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CAPITAL ENVIRONMENT HOLDINGS LIMITED

首創環境控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03989)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “**Board**”) of Capital Environment Holdings Limited (the “**Company**”) is pleased to announce the unaudited interim consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		2025	2024
	Notes	RMB'000	RMB'000
		Unaudited	Unaudited
REVENUE	5	1,875,929	1,786,721
Cost of sales		(1,169,922)	(1,136,244)
Gross profit		706,007	650,477
Other income and gains	5	47,094	60,671
Selling expenses		(7,776)	(7,181)
Administrative expenses		(172,874)	(191,292)
Impairment losses on financial and contract assets, net		(110,673)	(40,576)
Other expenses		(4,385)	(24,306)
Finance costs	7	(196,734)	(212,903)
Share of (losses)/profits of associates		(3,403)	1,235

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		Unaudited	Unaudited
PROFIT BEFORE TAX	6	257,256	236,125
Income tax expense	8	(61,049)	(41,305)
PROFIT FOR THE PERIOD		<u>196,207</u>	<u>194,820</u>
Attributable to:			
Owners of the parent		188,182	170,656
Non-controlling interests		8,025	24,164
		<u>196,207</u>	<u>194,820</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic and diluted			
– For profit for the period		<u>RMB1.32 cents</u>	<u>RMB1.19 cents</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025 <i>RMB'000</i> Unaudited	2024 <i>RMB'000</i> Unaudited
PROFIT FOR THE PERIOD	196,207	194,820
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	461	(2,251)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	461	(2,251)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investment designated at fair value through other comprehensive income:		
Changes in fair value	–	(200)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	–	(200)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	461	(2,451)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	196,668	192,369
Attributable to:		
Owners of the parent	188,417	169,307
Non-controlling interests	8,251	23,062
	196,668	192,369

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025	31 December 2024
	Notes	RMB'000 Unaudited	RMB'000 Audited
NON-CURRENT ASSETS			
Property, plant and equipment	11	451,415	482,482
Right-of-use assets		77,097	61,873
Goodwill		6,055	6,055
Other intangible assets	12	4,788,328	4,744,501
Investments in associates		53,283	56,686
Deferred tax assets		83,158	65,185
Concession financial assets	13	7,798,637	7,685,079
Contract assets		69,827	376,999
Prepayments, other receivables and other assets	14	179,308	184,522
Pledged deposits		6,854	5,746
		<hr/>	<hr/>
Total non-current assets		13,513,962	13,669,128
CURRENT ASSETS			
Inventories		95,975	89,743
Concession financial assets	13	1,767,307	1,665,781
Contract assets		1,506,593	1,204,044
Trade receivables	15	2,757,084	2,580,311
Prepayments, other receivables and other assets	14	932,198	975,034
Pledged deposits		45,995	37,198
Cash and cash equivalents		456,332	659,298
		<hr/>	<hr/>
Total current assets		7,561,484	7,211,409

		30 June 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		Unaudited	Audited
CURRENT LIABILITIES			
Trade payables	16	1,491,007	1,603,234
Other payables and accruals		274,552	257,671
Deferred income		16,392	17,601
Interest-bearing bank and other borrowings	17	4,869,288	3,040,100
Lease liabilities		10,717	–
Amounts due to related parties		8,304	268,000
Current tax payable		81,719	60,404
Total current liabilities		6,751,979	5,247,010
NET CURRENT ASSETS		809,505	1,964,399
TOTAL ASSETS LESS CURRENT LIABILITIES		14,323,467	15,633,527
NON-CURRENT LIABILITIES			
Deferred income		329,622	333,344
Interest-bearing bank and other borrowings	17	6,061,484	7,607,111
Deferred tax liabilities		733,099	701,602
Lease liabilities		11,196	–
Total non-current liabilities		7,135,401	8,642,057
Net assets		7,188,066	6,991,470
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital		1,275,167	1,275,167
Reserves		5,575,506	5,386,304
		6,850,673	6,661,471
Non-controlling interests		337,393	329,999
Total equity		7,188,066	6,991,470

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE AND GROUP INFORMATION

Capital Environment Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 27 May 2004 and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited with effect from 13 July 2006. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands. The Company’s principal place of business in Hong Kong is located at 40th Floor, Dah Sing Financial Centre, 248 Queen’s Road East, Wanchai, Hong Kong.

The principal activity of Company and its subsidiaries (collectively referred to as the “**Group**”) is waste treatment and waste-to-energy business.

The immediate holding company of the Company is Beijing Capital (Hong Kong) Limited (“**Beijing Capital (HK)**”), a company incorporated in Hong Kong, and the ultimate holding company is Beijing Capital Group Co., Ltd. (“**Beijing Capital Group**”), a state-owned enterprise registered in the People’s Republic of China (“**PRC**”).

2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amendments to HKFRS Accounting Standards for the first time for the current period’s financial information:

Amendments to HKAS 21 and HKFRS 1	<i>Lack of Exchangeability</i>
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The nature and the impact of the revised HKFRSs are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments have had no material impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

The Group has only one reporting segment, which is the waste treatment and waste-to-energy business in the PRC.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains for the period is as follows:

Revenue

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Revenue from contracts with customers	1,616,554	1,523,209
Effective interest income on concession financial assets	259,375	263,512
Total	<u>1,875,929</u>	<u>1,786,721</u>

Disaggregated revenue information for revenue from contracts with customers:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Types of goods or services		
Construction services under service concession arrangements	81,017	121,208
Operation services under service concession arrangements	1,106,485	1,038,898
Operation services not under service concession arrangements	184,039	178,349
Others	245,013	184,754
Total	<u>1,616,554</u>	<u>1,523,209</u>

Timing of revenue recognition

Goods transferred at a point in time	38,858	53,523
Services transferred over time	1,577,696	1,469,686
Total	<u>1,616,554</u>	<u>1,523,209</u>

Other income and gains

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Bank interest income	4,757	1,734
Other interest income	2,694	24,602
Government grants	32,705	33,955
Others	6,938	380
Total	<u>47,094</u>	<u>60,671</u>

6. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Cost of services rendered for service concession arrangements	760,018	750,677
Cost of other services provided	394,168	347,589
Cost of inventories sold	15,736	37,978
Depreciation		
– Property, plant and equipment	28,581	30,900
– Right-of-use assets	6,215	7,198
Amortisation of other intangible assets	103,405	105,885
	138,201	143,983
Research and development costs	15,561	22,188
Lease payments not included in the measurement of lease liabilities	4,076	2,574
Auditor's remuneration	1,030	1,278
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	90,228	88,217
Pension scheme contributions	23,337	22,247
	113,565	110,464
Impairment of financial and contract assets, net:		
Impairment of trade receivables	80,346	32,326
(Reversal of)/impairment financial assets included in prepayments, other receivables and other assets	(3,745)	1,463
Impairment of concession financial assets and relevant contract assets	34,072	6,787
	110,673	40,576
Impairment of property, plant and equipment (<i>note</i>)	–	18,650
Loss on disposal of items of property, plant and equipment (<i>note</i>)	–	970

Note: These items are included in other expenses.

7. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Interest on bank and other borrowings	198,537	213,012
Interest on lease liabilities	418	240
Total interest	198,955	213,252
Less: Interest capitalised	2,239	1,203
Others	196,716	212,049
	18	854
Total	196,734	212,903

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assemble profits arising in Hong Kong during the period.

Income tax in other regions is calculated at the applicable tax rates where the Group operates.

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Charge for the period		
– Hong Kong	2,753	–
– Mainland China	44,772	19,887
Deferred	13,524	21,418
Total	61,049	41,305

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 14,294,733,167 (six months ended 30 June 2024: 14,294,733,167) in issue during the period.

The Group had no dilutive potential ordinary shares in issue during the six months ended 30 June 2025 and 2024.

The calculation of basic earnings per share is based on:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	188,182	170,656
	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	14,294,733,167	14,294,733,167

10. DIVIDENDS

No dividend was proposed by the Company for the six months ended 30 June 2025 (six months ended 30 June 2024: RMBnil).

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets with a cost of RMB6,863,000 (six months ended 30 June 2024: RMB10,874,000).

Assets with a net book value of RMB970,000 were disposed of by the Group during the six months ended 30 June 2024, resulting in a net loss on disposal of RMB970,000.

No impairment was recognised during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB18,650,000).

12. OTHER INTANGIBLE ASSETS

For the six months ended 30 June 2025, addition of RMB147,208,000 in other intangible assets arising from service concession arrangements is mainly due to the completion of the construction of build-operate-transfer (“BOT”) projects.

The intangible assets arising from the service concession arrangements are amortised over the period which commence from the date when they are available for use to end of the service concession period, using a straight-line method.

13. CONCESSION FINANCIAL ASSETS

	30 June 2025 RMB'000 Unaudited	31 December 2024 RMB'000 Audited
Concession financial assets	9,739,302	9,488,236
Impairment	(173,358)	(137,376)
	<u>9,565,944</u>	<u>9,350,860</u>
Analysed for reporting purposes as:		
Current assets	1,767,307	1,665,781
Non-current assets	7,798,637	7,685,079
Total	<u>9,565,944</u>	<u>9,350,860</u>

The Group provides construction and operation services to the certain government authorities in the PRC (“**Grantor**”) under the service concession arrangements, the consideration received or receivable by the Group is recognised in accordance with HKFRS 15. The consideration may be rights to a financial asset, or an intangible asset. The Group recognises a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the Grantor for the construction services; the Grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law. The Group recognises an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. Sometimes the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, the Group accounts separately for each component of the consideration. Both types of consideration are classified as a contract asset during the construction period in accordance with HKFRS 15.

The effective interest rates used in service concession arrangements ranged from 3.56% to 6.50%.

Service concession arrangements with the grantor in the PRC require the Group to operate and maintain the waste treatment and waste-to-energy plants at a specified level of serviceability on behalf of the relevant government authorities over the relevant service concession periods. The payment of concession financial assets is generally along with the operation service rendered in the operating period.

An impairment analysis is performed at each reporting date using the probability of default method to measure expected credit losses. The probabilities of default rates are estimated based on published credit information of the grantors. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information. As at 30 June 2025, the probability of default applied ranging from 0.08% to 1.98% and the loss given default was estimated to be 45% or 75%, which led to an impairment of RMB35,982,000 recognised during the period.

14. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2025 RMB'000 Unaudited	31 December 2024 RMB'000 Audited
Advances to suppliers	59,040	46,429
Value-added tax receivables	452,072	503,907
Interest receivable	5,024	5,024
Tender deposits	257,282	257,472
Disposal receivables (<i>note</i>)	188,217	188,217
Others	149,871	158,507
	<hr/>	<hr/>
Total	1,111,506	1,159,556
	<hr/>	<hr/>
Analysed into:		
Current assets	932,198	975,034
Non-current assets	179,308	184,522
	<hr/>	<hr/>
Total	1,111,506	1,159,556
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Note:

The amounts were in relation to the termination of three service concession arrangements, resulting in receivables due from Yanqingxian Environment Health Service Center (北京市延慶區環境衛生服務中心), Huludao municipal government (葫蘆島市政府) and Weng'an county government (甕安縣政府) amounting to RMB81,204,000, RMB75,502,000 and RMB31,511,000, respectively.

15. TRADE RECEIVABLES

	30 June 2025 RMB'000 Unaudited	31 December 2024 RMB'000 Audited
Trade receivables	3,013,308	2,756,189
Impairment	(256,224)	(175,878)
	<hr/>	<hr/>
Net carrying amount	2,757,084	2,580,311
	<hr/>	<hr/>
Analysed into:		
Current assets	2,757,084	2,580,311
Non-current assets	—	—
	<hr/>	<hr/>
	2,757,084	2,580,311
	<hr/>	<hr/>

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

	30 June 2025 RMB'000 Unaudited	31 December 2024 RMB'000 Audited
0 to 90 days	736,270	733,892
91 to 180 days	376,251	460,243
181 to 365 days	638,155	481,109
1 to 2 years	470,031	530,656
2 to 3 years	396,261	148,376
Over 3 years	140,116	226,035
	<hr/>	<hr/>
Total	2,757,084	2,580,311
	<hr/>	<hr/>

Trade receivables due from Sichuan Bluestone Construction Co., Ltd. (a subsidiary of Beijing Capital Eco-Environment Protection Group Co., Ltd. (北京首創生態環保集團股份有限公司)) were RMB24,670,000 (31 December 2024: RMB34,062,000).

16. TRADE PAYABLES

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

	30 June 2025 RMB'000 Unaudited	31 December 2024 RMB'000 Audited
0 to 90 days	776,135	886,617
91 to 180 days	408,963	58,730
181 to 365 days	55,003	455,415
1 to 2 years	131,893	106,108
2 to 3 years	63,928	62,378
Over 3 years	55,085	33,986
	<hr/>	<hr/>
Total	1,491,007	1,603,234
	<hr/>	<hr/>

17. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2025 RMB'000 Unaudited	31 December 2024 RMB'000 Audited
Secured bank and other borrowings	6,426,381	6,489,729
Unsecured bank and other borrowings	4,504,391	4,157,482
Total	10,930,772	10,647,211
Carrying amount repayable:		
Within one year	4,869,288	3,040,100
More than one year, but not exceeding two years	608,369	2,270,798
More than two years, but not exceeding five years	1,873,171	1,770,068
Beyond five years	3,579,944	3,566,245
Total	10,930,772	10,647,211
Less: amounts due within one year shown under current liabilities	4,869,288	3,040,100
Non-current liabilities	6,061,484	7,607,111

Notes:

- (a) Bank loans of RMB290,931,000 as at 30 June 2025 (31 December 2024: RMB303,451,000) were guaranteed by the corporate guarantee of the Group.
- (b) Bank loans of RMB1,094,195,000 as at 30 June 2025 (31 December 2024: RMB1,097,126,000) were secured by certain service concession arrangements of the Group.
- (c) Bank loans of RMB4,686,566,000 as at 30 June 2025 (31 December 2024: RMB4,694,717,000) were guaranteed by the corporate guarantee of the Group, and were secured by certain service concession arrangements of the Group.
- (d) A bank loan of RMB70,846,000 as at 30 June 2025 (31 December 2024: RMB83,346,000) was guaranteed by the corporate guarantee of the Group and Beijing Construction Engineering Group Co., Ltd. (北京建工集團有限責任公司), the non-controlling interests of Beijing Shoujian.
- (e) Bank loans of RMB100,961,000 as at 30 June 2025 (31 December 2024: RMB113,581,000) were guaranteed by the corporate guarantee of the Group, and were secured by the leasehold land with a carrying amount of RMB34,746,000 (31 December 2024: RMB35,145,000).
- (f) Other loan of RMB94,203,000 from China Merchants Bank Financial Leasing Co., Ltd. (招銀金融租賃有限公司) as at 30 June 2025 (31 December 2024: RMB103,168,000) was guaranteed by the corporate guarantee of the Group, and was secured by the service concession arrangement of Renqiu Capital Environmental Treatment Co., Ltd. (任丘首創環境治理有限公司).
- (g) As of June 30, 2025, bank loans of RMB88,679,000 (31 December 2024: RMB94,340,000) were secured by certain service concession arrangements of the Group, and by land and buildings with a net book value of RMB150,084,000 (31 December 2024: RMB155,161,000).
- (h) Other loan of RMB3,841,826,000 from Beijing Capital Eco-Environment Protection Group Co., Ltd., an intermediate holding company of the Company as at 30 June 2025 (31 December 2024: RMB3,470,000,000) was unsecured with interest-bearing at 4.38% per annum and due in November 2025, March 2026 and May 2026.

As at 30 June 2025, the Group had bank loans of RMB277,040,000 for which certain loan agreement terms were met to permit the lenders to demand accelerated repayment. The terms of these bank loans have not been renegotiated up to the date of approval of these financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Against the backdrop of profound restructuring of the global economic landscape, the world economy showed a notable trend of “accelerated growth in Eastern economies and stabilisation in Western economies” in the first half of 2025. The International Monetary Fund (IMF) predicted a global economic growth rate of approximately 3.5%, with developed economies maintaining a stable average growth rate of 1.8%, while emerging markets and developing economies sustaining a robust growth momentum of 5.1%, serving as the primary driver of global economic growth¹. Regional growth disparities intensified, with the Asia-Pacific region leading globally at a growth rate of 4.2%, the ASEAN countries particularly achieving a better-than-expected growth of 5.8%². The Eurozone, constrained by energy structure adjustments, maintained a relatively low growth rate of 1.2%³. The Americas region recorded a steady growth of 2.3%, mainly benefiting from the manufacturing reshoring policies of the United States⁴.

In the first half of 2025, China’s economy demonstrated a notable characteristic of “steady progress with improved quality and efficiency”, with a year-on-year gross domestic product (GDP) growth of 5.3%, maintaining its leading position among major global economies. Consumption upgrade continued to drive economic growth, contributing to a year-on-year increase of 5.0% in the total retail sales of consumer goods. Notable results have been achieved in optimising the investment structure, with fixed-asset investment (excluding investment in real estate development) growing by 6.6% year-on-year⁵. The People’s Bank of China implemented a targeted monetary policy to sustain a moderate growth rate of 9.2% in the broad money supply (M2), with the comprehensive financing costs for enterprises decreasing to 4.3%⁶. In terms of fiscal policy, the newly implemented tax and fee cuts reached RMB1.2 trillion, with a focus on supporting technological innovation and the development of small and medium-sized enterprises⁷.

In the first half of 2025, the environmental protection industry underwent a phase of profound changes and structural transformation. While traditional market segments generally experienced slowing growth, emerging market segments demonstrated strong upward momentum. The overall development model of the industry was shifting from scale expansion to refined operation and value cultivation. In the first half of 2025, the total transaction volume in the environmental protection market was RMB382.4 billion, representing a decrease of 9% compared to the corresponding period of last year. Specifically, the transaction volume of asset-based projects reached RMB39.8 billion, accounting for 10% of the total market volume, while the transaction volume of service projects amounted to RMB342.6 billion, accounting for 90% of the total market

¹ IMF, “World Economic Outlook”, July 2025

² ASEAN Secretariat, “ASEAN Economic Monitoring Report (Mid-Year 2025)” (《東盟經濟監測報告2025年中版》)

³ European Central Bank, “Eurozone Economic Assessment (Mid-Year 2025)” (《歐元區經濟形勢評估2025年中版》)

⁴ U.S. Bureau of Economic Analysis, “Economic Statistics for the Americas (First Half of 2025)” (《美洲地區經濟數據統計2025年上半年》)

⁵ National Bureau of Statistics of China, “National Economic Performance in the First Half of 2025” (《2025年上半年國民經濟運行情況》), July 2025

⁶ People’s Bank of China, “Monetary Policy Report (First Half of 2025)” (《貨幣政策執行報告2025年上半年》), July 2025

⁷ Ministry of Finance, “Report on the Implementation of Fiscal Policy in the First Half of 2025” (《2025年上半年財政政策執行情況報告》), July 2025

volume, reflecting a noticeable industry trend towards “asset-light operation dominance and refined asset-heavy development”. From the perspective of specific sectors, market transaction volumes demonstrated significant divergence: pipeline network projects led with a transaction volume of RMB95.1 billion, significantly outpacing other sectors; environmental sanitation projects followed in the second tier, with a transaction volume of RMB78.9 billion; sewage treatment, water supply and restoration projects formed the third tier, with transaction volumes ranging from RMB40.0 billion to RMB60.0 billion (sewage treatment: RMB53.3 billion; water supply: RMB48.9 billion; restoration: RMB44.8 billion); water environment management (RMB29.4 billion) and municipal environment (RMB19.4 billion) projects constituted the fourth tier; industrial water treatment (RMB7.8 billion) and waste incineration (RMB5.0 billion) projects fell within the fifth tier, each below RMB10 billion in transaction volume. The implementation of the fiscal policy for debt relief accelerated the issuance of special bonds to 90% of targets, with significant regional disparities – 24 provinces/municipalities completed their annual replacement quotas, while areas with higher dependence on land-based fiscal revenues became focal points for policy interventions⁸.

Since entering the field of solid waste treatment in 2011, Capital Environment Holdings Limited (the “**Company**”), together with its subsidiaries (collectively, the “**Group**”), has aligned itself with the development guidance of national policies to promptly grasp policy benefits and market opportunities, and fully implemented the “14th Five-Year Plan” strategy and the overall deployment of “Eco+2025” strategic iteration of Beijing Capital Eco-Environment Protection Group Co., Ltd. (北京首創生態環保集團股份有限公司) (“**Capital Eco Group**”), a substantial shareholder of the Company. The Group has continuously made in-depth adjustments to its business structure to gradually enhance profitability. Simultaneously, it has pursued development driven by technological innovation, optimised the environment for technological innovation, enhanced its technological innovation capabilities and accelerated the establishment of its technological innovation strengths, to promote the high-quality development of the Group. The Group focused on its environmental protection business, continuously consolidated the core position of its waste-to-energy incineration business, and actively promoted the development of asset-light businesses such as urban-rural environmental sanitation, site restoration and energy conservation & dual carbon. All business segments on the business chain have achieved greater synergies – a vertical synergy with waste incineration as the core, and a horizontal synergy among various types of waste, forming a comprehensive structure for solid waste treatment business. The Group proactively established asset-light business platforms, namely the site restoration department (based on Beijing Capital Environment Technology Company Limited (北京首創環境科技有限公司)) and the environmental industry department (based on Beijing Capital Environmental Sanitation Company Limited (北京首創環衛有限公司)), clarifying the positioning of such platforms and strengthening their business development. Each platform actively explores new customers and new markets and continuously expands its business scope as well as scale. The Group pursued the strategic initiatives on transformation and upgrading, in-depth urban presence and value diversification and, with a focus on capacity building and technological innovation, created a diversified value-driven model of “investment + operation + service” to develop both asset-light and asset-heavy operations, supporting Capital Eco Group to achieve a multi-business portfolio covering the systematic treatment needs across “water, solid waste, air and energy” sectors.

⁸ The data in this section are all sourced from the “Comprehensive Research Report on the Environmental Protection Market (January-June 2025)” (《2025年1–6月環保市場綜合研究報告》) published by Capital Eco Group

In the first half of 2025, adhering to the operating focus of “tackling challenges, improving quality, making innovation and increasing quantity”, the Group strived to expand its business scale, and based on key performance indicators such as return on equity (ROE), continued to explore the potential for improvement in various aspects of its existing asset operation and management, thereby delivering remarkable results. The Group’s turnover amounted to RMB1,876 million, of which waste-to-energy incineration, urban-rural environmental sanitation, site restoration and organic solid waste treatment contributed RMB1,690 million to the turnover, accounting for 90.09% of the total revenue for the six months ended 30 June 2025. Net profit attributable to shareholders of the parent company reached RMB188 million, with significant contribution from waste incineration and its ancillary collection and transportation business, further enhancing the Group’s profitability.

In the first half of 2025, the Group’s total assets reached RMB21,075 million, representing an increase of 0.93% as compared to RMB20,881 million as at 31 December 2024; the turnover amounted to RMB1,876 million, representing a year-on-year increase of 4.99%; profit for the period amounted to RMB196 million, representing a year-on-year increase of 0.71%; and net profit attributable to parent company amounted to RMB188 million, representing a year-on-year increase of 10.27%.

The Group secured a total of 65 projects (including 27 waste-to-energy projects, 5 waste landfill projects, 6 organic waste treatment projects, 18 cleaning, collection and transportation and management projects, 6 hazardous waste treatment projects, 1 waste electrical appliances dismantling project and 2 biomass power generation projects) in the PRC, with a total investment of approximately RMB19,758 million. The facilities are designed with an aggregate annual waste treatment capacity of approximately 14.98 million tonnes and annual electrical and electronic equipment dismantling volume of approximately 1.2 million units. During the reporting period, a total of 57 projects were in operation or in trial operation, including 26 waste-to-energy and biomass power generation projects, 4 waste landfill projects, 17 cleaning, collection and transportation and management projects, 1 dismantling project, 6 organic waste treatment projects, and 3 hazardous waste treatment projects. The Group advanced the implementation of key businesses in an orderly manner according to its scientific operational plan. In the first half of 2025, the Group completed domestic waste disposal of 5,382,700 tonnes, providing a total of 1,417 million kWh of on-grid electricity.

REMARKABLE ACHIEVEMENTS IN EFFECTIVELY TACKLING DIFFICULTIES

The Group continued to optimise its asset structure. By stepping up its efforts in key areas, the Group significantly enhanced the operational efficiency of its inefficient businesses and achieved business breakthroughs in a number of key areas. Centred on the overall operational improvement targets, the Group systematically implemented comprehensive measures to enhance quality and increase efficiency, driving increased profitability in inefficient businesses and delivering sustained operational improvements. In particular, Lushan Biomass, Fangcheng Incineration and Nanle Incineration projects took the lead in achieving operational improvement targets. Four enterprises, namely Shenzhou Incineration, Yingde Landfill, Zibo Hazardous Waste, and Yangzhou Hazardous Waste, collectively realised an increase in operating efficiency of over RMB10 million through comprehensive strategies such as diversifying revenue streams, strengthening cost control and implementing refined operations, laying a solid foundation for the Group’s long-term and stable development.

EVIDENT EFFECT OF COMPREHENSIVELY IMPROVING QUALITY

The Group achieved simultaneous improvements in both operational efficiency and management efficiency. Core production indicators continued to improve, with the on-grid power generation per tonne of waste at waste-to-energy incineration projects increasing by 4% compared to the level at the beginning of the year. Through technological renovation, waste-to-energy incineration projects in Nong'an, Shenzhou and Yongji achieved growth in both power generation and operating profits. Consumption of key materials such as diesel and urea remained below planned targets, while costs for environmental protection consumables were kept within a reasonable range. The management system was continuously refined through the implementation of 22 new regulatory measures and the concurrent abolition of outdated processes, which resolved certain imbalances between business operations and management within the Company. The financial structure was further optimised, leveraging shareholder loans and external financing to provide flexible funding support for the development of asset-light projects and the expansion of derivative businesses from existing assets. The consolidated debt-to-asset ratio remained stable within a reasonable range of 65%-70%, with continuous efforts to advance the reduction of external financing costs, thereby laying a solid financial foundation for business expansion.

FRUITFUL RESULTS IN INNOVATIVE INCREMENT

The Group has achieved significant progress in market expansion, with the synergistic development between asset-light and asset-heavy operations continuously deepening and the business structure being consistently optimised. The incineration derivative business secured 11 new orders, with a total contract value of RMB191 million, including the leachate and sludge treatment project in Wugang, Pingdingshan City. The urban-rural environmental sanitation services segment received 7 new orders, with a total contract value of RMB179 million, including the smart city platform in Shuimogou District, Urumqi City and two environmental sanitation projects in Beijing. The site restoration business received 4 new orders, with a total contract value of RMB243 million. The Guangxi Zhuang Autonomous Region emerged as a key area for expansion, with successful bids won for the mine restoration project in Qinzhou City and the mine restoration and farmland replenishment project in Beihai City. The organic solid waste business expanded its customer base for salvaged oil through the facilities of Hangzhou Kitchen Waste Project and Yangzhou Kitchen Waste Project, and recorded revenue growth by virtue of the construction of an oil recovery system.

SIGNIFICANT ACHIEVEMENTS IN SYSTEMATIC UPGRADE

The Group was committed to promoting the synergistic upgrade of strategic layout optimisation and team capacity building: focused on mergers and acquisitions (M&A) of waste incineration projects by establishing an investment and M&A department, and prioritised targets with regional synergies; established a city-oriented company in Kaifeng to refine regional market segmentation and enhance market response efficiency. Team building achieved significant improvements, leveraging a strengthened “expert-oriented” talent development system to effectively shift employees’ mindsets from an engineering-focused approach to a professional operation-oriented approach. Accounts receivable management continued to improve, with a dynamic tracking mechanism established for key projects to closely monitor local governments’ debt relief policies, providing a solid guarantee for the security of the capital chain.

SOUND SAFETY SYSTEM

The Group aimed to enhance the execution effectiveness of safety production management and improve the safety production management system. Through the implementation of the safety objective responsibility letter system, the Group clearly defined responsibilities at all levels and ensured that all employees of the Group have signed the safety production responsibility letter. Meanwhile, the Group advanced risk management by systematically preparing a risk inventory and a hierarchy of controls for high and medium risks, and formally issuing core safety management policies. Information-based monitoring platforms were used to carry out safety inspections, focusing on the identification and elimination of hidden hazards and the regular inspection of special equipment. In addition, an innovative “incident review + management effectiveness” dual-dimensional assessment mechanism was established, which incorporates the safety performance into the key performance indicator (KPI) to achieve the goal of closed-loop control of safety management.

DIVERSIFIED FINANCING METHODS

The Group established stable and smooth corporate-bank cooperative relationships with a number of financial institutions, including Bank of China, Industrial and Commercial Bank of China, China Construction Bank and Postal Savings Bank of China. By comprehensively planning for the short-, medium- and long-term capital needs, the Group provided strong support for the capital needs of projects under construction and in operation. As at 30 June 2025, the Group secured RMB10,330 million of outstanding banking facilities in total, of which RMB500 million was granted to the Group’s headquarters and RMB9,830 million in total was granted to various project companies.

BUSINESS OUTLOOK

In the second half of 2025, the Group will focus on the core objectives of “tackling challenges, improving quality, driving transformation and making innovation”, with a priority to advance work in the following four areas. Firstly, in terms of risk mitigation and resolution, the Group will implement a categorised management strategy involving strengthening liquidity monitoring, stepping up efforts to collect accounts receivable, addressing inefficient businesses systematically, and improving the operational accountability mechanism. Secondly, the Group will implement a dual-drive business strategy involving optimising existing assets, strictly controlling operating costs, expanding service scenarios, and improving the efficiency of resource allocation through M&A. Meanwhile, the Group will grow new businesses, continue to scale up the order size of the environmental sanitation services in asset-light businesses and focus on solid waste resource recycling, energy conversion and industrial environmental protection in asset-heavy sectors. Thirdly, the Group will combine management and innovation by strengthening lean management, deepening the empowerment of technological innovation, optimising the talent team building, and promoting the corporate spirit of the “Environmental Protection Iron Army” to reshape the corporate culture with a philosophy of “assessing employees by their performance”. Fourthly, the Group will establish a solid foundation for development by strengthening safety production responsibilities, building a full-process risk control mechanism, and optimizing the capital and debt structure to ensure the security of the capital chain.

FINANCIAL REVIEW

Financial Performance

For the period under review, the Group's revenue generated from its waste treatment and waste-to-energy business was approximately RMB1,875,929,000, representing an increase of approximately 4.99% as compared to approximately RMB1,786,721,000 for the corresponding period in 2024. The increase was mainly due to newly secured environmental sanitation projects during the reporting period, which led to a revenue expansion in the urban-rural environmental sanitation business.

For the period under review, the Group's gross profit margin was approximately 37.64%, representing an increase from approximately 36.41% for the corresponding period in 2024. This was primarily due to the gradual commencement of project operations, which led to steadily increasing revenue, coupled with the Company's cost reduction measures. The Group's selling and administrative expenses decreased by approximately 8.98% to approximately RMB17,823,000 compared to the corresponding period in 2024. The decrease was mainly driven by significant results from cost control measures, including stringent cuts to non-essential expenditures. The Group's impairment losses on financial and contract assets, net for the current period increased by approximately 173% to RMB110,673,000 compared to the corresponding period in 2024. The increase was primarily due to aging changes of accounts receivable.

For the period under review, net profit attributable to owners of the Company was approximately RMB188,182,000, representing an increase of approximately 10.27% as compared to approximately RMB170,656,000 for the corresponding period in 2024. The increase was mainly attributable to the effective implementation of measures for cutting costs and enhancing efficiency.

Financial Position

As at 30 June 2025, the Group had total assets of approximately RMB21,075,446,000 and net assets attributable to owners of the Company were approximately RMB6,850,673,000. The gearing ratio (calculated as total liabilities divided by total assets) was 65.89%, representing a slight decrease of less than 1 percentage point as compared to 66.52% as at 31 December 2024. The current ratio (calculated as current assets divided by current liabilities) decreased from approximately 1.37 as at 31 December 2024 to approximately 1.12, mainly attributable to a significant increase in interest-bearing bank and other borrowings due within one year.

Financial Resources

The Group finances its operations primarily with internally generated cash flows, debt financing and bank loan facilities. As at 30 June 2025, the Group's cash and bank balances and pledged bank deposits amounted to approximately RMB509,181,000, representing a decrease of approximately RMB193,061,000 as compared to approximately RMB702,242,000 as at 31 December 2024. The decrease was mainly due to the combined impact of factors such as an increase in capital expenditures for new concession projects, despite significant government receivables collected for dismantling projects during the reporting period, alongside increased debt repayments. Currently, most of the Group's cash is denominated in RMB, HK\$ and US\$.

Borrowings

As at 30 June 2025, the Group had outstanding borrowings of approximately RMB10,930,772,000, representing an increase of approximately RMB283,561,000 as compared to approximately RMB10,647,211,000 as at 31 December 2024. The borrowings comprised secured loans of approximately RMB6,426,381,000 and unsecured loans of approximately RMB4,504,391,000. The borrowings are denominated in US\$ and RMB. Approximately 36% and 64% of the borrowings bear interest at fixed rate and variable rate, respectively.

As at 30 June 2025, the Group's undrawn loan facilities amounted to approximately RMB1,534,185,000.

Finance costs decreased by approximately 7.59% from RMB212,903,000 for the corresponding period in 2024 to approximately RMB196,734,000. The decrease was mainly due to the completion of loan refinancing by certain project companies and the continued decline in the Loan Prime Rate (LPR), resulting in a reduction in interest expenses during the reporting period.

Foreign Exchange Exposure

The majority of the Group's sales, purchases and operating expenses were denominated in US\$, HK\$ and RMB. Although the Group has been and will continue to be exposed to foreign currency exchange risks, the Board does not expect future currency fluctuations to materially impact the Group's operations. The management will continue to monitor the foreign exchange exposure flexibly and engage in prompt and appropriate hedging activities when needed.

Pledge of Assets

As at 30 June 2025, certain banking facilities of the Group were secured by, inter alia, certain proceeds under the Group's service concession arrangements and RMB184,830,000 of leasehold land and buildings.

In addition, as at 30 June 2025, bank deposits of RMB17,372,000 were pledged due to a litigation case and RMB35,477,000 were mainly pledged to secure service concession arrangements as required by the local governments.

Capital Commitment Arrangements

As at 30 June 2025, the Group had capital commitments of approximately RMB150,234,000 in respect of construction works under service concession arrangements, which were contracted but not provided for in the unaudited consolidated financial statements.

Contingent Liabilities

As at 30 June 2025, the Group provided performance guarantees of approximately RMB88,018,000 to the government authorities of the PRC in respect of the construction progress and continuous operation of the projects in the PRC.

The Group had a dispute with Fujian Huifeng Construction Engineering Co., Ltd.* (福建惠豐建築工程有限公司), concerning a construction project contract, amounting to RMB73,477,000. Fujian Huifeng Construction Engineering Co., Ltd. claimed to the court in the PRC for the unpaid contract amount of RMB67,735,000 and overdue interest payable for the project payment of RMB5,742,000. As at 30 June 2025, the lawsuit is still in progress.

The Group had a dispute with Shihuajiujiu Construction Group Co., Ltd.* (世華九九建工集團有限公司), relating to a construction project contract. Shihuajiujiu Construction Group Co., Ltd. had filed a lawsuit claiming RMB18,363,000, which includes contract payments of RMB16,598,000, additional costs to expedite construction work of RMB1,201,000 and advance payments of RMB564,000. As at 30 June 2025, the lawsuit is still in progress.

The Group was involved in a litigation dispute with Kejing Lu arising from a construction project contract dispute between Kejing Lu and Yunnan Zhenghao Construction Engineering Co., Ltd.* (雲南正浩建設工程有限公司), an independent third party contractor of the Group. Kejing Lu named the Group as the second defendant, claiming a total compensation of RMB102,386,000 from both defendants, including an alleged unpaid project fees of RMB81,395,000 and the related default interest of RMB20,991,000. Kejing Lu has formally submitted the claim to the court for resolution and the three parties have presented their respective positions regarding the contractual obligations. As at 30 June 2025, the lawsuit is still in progress.

Employee Information

As at 30 June 2025, the Group had a total of 3,307 employees, with a male to female ratio of 3.3:1, mainly based in China. Total staff costs amounted to RMB258 million, which included basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident fund or regular contributions to the Mandatory Provident Fund Schemes on behalf of employees. The Group regularly reviews its remuneration policy, which is linked to the performance of individual employees and based on the salary trends prevailing in the aforesaid region. In addition, the Group continues to provide trainings (including professional skills trainings, production safety training, etc.) and development plans.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined in the Listing Rules)) during the six months ended 30 June 2025. As at 30 June 2025, there were no treasury shares held by the Company.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this announcement, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the six months ended 30 June 2025, there were no significant investments held by the Group.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group had no future plan for material investments or purchase of capital assets during the six months ended 30 June 2025.

EVENTS AFTER THE REPORTING PERIOD

With effect from 25 July 2025, Mr. Li Fujing has resigned as an executive Director and the chairman of the Board of the Company. Following his resignation, Mr. Li Fujing has ceased to act as the chairman and member of the nomination committee of the Company, a member of the remuneration committee of the Company, an Authorised Representative of the Company and the Process Agent of the Company. With effect from 25 July 2025, Mr. Li Qingsong, an executive Director and the chief executive officer of the Company, has been appointed as the chairman of the Board, the chairman and member of the nomination committee of the Company, a member of the remuneration committee of the Company, an Authorised Representative of the Company and the Process Agent of the Company. For details, please refer to the announcement of the Company dated 25 July 2025.

Save as disclosed in this announcement, there were no material events which would have an impact on the Company since 30 June 2025 and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company believes that high standards of corporate governance are essential to the success of the Company and the Company is committed to maintaining a high level of corporate governance standards and practices. The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**Previous CG Code**”) as set out in Appendix C1 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) before the amendments to the Corporate Governance Code (the “**New CG Code**”) came into effect on 1 July 2025, as the basis of the Company’s corporate governance practices for the six months ended 30 June 2025. The Company has complied with all the applicable code provisions set out in the Previous CG Code for the six months ended 30 June 2025, except for a deviation from the code provision C.2.1 of the Previous CG Code (equivalent to C.2.1 of the New CG Code).

Pursuant to code provision C.2.1 of the Previous CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Following the appointment of Mr. Li Qingsong as the chairman of the Board, Mr. Li Qingsong will assume dual roles of the chairman of the Board and the chief executive officer of the Company. After evaluation of the current situation of the Company and taking into account of the experience and past performance of Mr. Li Qingsong, the Board is of the opinion that it is appropriate at the present stage for Mr. Li Qingsong to hold both positions as the chairman of the Board and the chief executive officer of the Company as it ensures the stability of the operations of the Company with consistent leadership and policy formulation, which is conducive to the efficiency

of the Company's overall strategic planning and business decision-making and implementation. In addition, under the supervision by the current Board which consists of one non-executive Director and four independent non-executive Directors, the interests of the Shareholders will be adequately and fairly represented. Also, as all major decisions are made in consultation with and approved by the members of the Board, the Board believes that this arrangement will not have negative influence on the balance of power and authorisation between the Board and the management of the Company. Therefore, the Board considers the deviation from code provision C.2.1 of the Previous CG Code is appropriate under such circumstances. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

In addition, the Board will continue to review and enhance the corporate governance practice of the Company to ensure compliance and alignment with the latest measures and standards set out in the New CG Code.

DIRECTORS' MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code for dealing in securities of the Company by the Directors. The Model Code is also applicable to the senior management of the Company. The Company has made specific enquiries of all Directors, and all Directors confirmed that they have complied with the required standards set out in the Model Code for the six months ended 30 June 2025.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely, Dr. Chan Yee Wah, Mr. Pao Ping Wing and Mr. Cheng Kai Tai, Allen. Dr. Chan Yee Wah has been appointed as the chairlady of the Audit Committee. The Audit Committee has reviewed the accounting principles and practices adopted by the Group during the six months ended 30 June 2025 and has also discussed auditing, internal controls and financial reporting matters including the review of the unaudited interim results and interim report for the six months ended 30 June 2025 with the management. The Audit Committee is of the opinion that the unaudited interim results of the Group for the six months ended 30 June 2025 are in compliance with the relevant accounting standards, laws and regulations.

In addition, the Group's external auditors (the “**Auditors**”) performed an independent review of the interim financial information for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagement 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The Auditors based on their review, concluded that nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement will be published on both the websites of the Company (www.cehl.com.hk) and of the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2025 will be dispatched to the shareholders of the Company (if requested) and published on the aforesaid websites in due course.

By order of the Board
Capital Environment Holdings Limited
Li Qingsong
Chairman

Beijing, 20 August 2025

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Li Qingsong; one non-executive Director, namely Ms. Hao Chunmei; and four independent non-executive Directors, namely Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen, Dr. Chan Yee Wah and Dr. Cao Fuguo.