltd. and Its Subsidiaries*

Wosen Environmental entered into Hazardous Waste Disposal Service Contracts with subsidiaries of Hoshine Silicon Industry Co., Ltd. ("Hoshine Silicon") during the period from 2022 to 2024, including Hoshine Silicon (Shanshan) Co., Ltd. ("Shanshan Hoshine"), Xinjiang Western Hoshine Silicon Industry Co., Ltd. ("Western Hoshine"), Xinjiang Hoshine Silicon New Materials Co., Ltd. ("Hoshine Silicon New Materials") and Xinjiang Central Hoshine Silicon Co., Ltd. ("Central Hoshine"). During the performance of the contracts, Wosen Environmental completed the disposal of the corresponding hazardous waste on multiple occasions as agreed. After both parties confirmed the completion, Wosen Environmental issued the relevant invoices to the counterparties, who were obliged to pay the corresponding amounts within 5/30 days of receiving the invoices. However, as of now, the counterparties have not made any payment.

In view of the above, Wosen Environmental filed a lawsuit with the Urumqi Intermediate People's Court against Hoshine Silicon, Shanshan Hoshine, Western Hoshine, Hoshine Silicon New Materials and Central Hoshine as defendants, seeking an order requiring Shanshan Hoshine, Western Hoshine, Hoshine Silicon New Materials and Central Hoshine to pay hazardous waste disposal fees, overdue interest, legal costs and other expenses, with Hoshine Silicon assuming joint and several liability. The total amount claimed is approximately RMB30.8888 million. As of the date of this report, the parties have reached a settlement.

28. COMMITMENTS AND CONTINGENCIES *(Continued)*

(2) Contingencies *(Continued)*

4. *Progress on the Guarantee Subrogation of Mianyang Dongjiang*

On 9 July 2020, the Company convened the 54th meeting of the sixth session of the board of directors, which considered and approved the "Proposal on Providing Guarantee for Mianyang Dongjiang Environmental Technology Co., Ltd. in Connection with its Application for Bank Credit Facility". To meet working capital needs and reduce financing costs, Mianyang Dongjiang applied for borrowings from the Mianyang Branch of Postal Savings Bank of China Co., Ltd. (the "PSBC Mianyang Branch") in the principal amount of RMB246 million, with a term from 1 April 2021 to 25 March 2030. The Company provided a joint liability guarantee for the above borrowings. Sichuan Diwosi Environmental Protection Technology Co., Ltd. ("Diwosi") and Mianyang Xinkeyuan Environmental Protection Technology Co., Ltd. ("Xinkeyuan") provided counter-guarantee measures by pledging their respective 29.5% and 19.5% equity interests in Mianyang Dongjiang to the Company. Accordingly, the Company entered into counter-guarantee contracts with Diwosi and Xinkeyuan respectively, completed the relevant equity pledge registration procedures, and obtained the "Notice of Registration of Equity Pledge" issued by the Mianyang Fucheng District Administrative Approval Bureau. The Company entered into a joint liability guarantee contract with PSBC Mianyang Branch, agreeing to provide a joint liability guarantee for Mianyang Dongjiang for a term of nine years.

In view of the continuous fierce competition in the hazardous waste industry, Mianyang Dongjiang's operations after commissioning did not meet expectations, leading to difficulties in capital turnover of production and operation and its inability to timely repay relevant funds to PSBC Mianyang Branch. The Company has, in accordance with the relevant provisions of the joint liability guarantee contract, successively performed its guarantee subrogation obligations to PSBC Mianyang Branch, with an aggregate principal and interest amount of RMB84.882 million.

28. COMMITMENTS AND CONTINGENCIES *(Continued)*

(2) Contingencies *(Continued)*

4. *Progress on the Guarantee Subrogation of Mianyang Dongjiang (Continued)*

The Company filed a lawsuit with the Sichuan Mianyang High-tech Industrial Development Zone People's Court against Diwosi and Xinkeyuan as defendants, seeking a court ruling to confirm that the Company holds a pledge over the equity interests in Mianyang Dongjiang held by Diwosi and Xinkeyuan, and an order to auction or sell the equity interests registered under the "Notice of Registration of Equity Pledge" and requesting priority compensation from the proceeds of such auction or sale. The case is currently at the first-instance trial stage.

Except for the above contingencies, as at 30 June 2026, the Company had no other major contingencies.

29. RELATED PARTIES TRANSACTIONS

(1) Transactions for purchase of goods, provision and receipt of services

Purchase of goods and accepting service from related parties

Unit: RMB

Related party	Details of related party transactions	January-June 2026 (unaudited)	January-June 2025 (unaudited)
Joint ventures	Accepting service	**305,554.27**	818,201.04
Associates	Accepting service	**309,152.80**	58,129.41
Other related parties	Purchase of goods and accepting service	**335,872.22**	1,737,606.21
Total		**950,579.29**	2,613,936.66

29. RELATED PARTIES TRANSACTIONS *(Continued)*

(1) Transactions for purchase of goods, provision and receipt of services *(Continued)*

Sales of goods and rendering of services to related parties

Unit: RMB

Related party	Details of related party transactions	January-June 2026 (unaudited)	January-June 2025 (unaudited)
Joint ventures	Trademark Royalty and rendering of services	**2,071,275.72**	2,589,948.73
Associates	Rendering of services	**1,511,729.86**	0.00
Other related parties	Rendering of services	**1,031,066.46**	2,023,108.79
Total		**4,614,072.04**	4,613,057.52

(2) Guarantee status

Unit: RMB

Secured Party	Associative relationship	Guarantee amount	Commencement date of guarantee	Maturity date of guarantee	Whether guarantee has been performed
Mianyang Dongjiang Environmental Technology Co., Ltd.	Subsidiary	246,000,000.00	1 April 2021	25 March 2030	No
Foshan Fulong Environmental Protection Technology Co., Ltd.	Subsidiary	160,497,000.00	18 March 2020	18 March 2030	No
Xiamen Oasis Environmental Industrial Co., Ltd	Subsidiary	80,000,000.00	27 June 2024	27 June 2027	No
Fujian Xingye Dongjiang Environmental Technology Co., Ltd.	Joint ventures	57,375,000.00	30 June 2021	15 September 2026	Yes
Dongguan Fengye Solid Waste Treatment Co., Ltd.	Joint ventures	44,000,000.00	15 October 2018	15 October 2033	Yes

29. RELATED PARTIES TRANSACTIONS *(Continued)*

(3) Key Management Compensation

Unit: RMB

Item	For the six months ended 30 June 2026 (unaudited)	For the six months ended 30 June 2025 (unaudited)
Key Management Compensation	**3,615,908.10**	3,620,453.15

(4) Other related party transactions

1) Entering into the Financial Services Agreement with Guangdong Rising Finance Co., Ltd.

On 24 December 2024, the third meeting of the eighth session of the board of directors of the Company considered and approved the Proposal on Entering into the New Financial Services Agreement and Related Party Transactions, which agreed the Company to enter into the Financial Services Agreement with Guangdong Rising Finance Co., Ltd. ("Rising Finance"), pursuant to which Rising Finance shall provide the Company (including its branches and subsidiaries) with deposits, settlements, credit facilities and other financial services as approved by the National Financial Regulatory Administration. In particular, during the validity period of the agreement, the maximum daily deposit balance of the Company placed with Rising Finance shall not exceed RMB550 million, within which the Company and Rising Finance shall carry out the relevant settlement services; at the same time, Rising Finance shall offer the Company (including its branches and subsidiaries) a comprehensive credit facility of up to RMB1.5 billion. As at 30 June 2026, the Company had a deposit balance of RMB356,333,651.86 with Rising Finance, and a loan balance of was RMB469,400,000.00 from Rising Finance based on actual capital requirements. The interest income from deposits with Rising Finance amounted to RMB364,078.67 and the interest expense from loans from Rising Finance amounted to RMB6,586,432.93 during the Reporting Period. For details, please refer to the Company's announcement dated 24 December 2024.

29. RELATED PARTIES TRANSACTIONS *(Continued)*

(4) Other related party transactions *(Continued)*

2) *Capital injection into Guangdong Embodiment Intelligence Technology Co., Ltd. by way of taking part in the public tender*

On 22 December 2025, the eleventh meeting of the eighth session of the board of directors of the Company considered and approved the Proposal on Capital Injection into Guangdong Embodiment Intelligence Technology Co., Ltd. by Way of Taking Part in the Public Tender and Related Party Transactions. In order to expand the Company's business scope and capture opportunities in the artificial intelligence industry, the Company intends to inject capital in Guangdong Embodiment Intelligence Technology Co., Ltd. ("Embodiment Intelligence") by way of taking part in the public tender, with a proposed investment of not more than RMB12 million to subscribe for no more than 4% of the equity interests in Embodiment Intelligence. Based on the final results of public tender, the Company invested RMB8 million and held 2.6666% of the shares of Embodiment Intelligence after its capital increase, and the Capital Injection Agreement was signed in February 2026. For details, please refer to the Company's announcements dated 22 December 2025, 16 January 2026 and 3 February 2026.

3) *Entering into the 2026 Framework Agreements with Guangdong Rising Holdings Group*

On 27 March 2026, the fourteenth meeting of the eighth session of the board of directors of the Company considered and approved the Proposal on Entering into the 2026 Framework Agreements and Progress on Related Party Transactions. To further leverage synergies, it was approved that the Company enter into the Product Sales Framework Agreement, the Service Framework Agreement and the Raw Materials Procurement Framework Agreement with Guangdong Rising Holdings Group within the expected categories and limits approved for routine related party transactions in 2026. The respective cap amounts under each agreement shall not exceed RMB40 million, RMB10 million and RMB100 million. For details, please refer to the Company's announcements dated 22 December 2025 and 27 March 2026.

29. RELATED PARTIES TRANSACTIONS *(Continued)*

(4) Other related party transactions *(Continued)*

4) Participating in tender for project of related parties

On 26 June 2026, the eighteenth meeting of the eighth session of the board of directors of the Company considered and approved the Proposal on Participating in Tender for Relevant Project and Related Party Transactions, approving that Elephant Logistics, a subsidiary, participate in the tender with a cap of RMB30 million for the "2026-2027 Delivery and Distribution Project 2 for Finished Steel Products of Zhongnan Co., Ltd. by Cargo Transportation" of Shanghai Ouye Logistics Co., Ltd., a related party. Elephant Logistics received the Notice of Award from Ouye Logistics in July, confirming that it had won the bid for Item 1 (Dongguan, Guangdong), with a bid amount of RMB18,491,263.84 (inclusive of tax). The final settlement amount is subject to actual service performance and assessment results, and both parties have signed the relevant distribution contract. For details, please refer to the Company's announcements dated 26 June 2026 and 9 July 2026.

30. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION

The condensed interim financial information of the Group for the six months ended 30 June 2026 was approved by the Board on 27 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2026, the Company, in line with its "15th Five-Year Strategic Plan", actively implemented the overall work requirements of the "Three Pillars and Four Strengths", adhered to deepening reforms and enhancing operational quality, and continuously drove management efficiency improvements. While maintaining and improving its core hazardous waste disposal business, the Company also explored and cultivated new business areas, and continued to increase investment in technological innovation to promote the high-value and diversified transformation of its recycling products.

During the Reporting Period, the hazardous waste industry remained highly competitive, with the downward trend in unit prices for non-hazardous treatment services not yet reversed and negative gross margins persisting. At the same time, fluctuations in metal prices led to an improvement in gross profit margins of recycling products, facilitating the profitability improvement of recycling business. In the first half of 2026, the Company recorded operating revenue of approximately RMB1,358 million, a year-on-year decrease of 9.48%; net loss attributable to parent company was RMB268 million, narrowing by 3.50% year-on-year; and net cash flows from operating activities amounted to RMB89.8378 million, representing a year-on-year increase of 277.17%.

For its core hazardous waste disposal business, the Company actively advanced process development and technical transformation during the Reporting Period. Key in-house research projects, including the "industrialization of preparing monoammonium phosphate from waste phosphoric acid" and "industrialization research on preparing calcium fluoride from fluorine-containing waste liquid", are near production. Meanwhile, benefiting from rising metal prices, the Company's high-end products such as copper hydroxide and firework-grade copper oxide achieved growth in both revenue and profitability. In addition, the Company adopted an asset-light model to establish joint ventures with various enterprises to carry out multiple collaborations in areas such as auto parts dismantling, energy saving transformation, environmental consulting and green logistics, continuously exploring and cultivating new businesses in resource recycling.

In terms of technological innovation, the Company focused on objectives including "cost reduction and efficiency enhancement in copper-containing waste recycling", "differentiated and high-value-added copper products" and "comprehensive utilization of waste acid", carried out a series of key core technology research and applied studies, and orderly implemented projects under the national key R&D programme. Meanwhile, it engaged in industry-university-research collaboration and technical exchanges with prestigious universities and institutions such as Tsinghua University, South China University of Technology, and the Guangdong-Hong Kong-Macao Ecological and Environmental Science Center, continuously optimizing the innovation ecosystem for collaborative research and application. During the Reporting Period, the Company secured 27 new patents, including four invention patents, and obtained two U.S. patents for "A System for Determining Evaporation Endpoint Using Image Recognition in Ammonia-Nitrogen Wastewater Evaporation Crystallization" and "A Method for Recycling of High-salt Sludge Containing Sodium Chloride and Sodium Sulphate".

In talent development, the Company relied on its "1+1+2+N" cultivation system to conduct tiered and classified training for operational management, technical and skilled personnel. During the Reporting Period, it completed the "Woodpecker Training Camp" programme for the safety and environmental system, and plans to launch the "Flying Dragon Training Camp" for senior executives of subsidiaries and the "Flying Eagle Training Camp" for technical personnel in the second half of the year. Meanwhile, based on the 2025 annual assessment results, the Company adjusted the internal management grades and remuneration of the leadership teams of nine subsidiaries, eliminated certain underperforming managers, and strictly implemented the "Three Capabilities" mechanism.

In cost reduction and efficiency enhancement, the Company introduced a special "extreme cost reduction" action plan, achieving cumulative cost reductions of over RMB23 million during the Reporting Period through initiatives such as process optimization, auxiliary material substitution and waste-to-waste treatment. In addition, based on market conditions, it implemented 55 "extreme rate efficiency improvement" projects across its subsidiaries and branches, including projects on asset revitalization, expansion of environmental treatment services and utilization of steam resources, which generated cumulative efficiency gains of over RMB15 million.

Currently, the low-price competition trend in the hazardous waste disposal industry has not reverse, and coupled with uncertainties arising from metal price fluctuations, the Company is still facing operational pressures. To address potential risks and facilitate stable and sustainable development, in the second half of the year, the Company will firmly anchor its strategic direction as a "comprehensive environmental service provider" and "resource recycling" enterprise, and optimize resource allocation towards in-depth resource utilization and green and low-carbon initiatives. While stabilizing its core hazardous waste disposal business, the Company will continue to deepen the reform of market-oriented operating mechanisms; intensify efforts in key technological breakthroughs for hazardous waste recycling; actively promote the cultivation of new businesses to expand growth opportunities; and persistently implement lean management, cost reduction and efficiency enhancement, thereby laying a solid foundation for the Company's long-term and healthy development.

POSSIBLE RISKS AND COUNTERMEASURES

1. Risk related to intensified market competition and operation

Encouraged by the national policy regarding strengthening support of the industrial waste treatment and disposal industry, large state-owned enterprises and private capital entered the industry aggressively, leading to a substantial increase in the hazardous waste treatment and disposal capacity that has outstripped market demand, with homogeneous competition becoming increasingly fierce. As industry adjustment continues, the Company's business faces risks including intensified competition, declining gross profit margins and difficulties in recovering accounts receivable. Coupled with the impact of credit rating downgrades, the Company's liquidity is under greater pressure. Due to process upgrades by waste-generating enterprises and the promotion of "zero-waste" policies, together with fierce competition from cement kiln incineration lines, the Company's upstream procurement costs for hazardous waste collection and transportation have continued to rise, while downstream quotations for harmless disposal services have been under downward pressure, making it significantly more difficult to secure quality hazardous waste sources. The combination of these factors has continuously squeezed the Company's operating revenue and profit margins, resulting in sustained losses. Going forward, the Company will firmly focus on the overall deployment of the "Three Pillars and Four Strengths", optimize the fundamental hazardous waste business, advance internal operational reforms and the disposal of inefficient and ineffective assets under the special reform plan of "making breakthrough with differentiated strategies tailored to each enterprise", and continue to explore new business opportunities to create new performance growth points.

2. *Risk related to production safety and environmental protection*

Hazardous waste possesses hazardous properties such as toxicity, flammability and strong corrosiveness. The Company's businesses of hazardous waste collection and transportation, warehousing and storage, incineration disposal and safe landfill involve production safety risks including material leakage, fire and explosion. At present, ecological and environmental supervision continues to intensify. National and local authorities are continuously tightening compliance control standards for online monitoring, compliant discharge of wastewater and exhaust gas, solid waste record archiving, and hazardous waste transfer manifest management. At the same time, environmental laws and regulations, pollutant discharge standards for hazardous waste disposal, catalogue of hazardous wastes, and control limits for landfill sites are being continuously updated and raised. If the Company fails to adapt in a timely manner, it may face compliance risks and environmental protection pressure. The Company will always adhere to the bottom line of production safety and environmental compliance, establish a closed-loop management and control system covering the entire business process, regularly conduct cross-base safety inspections, all-staff practical safety training and special assessments on hazardous waste classification management, and improve the pre-entry risk assessment mechanism for hazardous waste, thereby reducing various safety and environmental compliance risks from the source of operations.

3. *Risk related to metal price fluctuation*

The main products of the Company are recycled products such as copper sulfate, basic copper chloride and copper oxide, and metal products such as crude lead, crude silver, refined tellurium and antimony oxide. The selling prices of these products are determined based on their metal element content and with reference to the spot prices of metals published by metal exchanges, and may be subject to fluctuations in metal prices. The Company will firmly implement the procurement-production-sales plan, increase efforts in product sales, accelerate operating turnover, reduce inventory backlog and prevent and control the price risk caused by fluctuations in metal prices.

FINANCIAL REVIEW

Total operating revenue

For the six months ended 30 June 2026, the Group's total operating revenue amounted to RMB1,358,184,571, representing a decrease of 9.48% as compared to the corresponding period of 2025 (for the six months ended 30 June 2025: RMB1,500,470,310). The decrease in total operating revenue was mainly attributable to a year-on-year 62.10% decrease in revenue from rare and precious metals recovery and utilization business to RMB108,862,854 (for the six months ended 30 June 2025: RMB287,227,265). Meanwhile, revenue from harmless treatment business decreased due to downturn of the market. Operating revenue from industrial waste treatment and disposal amounted to RMB372,999,732, representing a year-on-year decrease of 6.04% (for the six months ended 30 June 2025: RMB396,990,856). Revenue from the business of sales of recycled products increased by 11.58% to RMB720,947,468 (six months ended 30 June 2025: RMB646,104,218) as compared with the same period of last year due to the increase in metal prices and the increase in sales discount rate.

Profit

For the six months ended 30 June 2026, the Group's integrated gross profit margin was 4.70% (for the six months ended 30 June 2025: 3.24%), representing an increase of 1.46 percentage points as compared to the corresponding period of last year.

For the six months ended 30 June 2026, the Group recorded net profit attributable to shareholders of the parent company of RMB-268,435,348 (for the six months ended 30 June 2025: RMB-278,177,080), representing a reduction in loss of 3.50% year-on-year. During the Reporting Period, although the increase in metal prices led to a moderate improvement in the gross profit margin of the recycling business, the overall market competition remained intense, and the profit margin of the Company's principal businesses of non-hazardous treatment and precious metals continued to be under pressure, resulting in the gross profit margin remaining at a relatively low level.

Selling expenses

For the six months ended 30 June 2026, the Group's selling expenses were RMB40,257,724 (for the six months ended 30 June 2025: RMB41,851,617), accounting for 2.96% of the total operating revenue (for the six months ended 30 June 2025: 2.79%). During the Reporting Period, the Company's selling expenses decreased as a result of effective management and control.

Administrative expenses

For the six months ended 30 June 2026, the Group's administrative expenses were RMB179,540,865 (for the six months ended 30 June 2025: RMB170,893,775), accounting for 13.22% of the total operating revenue (for the six months ended 30 June 2025: 11.39%). The year-on-year increase in administrative expenses during the Reporting Period was primarily attributable to the increase in post-employment compensation resulting from adjustments to the personnel structure.

Finance costs

For the six months ended 30 June 2026, the Group's finance costs were RMB71,514,392 (for the six months ended 30 June 2025: RMB93,874,721), accounting for 5.27% of the total operating revenue (for the six months ended 30 June 2025: 6.26%). The year-on-year decrease in finance costs during the Reporting Period was primarily attributable to the decrease in the overall financing interest rate and the impact of exchange gains and losses on foreign currency borrowings.

Income tax expenses

For the six months ended 30 June 2026, the Group's income tax expenses were RMB3,814,121 (for the six months ended 30 June 2025: RMB3,460,345), accounting for -1.21% of the total profit (for the six months ended 30 June 2025: -1.07%). The increase in income tax expense was mainly due to the reduction in loss of total profit during the Reporting Period.

Financial position and liquidity

As of 30 June 2026, net current assets of the Group amounted to RMB-865,324,927 (31 December 2025: RMB-1,157,940,871), including total cash and cash equivalents of approximately RMB1,003,176,144 (31 December 2025: RMB1,099,872,837).

As of 30 June 2026, total liabilities of the Group amounted to RMB6,814,103,677 (31 December 2025: approximately RMB7,085,646,097). Based on the total liabilities and total assets of the Group, the gearing ratio of the Group was 73.05% (31 December 2025: 71.52%). The current liabilities of the Group amounted to RMB3,702,405,816 (31 December 2025: RMB4,287,127,096). As of 30 June 2026, bank loans of the Group amounted to RMB4,514,301,029 (31 December 2025: RMB4,627,761,340).

According to the rating report issued by China Chengxin International Credit Rating Co., Ltd. (the "**China Chengxin International**"), a rating agency, on 17 June 2026, the corporate credit rating of Dongjiang Environmental, as well as the ratings of the First Tranche of Medium-term Notes in 2024 (bond abbreviation: 24 Dongjiang Environmental MIN001) and the First Tranche of Medium-term Notes in 2025 (bond abbreviation: 25 Dongjiang Environmental MTN001) issued in the interbank bond market, were both downgraded from AA+ (outlook: stable) to AA (outlook: stable).

The main reasons for the downgrade were as follows: the hazardous waste disposal industry in which the Company operates continued to experience a downturn, the Company has recorded consecutive years of losses and its operating loss further widened in 2025, making it difficult to turn around losses in the short term; sustained losses have eroded the equity base, and coupled with a relatively large debt scale, the financial leverage ratio has risen to a relatively high level; the Company faced pressure to redeem and repay bonds, and the internal control governance and financial accounting compliance required improvement. At the same time, China Chengxin International also acknowledged that the Company's strong shareholder background provides solid support in terms of human resources, resource coordination and capital support. In addition, the Company maintains its leading position in the hazardous waste treatment industry in China, and the increase in net cash flows from operating activities during the period under review supported the Company's creditworthiness.

During the Reporting Period, the Group's operating activities were carried out in an orderly manner, and the Board believes that the Group has a sound financial position and strong liquidity to meet its operation and business development needs in the future.

Assets Charges and Pledges

As of 30 June 2026, the Group's assets charged and pledged for bank borrowings included property, plant and equipment, intangible assets and accounts receivable. The aggregate amount of the charged assets was RMB1,655,096,111.

Significant investments, acquisitions and disposals of subsidiaries, associates and joint ventures

During the Reporting Period, the Group had no significant investments, acquisitions and disposals of subsidiaries, associates and joint ventures.

Future plans for material investments or capital assets

Save as disclosed in this report, the Group does not have other future plans for material investments or capital assets.

INTEREST RATE AND FOREIGN EXCHANGE RISKS

Interest rate risk

The Group is exposed to the fair value interest rate risks as a result of its fixed-rate bank loans. The Group currently has no interest rate hedging policy. However, the management closely monitors the interest rate risk, and will consider other necessary actions should a significant risk be foreseeable.

The Group is also exposed to cash flow interest rate risk as a result of its floating-rate bank loans. The Group's policy is to maintain the floating-rate bank loans to reduce the cash flow interest rate risk.

The Group's cash interest rate risk mainly concentrated on the Group's RMB borrowings resulting from fluctuations in the benchmark interest rate published by the People's Bank of China.

Financial liabilities at floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities at fixed interest rate expose the Company to fair value interest rate risk. The Company determines the relative proportions of contracts between fixed and floating interest rates depending on the market conditions.

Foreign exchange risk

The Group primarily operates in the Mainland China, and its business are primarily settled in Renminbi. However, the recognized foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are mainly denominated in Hong Kong dollars and US dollars) of the Company are still exposed to foreign exchange risks. The Company pays close attention to the impact of exchange rate changes on the Company. The Company has currently adopted forward foreign exchange contract measures to hedge against foreign exchange risks for its foreign exchange borrowings. The Company will consider necessary hedging actions should a significant foreign exchange risk be foreseeable.

Contingent liabilities

Save as disclosed in note 28 of the unaudited interim financial statements, the Group had no other significant contingent liabilities for the six months ended 30 June 2026.

Information on Employees and Remuneration Policies

As of 30 June 2026, the Group had 3,700 full-time employees, as compared to 3,893 employees as of 31 December 2025. The total staff cost for the six months ended 30 June 2026 was approximately RMB278,529,521, as compared to RMB274,589,998 for the corresponding period in 2025. The Group offers continuous training, remuneration package and additional benefits to its employees, including retirement benefits, housing allowance and medical insurance.

EVENTS DURING THE PERIOD

Connected Transaction – Capital Injection into Embodiment Intelligence

On 3 February 2026, the Company and Guangdong Embodiment Intelligence Technology Co., Ltd.* (廣東省具身智能科技有限公司, "**Embodied Intelligence**") entered into a capital increase agreement (the "**Capital Increase Agreement**"), pursuant to which the Company agreed to inject RMB8.00 million in cash as capital contribution to Embodied Intelligence. Upon completion of the capital increase, the Company held approximately 2.67% of the equity interest in Embodied Intelligence.

For details, please refer to the announcements of the Company dated 22 December 2025, 16 January 2026 and 3 February 2026.

Continuing Connected Transaction

Service Framework Agreement

On 27 March 2026, the Company and Guangdong Rising Holdings Group have entered into the Service Framework Agreement, pursuant to which the Company and its subsidiaries shall provide industrial waste treatment, transportation and technical consultancy services to Guangdong Rising Holdings Group and its subsidiaries for a term from the date of the Service Framework Agreement (i.e. 27 March 2026) to 31 December 2026.

Products Sales Framework Agreement

On 27 March 2026, the Company and Guangdong Rising Holdings Group have entered into the Products Sales Framework Agreement, pursuant to which the Company and its subsidiaries shall sell recycled products to Guangdong Rising Holdings Group and its subsidiaries for a term from the date of the Products Sales Framework Agreement (i.e. 27 March 2026) to 31 December 2026.

Raw Material Procurement Framework Agreement

On 27 March 2026, the Company and Guangdong Rising Holdings Group have entered into the Raw Materials Procurement Framework Agreement, pursuant to which the Company and its subsidiaries shall purchase raw materials from Guangdong Rising Holdings Group and its subsidiaries for a term from the date of the Raw Materials Procurement Framework Agreement (i.e. 27 March 2026) to 31 December 2026.

For details, please refer to the Company's announcement dated 27 March 2026.

EVENTS AFTER THE PERIOD

Continuing Connected Transaction – Transportation and Distribution Service Contract

On 9 July 2026, Elephant Logistics, a subsidiary of the Company, and Shanghai Ouye Logistics Co., Ltd.* (上海歐冶物流股份有限公司) ("**Ouye Logistics**") entered into the Transportation and Distribution Service Contract (the "**Transportation and Distribution Service Contract**"), pursuant to which Elephant Logistics shall provide transportation services for finished steel products of Zhongnan Co., Ltd.* (中南股份) to Ouye Logistics for a term from the date of the Transportation and Distribution Service Contract (i.e. 9 July 2026) to 30 June 2027.

For details, please refer to the Company's announcements dated 9 July 2026.

USE OF PROCEEDS FROM THE NON-PUBLIC ISSUANCE OF A SHARES

The net proceeds from the non-public issuance of A Shares were approximately RMB1,194.31 million. During the Reporting Period, the net proceeds were applied as follows:

Proposed use of proceeds	Original allocation of net proceeds (RMB' million)	Unutilised net proceeds as at 1 January 2026 (RMB' million)	Re-allocation of unutilised net proceeds (RMB' million)	Revised allocation of the unutilised net proceeds (RMB' million)	Utilised net proceeds during the six months ended 30 June 2026 (RMB' million)	Unutilised net proceeds as at 30 June 2026 (RMB' million)	Expected timeline
Development of the green recycling centre (phase 1) located in Petrochemical Industrial Area, Dananhai, Jieyang* (揭陽大南海石化工業區)	410.00	**264.25**	(264.25)	–	**–**	**–**	–
Expansion of the sewage treatment facilities (phase 2) located in Jiangling County, Jingzhou, Hubei Province* (湖北省荊州市江陵縣)	165.00	**93.99**	(83.99)	10.00	**–**	**10.00**	By December 2028
Smart digitalization development project	184.31	**158.79**	(158.79)	–	**–**	**–**	–
Modification and upgrade of hazardous waste treatment project	95.00	**62.46**	–	62.46	**–**	**62.46**	By December 2028
Replenishment of general working capital (Note)							
– Purchase of raw materials	–	**–**	255.00	255.00	**255.00**	**–**	–
– Labour costs	–	**–**	100.00	100.00	**22.64**	**77.36**	By December 2027
– Research, development and other costs	–	**–**	152.03	152.03	**66.90**	**85.13**	By December 2027
Sub-total	340.00	**–**	507.03	507.03	**344.54**	**162.49**	
Total	1,194.31	**579.49**		579.49	**344.54**	**234.95**	

Note:

Reference is made to the announcements of the Company dated 30 January 2026 and 22 December 2025, and the circular of the Company dated 12 January 2026 in relation to the change in use of proceeds from the non-public issuance of A shares. At the first extraordinary general meeting of the Company in 2026 held on 30 January 2026, the resolutions on the re-allocation of the net proceeds for replenishment of working capital have been approved by the Shareholders.

Details of the re-allocation of net proceeds are set out as follows:

(1) the Company has completed the expansion project of the sewage treatment facilities (phase 2) located in Jiangling County, Jingzhou, Hubei Province* (湖北省荊州市江陵縣). Except for approximately RMB10.00 million reserved specifically for the settlement of outstanding survey and design fees and quality retention funds in respect of the project, the remaining unutilised net proceeds of RMB83.99 million have been re-allocated for replenishment of general working capital.

(2) taking into the Company's operational and development needs and optimization of resources allocation, the Company has terminated the development of the Green Recycling Centre (Phase 1) located in Petrochemical Industrial Area, Dananhai, Jieyang* (揭陽大南海石化工業區) and the smart digitalization development project. The unutilised net proceeds from the above two projects, amounting to RMB264.25 million and RMB158.79 million, respectively, have been re-allocated for replenishment of general working capital.

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST S AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, none of the Directors or chief executive of the Company had any interest and short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of interests required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2026, as far as the Directors and chief executive of the Company are aware, the person(s) below (other than the Directors and chief executive of the Company) had interests or short positions in the Shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the interests required to be kept by the Company under Section 336 of the SFO.

Name of Shareholder	Nature of interest	Class of Shares	Number of Shares	Long position/ Short position	Approximate percentage of the relevant class of Shares (Note 1)	Approximate percentage of the total issued share capital of the Company (Note 1)
Guangdong Rising Holdings Group	Beneficial owner	A Shares	266,279,028 Shares	Long position	29.42%	24.09%
	Interest of controlled corporation	H Shares	25,179,200 Shares (Note 2)	Long position	12.58%	2.28%
Rising Investment Development Co., Ltd.* (廣晟投資發展有限公司)	Beneficial owner	H Shares	22,283,200 Shares (Note 2)	Long position	11.13%	2.02%
Guangdong Rising H.K. (Holding) Limited.* （廣東省廣晟香港控股有限公司）	Beneficial owner	H Shares	2,896,000 Shares (Note 2)	Long position	1.45%	0.26%
Baowu Environment	Beneficial owner	A Shares	86,629,001 Shares	Long position	9.57%	7.84%
	Interest of controlled corporation	A Shares	37,664,783 Shares (Note 3)	Long position	4.16%	3.41%
Shanghai Baosteel New Building Materials Technology Co., Ltd* (上海寶鋼新型建材科技有限公司)	Beneficial owner	A Shares	37,664,783 Shares (Note 3)	Long position	4.16%	3.41%

Name of Shareholder	Nature of interest	Class of Shares	Number of Shares	Long position/ Short position	Approximate percentage of the relevant class of Shares (Note 1)	Approximate percentage of the total issued share capital of the Company (Note 1)
Soho High Hope Group	Beneficial owner	A Shares	50,087,669 Shares	Long position	5.53%	4.53%
	Interests of controlled corporation	A Shares	25,995,038 Shares (Note 4)	Long position	2.87%	2.35%
	Interests of controlled corporation	H Shares	18,204,800 Shares (Note 4)	Long position	9.10%	1.65%
Jiangsu Soho Technology Innovation Investment Co., Ltd.* (江蘇蘇豪科創投資有限公司)	Beneficial owner	A Shares	25,995,038 Shares (Note 4)	Long position	2.87%	2.35%
	Beneficial owner	H Shares	18,204,800 Shares (Note 4)	Long position	9.10%	1.65%

Notes:

1. The percentage is calculated on the basis of 1,105,255,802 Shares (including 200,137,500 H Shares and 905,118,302 A Shares) in issue as at 30 June 2026.

2. Rising Investment Development Co., Ltd.* (廣晟投資發展有限公司) and Guangdong Rising H.K. (Holding) Limited.* (廣東省廣晟香港控股有限公司) are wholly-owned subsidiaries of Guangdong Rising Holdings Group. Therefore, Guangdong Rising Holdings Group was deemed to be interested in the 25,179,200 H Shares held collectively by Rising Investment Development Co., Ltd.* (廣晟投資發展有限公司) and Guangdong Rising H.K. (Holding) Limited.* (廣東省廣晟香港控股有限公司) under Part XV of the SFO.

3. Shanghai Baosteel New Building Materials Technology Co., Ltd.* (上海寶鋼新型建材科技有限公司) is a wholly-owned subsidiary of Baowu Environment. Therefore, Baowu Environment was deemed to be interested in the 37,664,783 A Shares held by Shanghai Baosteel New Building Materials Technology Co., Ltd.* (上海寶鋼新型建材科技有限公司) under Part XV of the SFO.

4. Jiangsu Soho Technology Innovation Investment Co., Ltd.* (江蘇蘇豪科創投資有限公司), formerly known as Jiangsu High Hope Venture Capital Co., Ltd.* (江蘇匯鴻創業投資有限公司), is a wholly-owned subsidiary of Soho High Hope Group. Therefore, Soho High Hope Group was deemed to be interested in the 25,995,038 A Shares and 18,204,800 H Shares held by Jiangsu High Hope Venture Capital Co., Ltd.* (江蘇匯鴻創業投資有限公司) under Part XV of the SFO.

Save as disclosed above, as at 30 June 2026, the Directors and chief executive of the Company are not aware of any other person (other than the Directors and chief executive of the Company) who has interests or short positions in the Shares, underlying shares or debenture of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the interests required to be kept by the Company under Section 336 of the SFO.

SHARE SCHEMES

During the Reporting Period, the Company did not have any share scheme (as defined under Chapter 17 of the Listing Rules).

COMPETING INTERESTS OR BUSINESS

During the Reporting Period, none of the Directors, chief executive or the substantial shareholders of the Company and their respective associates are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

AUDIT AND RISK MANAGEMENT COMMITTEE AND REVIEW OF THE INTERIM RESULTS

The Company has established an Audit and Risk Management Committee in compliance with Rule 3.21 of the Listing Rules and Code Provision D.3 of the CG Code for the purpose of reviewing and supervising the Group's financial reporting process, risk management and internal audit functions and control. As at 30 June 2026, the Audit and Risk Management Committee of the Company comprised of three independent non-executive Directors, namely Mr. Lee Kwok Tung Louis, Mr. Li Jinhui and Ms. Xiang Ling. Mr. Lee Kwok Tung Louis, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules, serves as the chairman of the Audit and Risk Management Committee. The Audit and Risk Management Committee has reviewed the interim results and financial statements of the Group for the six months ended 30 June 2026 and this report, but the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have not been audited by the auditor of the Company.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

INTERIM DIVIDEND

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

CORPORATE GOVERNANCE

The Company has been firmly committed to achieving and maintaining high overall standards of corporate governance and has always recognised the importance of accountability and communication with shareholders through continuous effort in improving its corporate governance practices and processes. Through the establishment of a quality and effective Board, a comprehensive internal control system and a stable corporate structure, the Company strives to achieve complete and transparent information disclosure, enhance stable operation and consolidate and increase shareholders' value and profit. The Company has complied with all the applicable Code Provisions in the CG Code throughout the Reporting Period.

CHANGES IN INFORMATION OF DIRECTORS

There is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct of securities transactions by the Directors. Having made specific enquiries with all Directors by the Company, they confirmed that they have complied with the requirements set out in the Model Code during the Reporting Period.

By order of the Board
Dongjiang Environmental Company Limited*
WANG Bi'an
Chairman

Shenzhen, Guangdong, the PRC
27 August 2026

* *for identification purpose only*