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**CONCH VENTURE**  
**China Conch Venture Holdings Limited**  
**中國海螺創業控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 586)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**HIGHLIGHTS**

- Revenue of the Group for 2024 amounted to approximately RMB6,270.74 million (2023: RMB8,015.21 million), representing a decrease of 21.76% as compared to 2023.
- Net profit attributable to equity shareholders of the Group for 2024 amounted to approximately RMB2,019.56 million (2023: RMB2,463.71 million), representing a decrease of 18.03% as compared to 2023.
- Net profit (excluding share of profits of associates) of our principal activities attributable to equity shareholders of the Group for 2024 amounted to approximately RMB703.50 million (2023: RMB801.24 million), representing a decrease of 12.20% as compared to 2023.
- The Board proposed the distribution of a final cash dividend of HK\$0.30 per share for 2024. Total dividend for the year was HK\$0.40 per share (2023: HK\$0.20 per share), which included the special dividend declared in September 2024.

The board (the “**Board**”) of directors (the “**Directors**”) of China Conch Venture Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated annual results and financial positions for the year ended 31 December 2024 (the “**Reporting Period**”) of the Company and its subsidiaries (the “**Group**”).

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2024

(Expressed in Renminbi Yuan)

	Note	2024 RMB'000	2023 RMB'000
<b>Revenue</b>	3	<b>6,270,737</b>	8,015,211
Cost of sales		<u>(4,095,321)</u>	<u>(5,836,498)</u>
<b>Gross profit</b>		<b>2,175,416</b>	2,178,713
Other net income	4	<b>208,319</b>	414,661
Distribution costs		<b>(26,939)</b>	(22,329)
Administrative expenses		<b>(703,593)</b>	(612,182)
Impairment loss on trade receivables and contract assets		<u><b>(11,812)</b></u>	<u>(21,315)</u>
<b>Profit from operations</b>		<b>1,641,391</b>	1,937,548
Finance costs	5(a)	<b>(707,776)</b>	(727,912)
Share of profits of associates	9	<u><b>1,316,054</b></u>	<u>1,662,468</u>
<b>Profit before taxation</b>	5	<b>2,249,669</b>	2,872,104
Income tax	6(a)	<u><b>(130,568)</b></u>	<u>(189,387)</u>
<b>Profit for the year</b>		<u><b>2,119,101</b></u>	<u>2,682,717</u>
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>2,019,557</b>	2,463,706
Non-controlling interests		<u><b>99,544</b></u>	<u>219,011</u>
<b>Profit for the year</b>		<u><b>2,119,101</b></u>	<u>2,682,717</u>
<b>Earnings per share</b>	7		
Basic and diluted (RMB)		<u><b>1.17</b></u>	<u>1.36</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*for the year ended 31 December 2024  
(Expressed in Renminbi Yuan)*

	<b>2024</b>	2023
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Profit for the year</b>	<b>2,119,101</b>	2,682,717
<b>Other comprehensive income for the year (after tax and reclassification adjustments)</b>		
Items that will not be reclassified to profit or loss:		
Share of other comprehensive income of associates, net of tax	<b>14,183</b>	(137,341)
Items that may be reclassified subsequently to profit or loss:		
Share of other comprehensive income of associates, net of tax	<b>(53,244)</b>	(19,654)
Exchange differences on translation of financial statements of overseas subsidiaries	<b>968</b>	(157,053)
	<b>(38,093)</b>	(314,048)
<b>Total comprehensive income for the year</b>	<b>2,081,008</b>	2,368,669
<b>Attributable to:</b>		
Equity shareholders of the Company	<b>1,981,464</b>	2,149,658
Non-controlling interests	<b>99,544</b>	219,011
<b>Total comprehensive income for the year</b>	<b>2,081,008</b>	2,368,669

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2024

(Expressed in Renminbi Yuan)

	<i>Note</i>	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>7,960,761</b>	6,932,522
Right-of-use assets		<b>1,827,123</b>	1,852,748
Intangible assets		<b>20,298,783</b>	19,664,622
Goodwill		<b>187,104</b>	187,104
Interests in associates	9	<b>38,584,490</b>	37,687,806
Contract assets	10	<b>3,844,358</b>	4,155,728
Non-current portion of trade and other receivables	11	<b>1,540,209</b>	1,648,235
Financial assets measured at fair value through profit and loss (“FVPL”)		<b>165,000</b>	106,000
Equity securities measured at fair value through other comprehensive income (“FVOCI”)		<b>10,320</b>	10,320
Deferred tax assets		<b>92,503</b>	92,980
		<b>74,510,651</b>	72,338,065
<b>Current assets</b>			
Financial assets measured at fair value through profit and loss		<b>11,879</b>	173,013
Inventories		<b>273,341</b>	323,807
Contract assets	10	<b>1,058,405</b>	836,489
Trade and other receivables	11	<b>3,601,660</b>	3,200,934
Income tax recoverable		<b>39,436</b>	–
Restricted bank deposits		<b>61,090</b>	113,547
Bank deposits with original maturity over three months		<b>500,000</b>	380,000
Cash and cash equivalents		<b>2,269,721</b>	3,094,524
		<b>7,815,532</b>	8,122,314

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

at 31 December 2024

(Expressed in Renminbi Yuan)

	<i>Note</i>	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
<b>Current liabilities</b>			
Bank loans		<b>1,798,378</b>	1,267,507
Trade and other payables	<i>12</i>	<b>4,243,357</b>	4,957,416
Contract liabilities		<b>45,922</b>	71,340
Lease liabilities		<b>11,308</b>	11,732
Income tax payables		<b>152,448</b>	139,690
		<u><b>6,251,413</b></u>	<u>6,447,685</u>
<b>Net current assets</b>		<u><b>1,564,119</b></u>	<u>1,674,629</u>
<b>Total assets less current liabilities</b>		<u><b>76,074,770</b></u>	<u>74,012,694</u>
<b>Non-current liabilities</b>			
Bank loans		<b>23,716,684</b>	23,053,691
Unsecured medium-term notes (“MTN”)	<i>13</i>	<b>2,700,000</b>	2,700,000
Lease liabilities		<b>19,464</b>	26,187
Deferred income		<b>215,548</b>	220,652
Deferred tax liabilities		<b>246,442</b>	259,446
		<u><b>26,898,138</b></u>	<u>26,259,976</u>
<b>Net assets</b>		<u><b>49,176,632</b></u>	<u>47,752,718</u>
<b>Capital and reserves</b>			
Share capital		<b>14,222</b>	14,412
Reserves		<b>47,698,880</b>	46,301,107
<b>Equity attributable to equity shareholders of the Company</b>		<u><b>47,713,102</b></u>	<u>46,315,519</u>
<b>Non-controlling interests</b>		<u><b>1,463,530</b></u>	<u>1,437,199</u>
<b>Total equity</b>		<u><b>49,176,632</b></u>	<u>47,752,718</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 MATERIAL ACCOUNTING POLICIES

### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“**IFRS Accounting Standards**”), which collective term includes all applicable individual IFRS Accounting Standards, International Accounting Standards (“**IAS**”) and Interpretations issued by the International Accounting Standards Board (“**IASB**”), and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

### (b) Basis of preparation and presentation

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “**Group**”) and the Group’s interests in associates.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for certain financial instruments, which are carried at fair value as below.

- equity investments;
- structured deposits measured at FVPL;
- bills receivable measured at FVOCI — recycling.

## 2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued the following new and amended IFRS Accounting Standards that are first effective for the current accounting period of the Group:

- Amendments to IAS 1, Presentation of financial statements — Classification of liabilities as current or non-current (“**2020 amendments**”) and amendments to IAS 1, Presentation of financial statements — Non-current liabilities with covenants (“**2022 amendments**”);
- Amendments to IFRS 16, Lease — Lease liability in a sale and leaseback;
- Amendments to IAS 7, Statement of cash flows and IFRS 7, Financial instruments: Disclosure — Supplier finance arrangements;

The above developments have had no material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3 REVENUE AND SEGMENT REPORTING

#### (a) Revenue

The principal activities of the Group are construction and operation of waste-to-energy projects, port logistics services, the manufacturing and sales of new building materials and new energy business, and investments.

#### *Disaggregation of revenue*

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Disaggregated by major products or service lines:</b>		
Waste incineration solutions		
— construction services	975,143	2,692,677
— operation services	3,689,254	3,239,085
Energy saving equipment	817,832	1,427,830
Subtotal	5,482,229	7,359,592
Port logistics services	182,353	208,660
New building materials	102,059	118,151
New energy business	289,664	104,693
<b>Total revenue from contracts with customers</b>	<b>6,056,305</b>	<b>7,791,096</b>
Finance income from service concession arrangements	214,432	224,115
<b>Total revenue</b>	<b>6,270,737</b>	<b>8,015,211</b>

The Group had transactions with certain PRC local government authorities which in aggregate exceeded 10% of the Group's revenue. Revenue from waste incineration solutions under BOT arrangement and derived from these local government authorities in the PRC for the year ended 31 December 2024 amounted to RMB2,317,185,000 (2023: RMB3,810,860,000).

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Timing of revenue recognition</b>		
Over time	<b>5,192,613</b>	6,255,792
Point in time	<b>863,692</b>	1,535,304
	<b><u>6,056,305</u></b>	<u>7,791,096</u>

**(b) Segment reporting**

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

- (i) Waste-to-energy projects: this segment includes waste incineration solutions, manufacturing and sales of residual heat power generation, vertical mill and related after-sales services.
- (ii) Port logistics services: this segment mainly engages in cargo handling, trans-shipment and warehousing services.
- (iii) New building materials: this segment mainly engages in alternative wall building materials, such as the cellulose fiber cement sheets, autoclaved boards and wood wool cement boards.
- (iv) New energy: this segment mainly engages in lithium iron phosphate cathode and anode materials, and recycling business.
- (v) Investments: this segment comprises investments in Anhui Conch Holdings Co., Ltd. ("**Conch Holdings**"). Details of the principal activities of Conch Holdings are set out in note 9.



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

Segment assets include all current assets and non-current assets. Segment liabilities include trade and other payables, income tax payable and bank loans managed directly for the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

The measure used by the Group's senior executive management to assess segment results is the profit before taxation. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resources allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below:

	Year ended 31 December 2024							
	Waste-to-energy projects <i>RMB'000</i>	Port logistics services <i>RMB'000</i>	New building materials <i>RMB'000</i>	New energy <i>RMB'000</i>	Investments <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers	5,696,661	182,353	102,059	289,664	-	-	-	6,270,737
Inter-segment revenue	-	-	1,847	-	-	-	(1,847)	-
Reportable segment revenue	<u>5,696,661</u>	<u>182,353</u>	<u>103,906</u>	<u>289,664</u>	<u>-</u>	<u>-</u>	<u>(1,847)</u>	<u>6,270,737</u>
Reportable segment profit/(loss) before taxation	<u>971,930</u>	<u>85,858</u>	<u>(29,669)</u>	<u>(27,133)</u>	<u>1,316,054</u>	<u>(67,371)</u>	<u>-</u>	<u>2,249,669</u>
Interest income	25,719	165	910	1,160	-	13,471	-	41,425
Interest expenses	599,411	-	-	9,225	-	99,140	-	707,776
Depreciation and amortisation	995,574	36,540	17,159	31,424	-	6,600	-	1,087,297
Provision for loss allowance — trade and other receivables and contract assets	10,401	-	-	1,411	-	-	-	11,812
Write-down of inventories	-	-	7,051	-	-	-	-	7,051
Reportable segment assets	35,694,994	394,711	949,719	3,283,809	38,584,490	5,735,938	(2,317,478)	82,326,183
Reportable segment liabilities	24,211,955	26,272	1,573,257	2,303,820	-	7,351,725	(2,317,478)	33,149,551

Year ended 31 December 2023

	Waste-to- energy projects <i>RMB'000</i>	Port logistics services <i>RMB'000</i>	New building materials <i>RMB'000</i>	New energy <i>RMB'000</i>	Investments <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers	7,583,707	208,660	118,151	104,693	-	-	-	8,015,211
Inter-segment revenue	-	-	1,424	5,047	-	-	(6,471)	-
Reportable segment revenue	<u>7,583,707</u>	<u>208,660</u>	<u>119,575</u>	<u>109,740</u>	<u>-</u>	<u>-</u>	<u>(6,471)</u>	<u>8,015,211</u>
Reportable segment profit/(loss) before taxation	<u>1,183,614</u>	<u>110,116</u>	<u>(17,579)</u>	<u>17,897</u>	<u>1,662,468</u>	<u>(82,988)</u>	<u>(1,424)</u>	<u>2,872,104</u>
Interest income	34,711	292	481	92	-	55,714	-	91,290
Interest expenses	584,620	-	-	-	-	143,292	-	727,912
Depreciation and amortisation	856,461	34,099	15,710	10,914	-	8,850	-	926,034
Provision for loss allowance — trade and other receivables and contract assets	21,315	-	-	-	-	-	-	21,315
Reportable segment assets	36,188,689	396,009	1,256,865	2,834,201	37,687,806	5,327,128	(3,230,319)	80,460,379
Reportable segment liabilities	26,025,513	31,881	1,840,651	1,836,855	-	6,203,080	(3,230,319)	32,707,661

(ii) *Reconciliations of reportable segment revenues, profit or loss, assets and liabilities*

	<b>2024</b> <b><i>RMB'000</i></b>	2023 <i>RMB'000</i>
<b>Revenue</b>		
Reportable segment revenue	<b>6,272,584</b>	8,021,682
Elimination of inter-segment revenue	<u>(1,847)</u>	<u>(6,471)</u>
Consolidated revenue ( <i>note 3(a)</i> )	<u><b>6,270,737</b></u>	<u>8,015,211</u>
	<b>2024</b> <b><i>RMB'000</i></b>	2023 <i>RMB'000</i>
<b>Profit before taxation</b>		
Reportable segment profit	<b>2,249,669</b>	2,873,528
Elimination of inter-segment profit	<u>-</u>	<u>(1,424)</u>
Consolidated profit before taxation	<u><b>2,249,669</b></u>	<u>2,872,104</u>

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Assets</b>		
Reportable segment assets	<b>84,643,661</b>	83,690,698
Elimination of inter-segment receivables	<b>(2,317,478)</b>	(3,230,319)
Consolidated total assets	<b><u>82,326,183</u></b>	<u>80,460,379</u>
	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Liabilities</b>		
Reportable segment liabilities	<b>35,467,029</b>	35,937,980
Elimination of inter-segment payables	<b>(2,317,478)</b>	(3,230,319)
Consolidated total liabilities	<b><u>33,149,551</u></b>	<u>32,707,661</u>

**(iii) Geographic information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets, intangible assets, goodwill, interests in associates, non-current portion of contract assets and trade and other receivables (“**specified non-current assets**”). The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of right-of-use assets, property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets, goodwill and non-current portion of contract assets and trade and other receivables, and the location of operations, in the case of interests in associates.

*Revenue from external customers*

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Mainland China	<b>5,963,636</b>	7,176,942
Asia-Pacific (except Mainland China)	<b>307,101</b>	838,269
	<b><u>6,270,737</u></b>	<u>8,015,211</u>

*Specified non-current assets*

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Mainland China	<b>73,843,983</b>	71,736,988
Asia-Pacific (except Mainland China)	<b>398,845</b>	391,777
	<b><u>74,242,828</u></b>	<u>72,128,765</u>

**4 OTHER NET INCOME**

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Interest income on bank deposits and cash at bank	<b>41,425</b>	91,290
Government grants (i)	<b>90,046</b>	253,252
Value-added tax refund (ii)	<b>24,950</b>	32,935
Net exchange gain	<b>433</b>	1,909
Net realised and unrealised gain on financial assets measured at		
FVPL	<b>52,262</b>	17,517
Others	<b>(797)</b>	17,758
	<b><u>208,319</u></b>	<u>414,661</u>

- (i) Government grants mainly represented subsidies received from the local government authorities for encouraging the Group's development in the waste-to-energy segment, new building materials segment and new energy segment in the respective PRC cities.
- (ii) Value-added tax refund was received during the year ended 31 December 2024 in relation to certain waste-to-energy projects of the Group in the PRC. There are no unfulfilled conditions and other contingencies attached to the receipts of such tax refund. There is no assurance that the Group will continue to receive such tax refund in the future.

## 5 PROFIT BEFORE TAXATION

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

### (a) Finance costs:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest on bank loans	792,604	687,685
Interest on lease liabilities	1,734	1,241
Interest on unsecured MTN	81,844	55,600
Interest on convertible bonds	–	83,403
	<hr/>	<hr/>
Total interest expense on financial liabilities not at fair value through profit or loss	876,182	827,929
Less: interest expense capitalised into construction in progress and intangible assets*	<u>(168,406)</u>	<u>(100,017)</u>
	<hr/> <u>707,776</u>	<hr/> <u>727,912</u>

\* The borrowing costs was capitalised at rates of 2.00%–3.30% per annum for 2024 (2023: 2.00%–3.70%).

### (b) Staff costs:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Salaries, wages and other benefits	771,687	629,047
Contributions to defined contribution plans (i)	83,569	73,493
	<hr/>	<hr/>
	<u>855,256</u>	<u>702,540</u>

- (i) Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

During the financial year ended 31 December 2024, no contribution was forfeited (by the Group on behalf of its employees who leave the scheme prior to vesting fully in such contributions) under the defined contribution retirement scheme which may be used by the Group to reduce the existing level of contributions. Accordingly, no forfeited contribution was utilised in the course of the year ended 31 December 2024, and as at 31 December 2024, there was no forfeited contribution available to reduce the Group's existing level of contributions to the defined contribution retirement scheme.

The Group has no other material obligation for the payment of retirement benefits associated with the scheme beyond the annual contributions described above.

(c) **Other items:**

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Cost of inventories #	<b>794,486</b>	1,363,873
Cost of services provided #	<b>3,293,784</b>	4,472,625
Depreciation of owned property, plant and equipment #	<b>303,206</b>	266,687
Depreciation of right-of-use assets #	<b>39,510</b>	40,443
Amortisation of intangible assets #	<b>744,581</b>	618,904
Research and development costs	<b>46,463</b>	57,859
Loss allowance for trade receivables and contract assets	<b>11,812</b>	21,315
Impairment losses on property, plant and equipment	<b>2,042</b>	1,939
Write-down of inventories	<b>7,051</b>	–
Short-term lease payments not included in the measurement of lease liabilities	<b>5,041</b>	4,574
Auditors' remuneration	<b>2,528</b>	2,340

# Cost of inventories and cost of services include RMB1,497,836,000 (2023: RMB1,256,329,000) relating to staff costs, depreciation of property, plant and equipment, depreciation of right-of-use assets and amortisation of intangible assets.

## 6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

### (a) Current taxation in the consolidated statement of profit and loss represents:

	2024 RMB'000	2023 RMB'000
<b>Current tax — Hong Kong Profits Tax</b>		
Provision for the year	—	—
<b>Current tax — PRC income tax</b>		
Provision for the year	119,290	224,199
Over provision in respect of prior years	<u>(31,195)</u>	<u>(14,949)</u>
	<b>88,095</b>	209,250
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	<u>42,473</u>	<u>(19,863)</u>
	<u><b>130,568</b></u>	<u>189,387</u>

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (ii) The provision for Hong Kong Profits Tax for 2024 is calculated at the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax was calculated at the same basis in 2023. The payments of dividends by Hong Kong companies are not subject to any Hong Kong withholding tax.
- (iii) The PRC income tax law and its relevant regulations also impose a withholding tax at 10%, unless reduced by a tax treaty/arrangement, on dividend distributions made out of the PRC from earnings accumulated from 1 January 2008. Undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax.

Under the Arrangement between the Mainland of China and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on Income, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% or more of the equity interest in a PRC-resident enterprise is entitled to a reduced withholding tax rate of 5% on dividends received.

Since the Group can control the quantum and timing of distribution of profits of the Group’s PRC subsidiaries, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

As at 31 December 2024, none of deferred tax liabilities (2023: RMB15,000,000) have been recognised in respect of the withholding tax payable on the retained profits of the Group’s PRC subsidiaries which the directors expect to distribute outside the Mainland China in the foreseeable future.

- (iv) The provision for PRC income tax is based on a statutory rate of 25% of the assessable income of the Company’s mainland China subsidiaries as determined in accordance with the relevant income tax rules and regulations of the PRC.

Pursuant to the PRC income tax law, all of the Company’s PRC subsidiaries are liable to PRC income tax at a rate of 25% except for certain entities entitled to a preferential income tax rate of 15% as they are certified as “High and New Technology Enterprise” (“HANTE”). According to Notice No. 24 issued by the State Administration of Taxation on 19 June 2017, if an entity is certified as an HANTE, it is entitled to a preferential income tax rate of 15% during the certified period.

- (v) Pursuant to Notice No.23 issued by the State Administration of Taxation on 23 April 2020 and relevant local tax authorities’ notices, certain subsidiaries are entitled to a preferential income tax rate of 15% as qualifying companies located in western areas in the PRC.
- (vi) Pursuant to the PRC Enterprise Income Tax Law Implementing Regulations issued by State Council of the PRC, certain subsidiaries engaged in waste incineration solutions are eligible for a preferential tax treatment of income tax exemption for the first three years starting from which revenue is generated and 50% income tax reduction for the next three years.
- (vii) In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules (“**Pillar Two model rules**”) for a new global minimum tax reform applicable to large multinational enterprises. There is only one jurisdiction in which the Group operates has implemented Pillar Two income tax legislation based on this framework, and its Pillar Two income tax law became effective on 1 January 2024. The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year, and concluded there is no material financial impact of Pillar Two income taxes. However, several jurisdictions in which the Group operates, including Hong Kong and Mainland China, have not yet enacted Pillar Two legislation.

**(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:**

	2024 <i>RMB’000</i>	2023 <i>RMB’000</i>
Profit before taxation	<u>2,249,669</u>	<u>2,872,104</u>
Notional tax on profit before taxation, calculated at the rates applicable to profit in the tax jurisdictions concerned	634,156	780,297
PRC tax concessions	(304,032)	(243,707)
Share of profits of associates	(328,919)	(415,617)
Tax effect of unused tax losses not recognised	126,806	68,363
Tax effect of tax losses utilised from previous years	(6,248)	–
PRC dividend withholding tax	40,000	15,000
Over provision in respect of prior years	<u>(31,195)</u>	<u>(14,949)</u>
	<u>130,568</u>	<u>189,387</u>



## 7 EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB2,019,557,000 (2023: RMB2,463,706,000) and the weighted average of 1,728,552,000 ordinary shares (2023: 1,812,395,000 ordinary shares) in issue during the year, as adjusted to reflect the effect of shares repurchased and the weighted average number of shares held by Conch Holdings through reciprocal shareholding.

### (b) Diluted earnings per share

Diluted earnings per share for the year ended 31 December 2024 and 2023 is the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued.

## 8 DIVIDENDS

Pursuant to a resolution passed by the Board on 26 March 2025, a final dividend of HK\$0.30 (2023: HK\$0.20) per ordinary share totalling HK\$537,612,000, equivalent to approximately RMB497,829,000 (2023: HK\$361,989,000, equivalent to approximately RMB328,042,000), was proposed for shareholders' approval. The dividend has not been provided for in the consolidated financial statements for the year ended 31 December 2024.

On 4 September 2024, the Board approved the declaration and payment of a special dividend of HK\$0.10 per ordinary share of the Company to the shareholders of the Company, amounting to a total dividend payment of approximately HK\$179.2 million (equivalent to RMB163,971,000). The special dividend was fully paid on 30 November 2024.

## 9 INTERESTS IN ASSOCIATES

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Share of net assets	<b><u>38,584,490</u></b>	<u>37,687,806</u>

The particulars of the material associate are as follows:

Name of associate	Form of business structure	Place of incorporation and operation	Particulars of issued and paid up capital	Proportion of effective interest held by the Group	Principal activities
安徽海螺集團有限責任公司 (Anhui Conch Holdings Co., Ltd.)	Incorporated as limited liability company	The PRC	RMB800,000,000	49.0%	Investment holding

The particulars of Conch Holdings' investment holdings as at 31 December 2024 are as follows:

Name of associate	Form of business structure	Place of incorporation and operation	Particulars of issued and paid up capital	Ownership interest held by Conch Holdings	Principal activities
Anhui Conch Cement Co., Ltd. ("Conch Cement") (安徽海螺水泥股份有限公司)	Incorporated as joint stock limited company	The PRC	5,299,302,579 ordinary shares of RMB1 each	36.40%	Manufacture and sale of cement related products
Conch (Anhui) Energy-saving and Environmental Protection New Materials Co., Ltd. (海螺(安徽)節能環保新材料股份有限公司)	Incorporated as joint stock limited company	The PRC	441,000,000 ordinary shares of RMB1 each	45.69%	Manufacture of new chemical and building materials
Anhui Conch Building Materials Design and Research Institute Co., Ltd. (安徽海螺建材設計研究院有限責任公司)	Incorporated as limited liability company	The PRC	RMB150,000,000	100%	Design and contract cement/light steel construction
Yingde Conch International Hotel Co., Ltd. (英德海螺國際大酒店有限公司)	Incorporated as limited liability company	The PRC	RMB63,800,000	100%	Hotel service
Wuhu Conch International Hotel Co., Ltd. (蕪湖海螺國際大酒店有限公司)	Incorporated as limited liability company	The PRC	RMB268,500,000	100%	Hotel service
Anhui Conch Investment Co., Ltd. (安徽海螺科創材料有限責任公司)	Incorporated as limited liability company	The PRC	RMB1,000,000,000	100%	Investment holding
Wuhu Conch Trading Co., Ltd. (蕪湖海螺貿易有限公司)	Incorporated as limited liability company	The PRC	RMB500,000,000	100%	Trading
Anhui International Trade Group Holding Co., Ltd. (安徽國貿集團控股有限公司)	Incorporated as limited liability company	The PRC	RMB661,111,111	55%	Investment holding and trading
Santan (Anhui) science and Technology Research Institute Co., Ltd. (三碳(安徽)科技研究院有限公司)	Incorporated as limited liability company	The PRC	RMB100,000,000	100%	Technology research and development and consulting services
Anhui Conch Capital Management Co., Ltd (安徽海螺資本管理有限公司)	Incorporated as limited liability company	The PRC	Register capital: RMB2,000,000,000 Paid up capital: RMB500,000,000	100%	Asset-management services
Anhui Conch Private Fund Management Co., Ltd (安徽海螺私募基金管理有限公司)	Incorporated as limited liability company	The PRC	Register capital: RMB50,000,000 Paid up capital: RMB20,000,000	100%	Asset-management services

## 10 CONTRACT ASSETS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Non-current assets		
Service concession assets (i)	3,848,832	4,155,728
Less: Impairment	<u>(4,474)</u>	<u>–</u>
	<u>3,844,358</u>	<u>4,155,728</u>
Current assets		
Service concession assets (i)	47,913	48,661
Unbilled government on-grid tariff subsidy (ii)	854,032	604,451
Other contract assets (iii)	156,794	184,625
Less: Impairment	<u>(334)</u>	<u>(1,248)</u>
	<u>1,058,405</u>	<u>836,489</u>
	<u>4,902,763</u>	<u>4,992,217</u>
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in “Intangible assets”	<u>426,101</u>	<u>3,392,858</u>

- (i) The service concession assets bear interest at rates ranging from 6.01% to 9.41% (31 December 2023: 6.01% to 9.41%) per annum as at 31 December 2024 and relate to certain BOT arrangements of the Group. The amounts are not yet due for payment and will be settled during the operating periods of the arrangements. Included in “Service concession assets” are amounts of RMB70,869,000 (31 December 2023: RMB63,184,000) relating to BOT arrangements which are in construction phase.
- (ii) The balance represented the government on-grid tariff subsidy for certain projects which will be billed and settled upon the successful completion of government administrative procedures pursuant to notices jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration.
- (iii) The Group agrees to a retention amount for 10% of the contract value for certain of its energy saving equipment sales contracts. This amount is included in contract assets until the end of the retention period. The balances are classified as current as they are expected to be recovered within the Group’s normal operating cycle.

## 11 TRADE AND OTHER RECEIVABLES

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	<b>2,724,988</b>	2,366,301
Less: loss allowance	<b>(135,101)</b>	(126,849)
	<b>2,589,887</b>	2,239,452
Bills receivable measured at amortised cost	<b>64,994</b>	29,722
Bills receivable measured at FVOCI	<b>15,979</b>	1,461
Deposits and prepayments	<b>67,922</b>	66,990
Other receivables	<b>578,483</b>	569,827
Interest receivables	<b>10,480</b>	27,286
Amounts due from third parties	<b>3,327,745</b>	2,934,738
Amounts due from related parties	<b>273,915</b>	266,196
Current portion of trade and other receivables	<b>3,601,660</b>	3,200,934
Non-current portion of trade and other receivables	<b>1,540,209</b>	1,648,235
Total current and non-current trade and other receivables	<b>5,141,869</b>	4,849,169

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

As at 31 December 2024, none of the trade receivables (31 December 2023: none) was pledged as collateral for Group's bank loans.

**(a) Ageing analysis**

As of the end of reporting period, the ageing analysis of trade receivables, based on the past due aging and net of loss allowance, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current	1,545,226	1,423,701
Less than 1 year	595,722	559,829
1 to 2 years	331,602	150,534
Over 2 years past due	117,337	105,388
	<u>2,589,887</u>	<u>2,239,452</u>

The amounts due from related parties are all aged within 1 year.

**(b) Endorsed bills receivables**

As at 31 December 2024, the Group endorsed undue bills receivable of RMB171,942,000 (2023: RMB182,701,000) to its suppliers to settle trade payables of the same amount and derecognised these bills receivable and payables to suppliers in their entirety as the Group's management considered that the risks and rewards of ownership of these undue bills have been substantially transferred. The Group's continuous involvement in these derecognised undue bills receivable is limited to when the issuance banks of these undue bills are unable to settle the amounts to the holders of these bills. As at 31 December 2024, the maximum exposure to loss from its continuous involvement represents the amount of bills receivable of RMB171,942,000 (2023: RMB182,701,000) which the Group endorsed to its suppliers. These undue bills receivable were due within 6 months.

As at 31 December 2024, the Group endorsed undue bills receivable of RMB59,028,000 (2023: RMB25,520,000) to its suppliers to settle the trade payables and did not derecognise these bills receivable and payables to suppliers as the Group's management believed that the credit risks and ownership had not substantially transferred. All these undue bills receivable were due within 6 months.

**(c) Bills receivable measured at FVOCI**

Due to the requirement of cash management, the Group endorsed part of the bills receivable to the suppliers. The business model of bills receivable management is for the purpose of both collecting contractual cash flow and sale. Therefore, the Group classified bills receivable of RMB15,979,000 (2023: RMB1,461,000) as bills receivable carried at FVOCI.

## 12 TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	2,656,932	3,119,255
Bills payable	<u>191,979</u>	<u>319,739</u>
	2,848,911	3,438,994
Other payables and accruals	<u>1,229,406</u>	<u>1,299,289</u>
Amounts due to third parties	4,078,317	4,738,283
Dividends payable to the then-shareholders of the acquired subsidiaries	8,464	28,518
Dividends payable to non-controlling interests	17,979	23,451
Amounts due to related parties	<u>138,597</u>	<u>167,164</u>
Trade and other payables	<u><u>4,243,357</u></u>	<u><u>4,957,416</u></u>

An ageing analysis of trade and bills payables of the Group, based on the invoice date, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 year	2,763,528	3,353,067
1 year to 2 years	61,207	44,937
2 years to 3 years	22,255	34,618
Over 3 years but within 5 years	<u>1,921</u>	<u>6,372</u>
	<u><u>2,848,911</u></u>	<u><u>3,438,994</u></u>

The amounts due to related parties are all aged within 1 year, and are unsecured, non-interest bearing and repayable on demand.

## 13 UNSECURED MEDIUM-TERM NOTES (“MTN”)

The Company received the approval of registration from National Association of Financial Market Institutional Investors (Zhong shi xie zhu [2023] GN1) for issuing unsecured MTN in the aggregate amount of not more than RMB4 billion with a validity period of two years from 18 January 2023, the completion of registration date.

On 20 March 2023, the Company publicly issued the first tranche of MTN in inter-bank of the PRC, with an aggregate principal amount of RMB1.2 billion at an interest rate of 2.99% per annum for a term of three years. On 6 June 2023, the Company publicly issued the second tranche of MTN in inter-bank of the PRC, with an aggregate principal amount of RMB1.5 billion at an interest rate of 3.10% per annum for a term of three years.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **MACRO ENVIRONMENT**

In 2024, China's economy maintained growth in a stable manner, with solid efforts made in promoting high-quality development. China's GDP grew by 5% year-on-year, and the long-term positive trend of China's economy continued. At the same time, the State issued the "Opinions on Accelerating the Comprehensive Green Transformation of Economic and Social Development" to further accelerate the construction of an economic system featuring green, low-carbon and cycled development, which has created significant development opportunities for the environmental protection industry. As a conglomerate providing energy-saving and environmental protection solutions, the Group has been deeply engaged in the main business of environmental protection. With a focus on improving the quality and upgrading of the industry, the Group actively expanded the green industry, so as to implement and practise the concept of green and sustainable development with solid actions.

During the Reporting Period, the Group achieved revenue of RMB6.271 billion, which decreased by 21.76% year-on-year. Net profit (excluding share of profits of associates) of our principal activities attributable to equity shareholders of the Group amounted to RMB704 million, which decreased by 12.20% as compared with the corresponding period of the previous year.

### **BUSINESS REVIEW**

In 2024, under the strong leadership of the Board, the Group implemented the general keynote of "focusing on its main business and improving quality and efficiency". Adhering to the business strategy of empowering and making breakthroughs in its main business of environmental protection and facilitating the coordinated development of multiple business segments, the Group has achieved new breakthroughs in the process of promoting high-quality development. In terms of the municipal waste treatment industry, through lean management, the Group achieved high-quality operation with remarkable efficiency improvement in diversified business operations. In terms of the new energy materials industry, the Group carried out integrated management to reduce costs and increase efficiency, thereby steadily improving its operational quality. In terms of the lithium battery resource recycling and utilisation industry, the Group summarised its experience and carried out research and development to optimise its process technologies, so as to make optimal layout arrangements. The overall business development of the Group has been stable and positive, which solidifies the foundation for the next phase of high-quality development.

As at the end of the Reporting Period, the Group promoted and signed contracts for 131 projects in 23 provinces, cities and autonomous regions in China, including 101 projects for grate furnace power generation, 2 projects for fly ash treatment, 2 projects for independent kitchen waste treatment, 10 projects for waste treatment by cement kilns, 1 project for waste transfer, 2 projects for new energy, 10 projects for lithium battery recycling comprehensive utilisation, 2 projects for new building materials, and 1 project for port logistics.

## **Municipal waste treatment**

### *1. Grate Furnace Power Generation*

During the Reporting Period, the Group endeavoured to enhance the operational quality of its projects by implementing professional and refined management and encouraging project companies to expand sources of waste and enhance the on-grid electricity, so as to ensure high-quality operation. The Group also sought to enhance its operational efficiency through the development of various business operations. During the Reporting Period, the Group's 14 waste power generation projects in Liangping, Chongqing City and Qingzhen, Guizhou Province have realised grid-connected power generation. As at the end of the Reporting Period, the Group had 17 projects involving the business of sales of steam; 32 projects involving the business of collaborative disposal of sludge and wine lees; and 28 projects involving the business of treatment of effluent such as external leachate. At the same time, the Group has been active in promoting price increase of waste disposal fees, and has completed the price adjustment for 6 projects, which has laid a foundation for the implementation of price increase of waste disposal fees in the future.

During the Reporting Period, for the grate furnace power generation business, the Group received a total of approximately 18.357 million tonnes of municipal waste, representing a year-on-year increase of 15%. Approximately 15.708 million tonnes of municipal waste was treated, representing a year-on-year increase of 15%. On-grid electricity was approximately 5,120 million kWh, representing a year-on-year increase of 15%. The average annual on-grid electricity was approximately 326 kWh. Steam sales amounted to approximately 377,000 tonnes, representing a year-on-year increase of approximately 320,000 tonnes. Approximately 488,000 green electricity certificates (the "**Green Electricity Certificate(s)**") were sold.



As at the end of the Reporting Period, details of the Group's grate furnace power generation projects are set out in the following table:

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date	Whether it is included in the national financial subsidy list
1	In operation	Jinzhai, Anhui Province	2×110,000 tonnes/year (2×300 tonnes/day)	January 2016	Phases I and II have been on list
2		Tongren, Guizhou Province	2×110,000 tonnes/year (2×300 tonnes/day)	July 2017	On list
3		Yanshan, Yunnan Province (phase 1)	110,000 tonnes/year (300 tonnes/day)	August 2017	On list
4		Huoqiu, Anhui Province	2×140,000 tonnes/year (2×400 tonnes/day)	January 2018	Phases I and II have been on list
5		Li County, Hunan Province	2×140,000 tonnes/year (2×400 tonnes/day)	April 2018	On list
6		Songming, Yunnan Province	290,000 tonnes/year (800 tonnes/day)	January 2019	On list
7		Shanggao, Jiangxi Province	140,000 tonnes/year (400 tonnes/day)	February 2019	On list
8		Yiyang, Jiangxi Province	2×110,000 tonnes/year (2×300 tonnes/day)	June 2019	On list
9		Shache, Xinjiang Region	2×110,000 tonnes/year (2×300 tonnes/day)	June 2019	On list
10		Sishui, Shandong Province	140,000 tonnes/year (400 tonnes/day)	June 2019	On list
11		Bole, Xinjiang Region	110,000 tonnes/year (300 tonnes/day)	July 2019	On list
12		Yang County, Shaanxi Province	110,000 tonnes/year (300 tonnes/day)	October 2019	On list
13		Baoshan, Yunnan Province	2×140,000 tonnes/year (2×400 tonnes/day)	January 2020	On list
14		Fuquan, Guizhou Province	2×110,000 tonnes/year (2×300 tonnes/day)	January 2020	Application in progress
15		Lujiang, Anhui Province	2×180,000 tonnes/year (2×500 tonnes/day)	January 2020	Phase I has been on list
16		Xianyang, Shaanxi Province	2×270,000 tonnes/year (2×750 tonnes/day)	July 2020	On list
17		Xishui, Guizhou Province (Phase 1)	140,000 tonnes/year (400 tonnes/day)	July 2020	On list
18		Shizhu, Chongqing City	110,000 tonnes/year (300 tonnes/day)	August 2020	On list
19		Huoshan, Anhui Province	140,000 tonnes/year (400 tonnes/day)	August 2020	On list
20		Tengchong, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	November 2020	On list
21		Ningguo, Anhui Province	140,000 tonnes/year (400 tonnes/day)	November 2020	Application in progress
22		Luxi, Yunnan Province	2×110,000 tonnes/year (2×300 tonnes/day)	January 2021	Application in progress
23		Mangshi, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	March 2021	Application in progress
24		Luoping, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	March 2021	Application in progress
25		Dexing, Jiangxi Province	140,000 tonnes/year (400 tonnes/day)	November 2020	Application in progress
26		Zongyang, Anhui Province (Phase 1)	140,000 tonnes/year (400 tonnes/day)	April 2021	Application in progress
27		Shahe, Hebei Province (Phase 1)	2×180,000 tonnes/year (2×500 tonnes/day)	April 2021	Application in progress
28		Shimen, Hunan Province	180,000 tonnes/year (500 tonnes/day)	May 2021	Application in progress
29		Jiuquan, Gansu Province	180,000 tonnes/year (500 tonnes/day)	June 2021	Application in progress
30		Manzhouli, Inner Mongolia Region	140,000 tonnes/year (400 tonnes/day)	June 2021	Application in progress

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date	Whether it is included in the national financial subsidy list
31	In operation	Hanshou, Hunan Province	140,000 tonnes/year (400 tonnes/day)	June 2021	Application in progress
32		Suiyang, Guizhou Province	140,000 tonnes/year (400 tonnes/day)	June 2021	Application in progress
33		Panshi, Jilin Province	140,000 tonnes/year (400 tonnes/day)	July 2021	Application in progress
34		Pingguo, Guangxi Region (Phase 1)	140,000 tonnes/year (400 tonnes/day)	July 2021	Application in progress
35		Tongchuan, Shaanxi Province	180,000 tonnes/year (500 tonnes/day)	August 2021	Application in progress
36		Zhenxiong, Yunnan Province (Phase 1)	180,000 tonnes/year (500 tonnes/day)	September 2021	Application in progress
37		Shuangfeng, Hunan Province	180,000 tonnes/year (500 tonnes/day)	October 2021	Application in progress
38		Hejin, Shanxi Province	180,000 tonnes/year (500 tonnes/day)	October 2021	Application in progress
39		Pingliang, Gansu Province	180,000 tonnes/year (500 tonnes/day)	November 2021	Application in progress
40		Binzhou, Shaanxi Province	110,000 tonnes/year (300 tonnes/day)	November 2021	Application in progress
41		Tongzi, Guizhou Province	180,000 tonnes/year (500 tonnes/day)	November 2021	Application in progress
42		Wuwei, Anhui Province	180,000 tonnes/year (500 tonnes/day)	December 2021	Application in progress
43		Fugou, Henan Province	220,000 tonnes/year (600 tonnes/day)	April 2022	Application in progress
44		Du'an, Guangxi Region	140,000 tonnes/year (400 tonnes/day)	June 2022	Application in progress
45		Luzhai, Guangxi Region	140,000 tonnes/year (400 tonnes/day)	June 2022	Application in progress
46		Suzhou, Anhui Province	180,000 tonnes/year (500 tonnes/day)	August 2022	Application in progress
47		Longkou, Shandong Province	220,000 tonnes/year (600 tonnes/day)	August 2022	Application in progress
48		Zhangjiakou, Hebei Province	180,000 tonnes/year (500 tonnes/day)	September 2022	Application in progress
49		Fengning, Hebei Province	110,000 tonnes/year (300 tonnes/day)	October 2022	Application in progress
50		He County, Anhui Province	220,000 tonnes/year (600 tonnes/day)	October 2022	Application in progress
51		Naiman Banner, Inner Mongolia Region	110,000 tonnes/year (300 tonnes/day)	November 2022	Application in progress
52		Weichang, Hebei Province	110,000 tonnes/year (300 tonnes/day)	February 2023	Application in progress
53		Shucheng, Anhui Province	140,000 tonnes/year (400 tonnes/day)	March 2023	Application in progress
54		Shulan, Jilin Province	140,000 tonnes/year (400 tonnes/day)	April 2023	Application in progress
55		Xichou, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	June 2023	Application in progress
56		Taonan, Jilin Province	140,000 tonnes/year (400 tonnes/day)	June 2023	Application in progress
57		Meitan, Guizhou Province	140,000 tonnes/year (400 tonnes/day)	July 2023	/
58		Jinning, Yunnan Province	140,000 tonnes/year (400 tonnes/day)	July 2023	/
59		Danjiangkou, Hubei Province	110,000 tonnes/year (300 tonnes/day)	September 2023	/
60		Bac Ninh, Vietnam	110,000 tonnes/year (300 tonnes/day)	November 2023	/

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date	Whether it is included in the national financial subsidy list
61	In operation	Liangping, Chongqing City	140,000 tonnes/year (400 tonnes/day)	January 2024	/
62		Qingzhen, Guizhou Province	180,000 tonnes/year (500 tonnes/day)	January 2024	/
63		Pingguo, Guangxi Region (Phase 2)	140,000 tonnes/year (400 tonnes/day)	January 2024	/
64		Qiyang, Hunan Province	180,000 tonnes/year (500 tonnes/day)	January 2024	/
65		Dongzhi, Anhui Province	140,000 tonnes/year (400 tonnes/day)	February 2024	/
66		Tai'an, Liaoning Province	110,000 tonnes/year (300 tonnes/day)	July 2024	/
67		Lufeng, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	July 2024	/
68		Haidong, Qinghai Province	180,000 tonnes/year (500 tonnes/day)	August 2024	/
69		Gengma, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	August 2024	/
70		Wushan, Chongqing City	130,000 tonnes/year (350 tonnes/day)	September 2024	/
71		Jianshui, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	September 2024	/
72		Zhuanglang, Gansu Province	140,000 tonnes/year (400 tonnes/day)	November 2024	/
73		Huayin, Shaanxi Province	140,000 tonnes/year (400 tonnes/day)	November 2024	/
74		Yongde, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	November 2024	/
75	In operation (project acquired)	Luanzhou, Hebei Province	180,000 tonnes/year (500 tonnes/day)	January 2021	Application in progress
76		Guantao, Hebei Province	180,000 tonnes/year (500 tonnes/day)	January 2021	Application in progress
77		Guan County, Shandong Province	220,000 tonnes/year (600 tonnes/day)	March 2020	On list
78		Chiping, Shandong Province	220,000 tonnes/year (600 tonnes/day)	June 2018	On list
79		Jinxiang, Shandong Province	290,000 tonnes/year (800 tonnes/day)	October 2019	On list
80		Chenzhou, Hunan Province	450,000 tonnes/year (1,250 tonnes/day)	July 2015	Phases I and II have been on list
81		Baotou, Inner Mongolia Region	490,000 tonnes/year (1,350 tonnes/day)	December 2012	On list
82		Hohhot, Inner Mongolia Region	630,000 tonnes/year (1,750 tonnes/day)	November 2017	On list
83		Jilin, Jilin Province	540,000 tonnes/year (1,500 tonnes/day)	January 2009	On list
84		Bijie, Guizhou Province	290,000 tonnes/year (800 tonnes/day)	April 2021	Application in progress
85		Jingdezhen, Jiangxi Province	540,000 tonnes/year (1,500 tonnes/day)	November 2016	On list
86		Liaocheng, Shandong Province	360,000 tonnes/year (1,000 tonnes/day)	December 2012	On list
87		Gaotang, Shandong Province	220,000 tonnes/year (600 tonnes/day)	May 2020	On list
<b>Sub-total:</b>			<b>17,290,000 tonnes/year (48,100 tonnes/day)</b>		

No.	Status of Construction	Project Location	Treatment Capacity	Expected Completion Date
88	Under construction	Jingshan, Hubei Province	130,000 tonnes/year (350 tonnes/day)	April 2025
89		Yuanyang, Yunnan Province	110,000 tonnes/year (300 tonnes/day)	July 2025
90		Nandan, Guangxi Region	110,000 tonnes/year (300 tonnes/day)	February 2026
91		Yun County, Yunnan Province	180,000 tonnes/year (500 tonnes/day)	February 2026
<b>Sub-total:</b>			<b>530,000 tonnes/year (1,450 tonnes/day)</b>	
No.	Status of Construction	Project Location	Treatment Capacity	Expected Completion Date
92	Under approval and planning	Susong, Anhui Province	140,000 tonnes/year (400 tonnes/day)	/
93		Hunyuan, Shanxi Province	180,000 tonnes/year (500 tonnes/day)	/
94		Daguan, Yunnan Province	140,000 tonnes/year (400 tonnes/day)	/
<b>Sub-total:</b>			<b>460,000 tonnes/year (1,300 tonnes/day)</b>	
95	Reserve project	Yan Shan, Yunnan Province (Phase 2)	110,000 tonnes/year (300 tonnes/day)	/
96		Zhenxiong, Yunnan Province (Phase 2)	180,000 tonnes/year (500 tonnes/day)	/
97		Xishui, Guizhou Province (Phase 2)	140,000 tonnes/year (400 tonnes/day)	/
98		Zongyang, Anhui Province (Phase 2)	140,000 tonnes/year (400 tonnes/day)	/
99		Shahe, Hebei Province (Phase 2)	2×180,000 tonnes/year (2×500 tonnes/day)	/
100		Taiyuan, Vietnam	180,000 tonnes/year (500 tonnes/day)	/
101	Xuan Son, Vietnam	2×180,000 tonnes/year (2×500 tonnes/day)	/	
<b>Sub-total:</b>			<b>1,470,000 tonnes/year (4,100 tonnes/day)</b>	
<b>Total:</b>			<b>19,750,000 tonnes/year (54,950 tonnes/day)</b>	

*Note:* Annual treatment capacity of the project = Daily treatment capacity of the project multiplied by 360 days

As at the end of the Reporting Period, a total of 32 of the Group's grate furnace power generation projects were included in the list of national subsidised renewable energy power generation projects.

## 2. Kitchen Waste Treatment

During the Reporting Period, the Group has successfully commenced operation at six kitchen waste treatment projects in Shucheng, Anhui Province, Liangping, Chongqing Province and other locations. As at the end of the Reporting Period, a total of 20 of the Group's kitchen waste treatment projects were in operation, of which the projects in Wuhu, Anhui Province and Lingbi, Anhui Province are run by independently operated project companies, with a treatment capacity of approximately 461,000 tonnes/year (approximately 1,205 tonnes/day). During the Reporting Period, a total of approximately 176,000 tonnes of kitchen waste was received and treated, and approximately 2,748 tonnes of grease was sold.

As at the end of the Reporting Period, details of the Group's kitchen waste treatment projects are set out in the following table:

No.	Status of Construction	Project Location	Treatment Capacity
1	In operation	Suzhou, Anhui Province	70,000 tonnes/year (200 tonnes/day)
2		Wuhu, Anhui Province	70,000 tonnes/year (200 tonnes/day)
3		Lingbi, Anhui Province	40,000 tonnes/year (100 tonnes/day)
4		Liangping, Chongqing City	40,000 tonnes/year (100 tonnes/day)
5		Pingliang, Gansu Province	20,000 tonnes/year (50 tonnes/day)
6		Songming, Yunnan Province	20,000 tonnes/year (50 tonnes/day)
7		Qiyang, Hunan Province	20,000 tonnes/year (50 tonnes/day)
8		Pingguo, Guangxi Region	20,000 tonnes/year (50 tonnes/day)
9		Hejin, Shanxi Province	20,000 tonnes/year (45 tonnes/day)
10		Jinzhai, Anhui Province	20,000 tonnes/year (45 tonnes/day)
11		Shanggao, Jiangxi Province	20,000 tonnes/year (45 tonnes/day)
12		Shucheng, Anhui Province	20,000 tonnes/year (45 tonnes/day)
13		Weining, Guizhou Province	20,000 tonnes/year (45 tonnes/day)
14		Longkou, Shandong Province	10,000 tonnes/year (30 tonnes/day)
15		Fugou, Henan Province	10,000 tonnes/year (30 tonnes/day)
16		Dexing, Jiangxi Province	10,000 tonnes/year (30 tonnes/day)
17		Jinning, Yunnan Province	10,000 tonnes/year (30 tonnes/day)
18		Fengning, Hebei Province	7,000 tonnes/year (20 tonnes/day)
19		Weichang, Hebei Province	7,000 tonnes/year (20 tonnes/day)
20		Manzhouli, Inner Mongolia Region	7,000 tonnes/year (20 tonnes/day)
<b>Total:</b>			<b>461,000 tonnes/year (1,205 tonnes/day)</b>

### 3. Waste Treatment by Cement Kilns

As at the end of the Reporting Period, 10 projects of waste treatment by cement kilns segment were completed, with a treatment capacity of approximately 740,000 tonnes/year (approximately 2,200 tonnes/day). A total of approximately 285,000 tonnes of municipal waste was received, and a total of approximately 238,000 tonnes of municipal waste was treated.

As at the end of the Reporting Period, details of the Group's waste treatment by cement kilns projects are set out in the following table:

No.	Project Location	Treatment Capacity
1	Qingzhen, Guizhou Province	100,000 tonnes/year (300 tonnes/day)
2	Yangchun, Guangdong Province	70,000 tonnes/year (200 tonnes/day)
3	Qiyang, Hunan Province	100,000 tonnes/year (300 tonnes/day)
4	Fusui, Guangxi Region	70,000 tonnes/year (200 tonnes/day)
5	Nanjiang, Sichuan Province	70,000 tonnes/year (200 tonnes/day)
6	Lingyun, Guangxi Region	30,000 tonnes/year (100 tonnes/day)
7	Xing'an, Guangxi Region	100,000 tonnes/year (300 tonnes/day)
8	Yingjiang, Yunnan Province	70,000 tonnes/year (200 tonnes/day)
9	Linxia, Gansu Province	100,000 tonnes/year (300 tonnes/day)
10	Yuping, Guizhou Province	30,000 tonnes/year (100 tonnes/day)
<b>Total:</b>		<b>740,000 tonnes/year (2,200 tonnes/day)</b>

As at the end of the Reporting Period, the Group had a municipal waste treatment capacity of approximately 20.951 million tonnes/year (approximately 58,355 tonnes/day), including approximately 18.491 million tonnes/year (approximately 51,505 tonnes/day) completed and approximately 2.46 million tonnes/year (approximately 6,850 tonnes/day) under construction, under approval and planning and reserve.

## New Energy Business

During the Reporting Period, the Group continued to monitor the development trends of new energy industry, adhered to the strategy of “formulating production plans based on sales volume”, strengthened market construction of lithium iron phosphate cathode materials projects, accelerated the research and development and certification of new products, and steadily improved its production capacity utilisation rate. Meanwhile, the Group steadily advanced the construction of its anode materials projects and actively expanded the supply and sales markets. The Group continuously optimised the technologies and techniques of lithium battery recycling comprehensive utilisation projects and made optimal deployment. The Group secured a new project in Changshan, Zhejiang Province, with a total contracted treatment capacity of approximately 230,000 tonnes/year.

As at the end of the Reporting Period, details of the Group’s lithium battery recycling comprehensive utilisation projects are set out in the following table:

No.	Status of Construction	Project Location	Treatment Capacity	Completion Date
1	In operation	Wuhu, Anhui Province	15,000 tonnes/year	December 2024
<b>Sub-total:</b>			<b>15,000 tonnes/year</b>	
No.	Status of Construction	Project Location	Treatment Capacity	Expected Completion Date
2	Under approval and planning	Huaibei, Anhui Province	15,000 tonnes/year	/
3		Shijiazhuang Hebei Province	30,000 tonnes/year	/
4		Dengfeng, Henan Province	15,000 tonnes/year	/
5		Tongchuan, Shaanxi Province (Phase 1)	15,000 tonnes/year	/
6		Jingmen, Hubei Province (Phase 1)	15,000 tonnes/year	/
<b>Sub-total:</b>			<b>90,000 tonnes/year</b>	

No.	Status of Construction	Project Location	Treatment Capacity	Expected Completion Date
7	Reserve project	Zaozhuang, Shandong Province	30,000 tonnes/year	/
8		Zhuzhou, Hunan Province	15,000 tonnes/year	/
9		Tongchuan, Shaanxi Province (Phase 2)	15,000 tonnes/year	/
10		Jingmen, Hubei Province (Phase 2)	35,000 tonnes/year	/
11		Changshan, Zhejiang Province	30,000 tonnes/year	/
<b>Sub-total:</b>			<b>125,000 tonnes/year</b>	
<b>Total:</b>			<b>230,000 tonnes/year</b>	

During the Reporting Period, the Group manufactured 35,000 tonnes of cathode materials under its new energy business and sent approximately 187,000 used waste packaging containers to its plant, with a revenue of RMB289.66 million.

### **New Building Materials and Port Logistics**

The Group's new building materials business has always been guided by market demand. The Group actively optimised process transformation, promoted the achievements of technical transformation, and elevated product quality. Meanwhile, the Group strengthened cost control, leveraged product competitive advantages, and strived to increase market share.

During the Reporting Period, the Group recorded new building materials product sales of approximately 8.14 million square metres, with an operating revenue of RMB102.06 million.

The Group actively expanded the functions of the port services to ensure core freight sources in its port logistics business. It actively expanded foreign trade cargo sources and optimised the customer structure. It promoted the creation of green ports, and strengthened scheduling and coordination to improve operational efficiency.

During the Reporting Period, the port logistics business achieved a throughput of approximately 30.26 million tonnes, with an operating revenue of RMB182.35 million.



## FINANCIAL PROFITABILITY

Item	2024 Amount (RMB'000)	2023 Amount (RMB'000)	Changes between the Reporting Period and the corresponding period of the previous year (%)
<b>Revenue</b>	<b>6,270,737</b>	8,015,211	-21.76
<b>Profit before taxation</b>	<b>2,249,669</b>	2,872,104	-21.67
Share of profits of associates	<b>1,316,054</b>	1,662,468	-20.84
<b>Net profit attributable to equity shareholders of the Company</b>	<b>2,019,557</b>	2,463,706	-18.03
Net profit from principal businesses attributable to equity shareholders of the Company	<u><b>703,503</b></u>	<u>801,238</u>	<u>-12.20</u>

During the Reporting Period, the Group achieved revenue of RMB6,270.74 million, representing a year-on-year decrease of 21.76%, mainly due to the decrease in projects under construction by the Group. Profit before taxation amounted to RMB2,249.67 million, representing a year-on-year decrease of 21.67%, mainly due to the decrease in profit from principal businesses and share of profits of associates such as Conch Holdings. Share of profits of associates amounted to RMB1,316.05 million, representing a year-on-year decrease of 20.84%. Net profit attributable to equity shareholders of the Company amounted to RMB2,019.56 million, representing a year-on-year decrease of 18.03%, among which, net profit from principal businesses attributable to equity shareholders amounted to RMB703.50 million, representing a year-on-year decrease of 12.20%. Basic earnings per share amounted to RMB1.17.

1. Revenue by business stream

Item	2024		2023		Change in amount in amount	Change in percentage (percentage point(s))
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
Waste incineration	4,878,829	77.80	6,155,877	76.80	-20.75	1.00
Energy-saving equipment	817,832	13.04	1,427,830	17.82	-42.72	-4.78
New building materials	102,059	1.63	118,151	1.47	-13.62	0.16
New energy business	289,664	4.62	104,693	1.31	176.68	3.31
Port logistics	182,353	2.91	208,660	2.60	-12.61	0.31
<b>Total</b>	<b>6,270,737</b>	<b>100.00</b>	<b>8,015,211</b>	<b>100.00</b>	<b>-21.76</b>	<b>-</b>

During the Reporting Period, as affected by the decrease in the Group's waste incineration projects under construction and orders of energy-saving equipment, revenue of the Group decreased. With a breakdown by business:

- (i) The revenue from waste incineration solutions amounted to RMB4,878.83 million, representing a year-on-year decrease of 20.75%, which was mainly due to the reduction in projects under construction by the Group, resulting in a year-on-year decrease in revenue during the construction period.
- (ii) The revenue from energy-saving equipment amounted to RMB817.83 million, representing a year-on-year decrease of 42.72%, which was mainly due to the decrease in orders of energy-saving equipment.
- (iii) The revenue from new building materials amounted to RMB102.06 million, representing a year-on-year decrease of 13.62%, which was mainly due to the decrease in sales prices as a result of market influence.
- (iv) The revenue from new energy business amounted to RMB289.66 million, representing a year-on-year increase of 176.68%, which was mainly due to the Group's active exploration of the market, leading to a rapid revenue growth.
- (v) The revenue from port logistics amounted to RMB182.35 million, representing a year-on-year decrease of 12.61%, mainly due to the decrease in both sales volume and prices as a result of intensified market competition, which led to the decrease in revenue.

***Breakdown of revenue from waste incineration solutions***

Revenue Breakdown	2024		2023		Change in amount (%)	Change in percentage (percentage point(s))
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
<b>Construction revenue</b>	<b>975,143</b>	<b>19.99</b>	2,692,677	43.74	-63.79	-23.75
Grate furnace power generation	975,143	19.99	2,692,677	43.74	-63.79	-23.75
<b>Operation revenue</b>	<b>3,903,686</b>	<b>80.01</b>	3,463,200	56.26	12.72	23.75
Grate furnace power generation	3,860,286	79.12	3,404,990	55.31	13.37	23.81
Waste treatment by cement kilns	43,400	0.89	58,210	0.95	-25.44	-0.06
<b>Total</b>	<b>4,878,829</b>	<b>100.00</b>	6,155,877	100.00	-20.75	-

During the Reporting Period, the revenue from waste incineration solutions segment during the construction period amounted to RMB975.14 million, representing a year-on-year decrease of 63.79%, which was mainly due to the decrease in the number of projects under construction. The operation revenue from waste incineration business stream amounted to RMB3,903.69 million, representing a year-on-year increase of 12.72%, which was mainly due to the commencement of operation of 14 new projects in Qingzhen, Guizhou Province, Liangping, Chongqing City, Qiyang, Hunan Province, Dongzhi, Anhui Province and other locations during the Reporting Period, leading to the growth in revenue.

## 2. Revenue by geographical locations

Item	2024		2023		Change in amount (%)	Change in percentage (percentage point(s))
	Amount (RMB'000)	Percentage (%)	Amount (RMB'000)	Percentage (%)		
Mainland China	<b>5,963,636</b>	<b>95.10</b>	7,176,942	89.54	-16.91	5.56
Asia-Pacific (except Mainland China)	<b>307,101</b>	<b>4.90</b>	838,269	10.46	-63.36	-5.56
<b>Total</b>	<b><u>6,270,737</u></b>	<b><u>100.00</u></b>	<b><u>8,015,211</u></b>	<b><u>100.00</u></b>	<b><u>-21.76</u></b>	<b><u>-</u></b>

During the Reporting Period, the Group's revenue derived from Mainland China market recorded a year-on-year decrease of 16.91%. The revenue derived from Asia (except Mainland China) market amounted to RMB307.10 million, representing a year-on-year decrease of 63.36%, which was mainly due to the decrease in the number of the Group's overseas orders for energy-saving equipment.

## 3. Gross profit and gross profit margin

Item	2024		2023		Change in amount (%)	Change in percentage (percentage point(s))
	Gross profit (RMB'000)	Gross profit margin (%)	Gross profit (RMB'000)	Gross profit margin (%)		
Waste incineration solutions	<b>1,835,896</b>	<b>37.63</b>	1,765,389	28.68	3.99	8.95
Energy saving equipment	<b>214,067</b>	<b>26.17</b>	265,659	18.61	-19.42	7.56
New building materials	<b>-5,799</b>	<b>-5.68</b>	13,927	11.79	-141.64	-17.47
New energy business	<b>24,171</b>	<b>8.34</b>	7,215	6.89	235.01	1.45
Port logistics	<b>107,081</b>	<b>58.72</b>	126,523	60.64	-15.37	-1.92
<b>Total</b>	<b><u>2,175,416</u></b>	<b><u>34.69</u></b>	<b><u>2,178,713</u></b>	<b><u>27.18</u></b>	<b><u>-0.15</u></b>	<b><u>7.51</u></b>

During the Reporting Period, the gross profit margin of the Group was 34.69%, representing a year-on-year increase of 7.51 percentage points. With a breakdown by business:

- (i) The gross profit margin for waste incineration solutions was 37.63%, representing a year-on-year increase of 8.95 percentage points, and the gross profit margin was 47.38% during the operation period, representing a year-on-year increase of 2.12 percentage points. This was mainly due to the Group's implementation of various business operations and cost-reduction and efficiency-enhancement measures, which contributed to the overall increase in gross profit margin.
- (ii) The gross profit margin for energy-saving equipment was 26.17%, representing a year-on-year increase of 7.56 percentage points, which was mainly due to the lower gross profit of overseas business orders of the Group in the same period last year.
- (iii) The gross profit margin for new building materials was -5.68%, representing a year-on-year decrease of 17.47 percentage points, mainly due to the decline in sales price as a result of market impact, and write-down of inventories, leading to a lower gross profit margin.
- (iv) The gross profit margin for new energy business was 8.34%, representing a year-on-year increase of 1.45 percentage points, mainly due to the proactive implementation of technological upgrades and efficiency-enhancing measures by the Group, which led to a decrease in unit costs and an improvement in gross profit margin.
- (v) The gross profit margin for port logistics was 58.72%, representing a year-on-year decrease of 1.92 percentage points, mainly due to the decline in unit price as a result of the impact of market competition, leading to lower gross profit margin.

#### 4. *Other net income*

During the Reporting Period, the Group's other net income amounted to RMB208.32 million, representing a year-on-year decrease of RMB206.34 million, or 49.76%, which was mainly because of the year-on-year decrease in the government grants received by the Group and the deposit interest.

#### 5. *Administrative expenses*

During the Reporting Period, the Group's administrative expenses amounted to RMB703.59 million, representing a year-on-year increase of RMB91.41 million, or 14.93%, which was mainly due to the increase in employee compensation resulting from the increase in operating companies.

## 6. Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB707.78 million, representing a year-on-year decrease of RMB20.14 million, or 2.77%, which was mainly due to the decrease in finance costs as a result of the decrease in the interest rate of bank loans.

## FINANCIAL POSITION

As at 31 December 2024, the Group's total assets amounted to RMB82,326.18 million, representing an increase of RMB1,865.80 million as compared to the end of the previous year. The equity attributable to equity shareholders of the Company amounted to RMB47,713.10 million, representing an increase of RMB1,397.58 million as compared to the end of the previous year. Gearing ratio of the Group (total liabilities/total assets) was 40.27%, representing a decrease of 0.38 percentage point as compared to the end of the previous year. The balance sheet items of the Group are as follows:

Item	As at 31 December 2024 (RMB'000)	As at 31 December 2023 (RMB'000)	Change between the end of the Reporting Period and the end of the previous year (%)
Property, plant and equipment	7,960,761	6,932,522	14.83
Non-current assets	74,510,651	72,338,065	3.00
Non-current liabilities	26,898,138	26,259,976	2.43
Current assets	7,815,532	8,122,314	-3.78
Current liabilities	6,251,413	6,447,685	-3.04
Net current assets	1,564,119	1,674,629	-6.60
Equity attributable to equity shareholders of the Company	47,713,102	46,315,519	3.02
Total assets	82,326,183	80,460,379	2.32
Total liabilities	33,149,551	32,707,661	1.35

### **Non-current assets and non-current liabilities**

As at 31 December 2024, non-current assets of the Group amounted to RMB74,510.65 million, representing an increase of 3.00% as compared to the end of the previous year, which was mainly due to the increase in investment by the Group in property, plant and equipment and intangible assets; non-current liabilities amounted to RMB26,898.14 million, representing an increase of 2.43% as compared to the end of the previous year, which was mainly due to the increase in long-term bank loans of the Group.

### **Current assets and current liabilities**

As at 31 December 2024, current assets of the Group amounted to RMB7,815.53 million, current liabilities amounted to RMB6,251.41 million, and net current assets amounted to RMB1,564.12 million, representing a decrease of 6.60% as compared to the end of the previous year, which was mainly due to the combined effect of the Group's repayment of current liabilities with current assets and transfer of long-term borrowings to the current liabilities due within one year.

### **Equity attributable to equity shareholders of the Company**

As at 31 December 2024, the equity attributable to equity shareholders of the Company amounted to RMB47,713.10 million, representing an increase of 3.02% as compared to the end of the previous year, which was mainly due to the ongoing profit achieved by the Group.

## LIQUIDITY AND CAPITAL SOURCES

During the Reporting Period, the Group fully took advantage of the capital size, strengthened the capital planning and management and optimised its financing structure. The Group lowered its cost of capital by means of replacing high-interest rate loans, and arranged the scale of project loans more reasonably and prudently to fully satisfy the Group's capital needs. As at 31 December 2024, the Group's cash and cash equivalents amounted to RMB2,269.72 million, which were mainly denominated in RMB, Hong Kong dollars and US dollars.

### Bank loans

Item	As at 31 December 2024 (RMB'000)	As at 31 December 2023 (RMB'000)
Due within one year	1,798,378	1,267,507
Due after one year but within two years	2,092,128	3,187,224
Due after two years but within five years	7,112,740	5,864,041
Due after five years	14,511,816	14,002,426
<b>Total</b>	<b>25,515,062</b>	<b>24,321,198</b>

As at 31 December 2024, the balance of bank loans of the Group amounted to RMB25,515.06 million, representing an increase of RMB1,193.86 million as compared to the end of the previous year, which was mainly due to the increase in bank loans raised by the Group during the Reporting Period. As at 31 December 2024, the Group's bank loans were denominated in RMB and US dollars, and most of the loan interests were subject to variable interest rates.

### Cash flows

Item	2024 (RMB'000)	2023 (RMB'000)
Net cash generated from operating activities	2,024,497	1,985,758
Net cash used in investing activities	-2,427,030	-4,574,381
Net cash (used in)/generated from financing activities	-423,238	1,378,171
Net decrease in cash and cash equivalents	-825,771	-1,210,452
Effect of foreign exchange rate changes	968	-56,661
Cash and cash equivalents at the beginning of the year	3,094,524	4,361,637
Cash and cash equivalents at the end of the year	2,269,721	3,094,524



### *Net cash generated from operating activities*

During the Reporting Period, net cash generated from operating activities of the Group amounted to RMB2,024.50 million, representing a year-on-year increase of RMB38.74 million, which was mainly due to the increase in the number of waste-to-energy projects in operation of the Group.

### *Net cash used in investing activities*

During the Reporting Period, net cash used in investing activities of the Group amounted to RMB2,427.03 million, representing a year-on-year decrease of RMB2,147.35 million, which was mainly due to the decrease in the Group's investment expenditures during the Reporting Period.

### *Net cash used in financing activities*

During the Reporting Period, net cash used in financing activities of the Group amounted to RMB423.24 million, representing a year-on-year increase of RMB1,801.41 million, which was mainly due to the decrease in the proceeds from loans and borrowings and unsecured MTN during this period compared with 2023.

## **COMMITMENTS**

As at 31 December 2024, the Group had capital commitments not provided for in the consolidated financial statements were as follows:

<b>Item</b>	<b>As at 31 December 2024 (RMB'000)</b>	<b>As at 31 December 2023 (RMB'000)</b>
Contracted for	<b>592,343</b>	3,154,819
Authorized but not contracted for	<b>459,283</b>	901,347
<b>Total</b>	<b><u>1,051,626</u></b>	<b><u>4,056,166</u></b>

## **FOREIGN EXCHANGE RISK**

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

During the Reporting Period, the Group did not use any financial instruments to hedge against any foreign exchange risks.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group did not have any material contingent liabilities.

## **PLEDGE OF ASSETS**

As at 31 December 2024, right-of-use assets of the Group with carrying amount of RMB625.33 million were pledged as collaterals for certain bank loans.

Save as disclosed above, the Group did not have any pledge of assets as at 31 December 2024.

## **MATERIAL INVESTMENTS, ACQUISITIONS OR DISPOSALS**

During the Reporting Period, the Group had no material investments, acquisitions or disposals, and had no definite plan for any material investment, acquisition or disposal of capital assets.

## **ISSUE OF 2025 GREEN MEDIUM-TERM NOTES**

On 13 January 2025, the Company publicly issued the first tranche of 2025 green medium-term notes (Bond Connect) in inter-bank of the PRC, with an aggregate principal amount of RMB1.3 billion at a coupon rate of 1.93% for a term of five years, without any guarantee. The coupon rate was the most preferential rate of the Green Panda Bonds domestically in history. The proceeds from the issuance of the first tranche of 2025 green medium-term notes will be primarily used for the repayment of interest-bearing debts and the expenditures of the projects' construction and operation of the Group. The Company, as the issuer, has received "AAA" rating from China Lianhe Credit Rating Co., Ltd.\* (聯合資信評估股份有限公司), a credit rating agency.

Details of the issue of the first tranche of 2025 green medium-term notes are published on the website of National Association of Financial Market Institutional Investors ([www.nafmii.org.cn](http://www.nafmii.org.cn)) and the website of Shanghai Clearing House ([www.shclearing.com.cn](http://www.shclearing.com.cn)).

## **HUMAN RESOURCES**

The Group attached great importance to the construction and development of human resources, explored and continuously optimised its corporate management system, strived to create an atmosphere of talent development concept of “respecting labour, knowledge, talents and creation”, was dedicated to providing employees with competitive remuneration packages, safe and comfortable working environment and comprehensive welfare. Moreover, the Group actively established a multi-level, systematic, and professional training system, conducted various professional business training from time to time, and encouraged employees to participate in training and exchange activities conducted by social and industrial organisations to enhance the comprehensive quality and professional skills of employees and stimulate their motivation and creativity for work. At the same time, the Group also actively built a fair and balanced platform full of opportunities for the strategic development of diversified talents. Through various channels such as internal cultivation, school-enterprise exchanges, and social recruitment, the Group continuously enriched and improved the talent team, smoothed the cultivation and promotion channels, and optimised the human resources structure, therefore leveraging high-level human resources management to boost the high-quality development of the Group.

As at 31 December 2024, the Group had 6,607 (as at 31 December 2023: 6,225) employees. The remuneration of employees is based on qualifications, experience, work performance and market conditions. As required by the PRC regulations on social insurance, the Group participated in the social insurance schemes operated by local government authorities which include pension insurance, medical insurance, unemployment insurance, industrial injuries insurance and maternity insurance. During the Reporting Period, the total remuneration of employees (including the remuneration of the Directors) was approximately RMB855.3 million (2023: RMB702.5 million).

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

Save as matters set out in “ISSUE OF 2025 GREEN MEDIUM-TERM NOTES” above, subsequent to the Reporting Period and up to the date of this announcement, no significant events that have an impact on the Group occurred which shall be disclosed.

## **FUTURE PLAN AND OUTLOOK**

In 2025, in the face of complex domestic and international environments, the Group, under the strong leadership of the Board, will deepen its management idea of “focusing on the principal business and improving quality and efficiency”. The Group will fully leverage the national policies related to industry, environmental protection, and finance to tap into potential with solid confidence and promote the integration and healthy development of multiple industrial sectors, in a concerted effort to enhance the Company’s core competitiveness, protect the core interests of the shareholders of the Company (the “**Shareholders**”), and strive to build a “Leading in China, World-class” environmental corporate group.

### **Waste-to-Energy Business as the Principal Business: Empowerment through Management to Enhance Quality and Efficiency**

The Group will focus on the core management advantages of the waste-to-energy business, its principal business. With the goals of improving operational quality and enhancing industry efficiency and the guidance of the “365 Club” and “500 Excellence Group”, the Group will promote experience exchange, mutual assistance in specific areas and balanced regional development; improve various businesses, including steam and electricity sales, collaborative disposal and the Green Electricity Certificate trading and actively expand overseas market for energy-saving manufacturing equipment in order to enhance operational efficiency; and continue to strengthen receivables management and increase waste disposal fee to improve cash flow. In addition, by deeply researching on the national policies, the Group will actively explore the application of green electricity resources to extend industrial chain and accelerate industrial integration, thereby comprehensively enhancing the quality of its principal business.

### **New Energy Business: Internal Strengthening and Forging Ahead with Determination**

The Group will focus on the product application and market expansion of new energy materials by increasing research and development innovation for advanced products and leveraging comparative advantages to expand its market share. For the lithium iron phosphate cathode materials projects, the Group will strengthen raw material procurement, emphasise product performance, leverage its advantages in energy storage station to achieve energy saving and consumption reduction, and actively explore cooperative models with battery manufacturers to enhance its brand core competitiveness. Regarding the anode materials projects, the Group will focus on strengthening engineering construction, optimising processes, and expanding markets, so as to steadily achieve production targets.

In terms of the lithium battery recycling and comprehensive utilisation business, the Group will optimise its process technology by continuously summarising the operation experience to strengthen its technical superiority. The Group will also reasonably control its strategic layout and actively expand recycling channels and marketing network.

## **Port Building Materials Business: Seeking Progress while Maintaining Stability under the Guidance of Industry Market-Oriented Philosophy**

For the port logistics business, the Group will endeavour to boost its market share and ensure the steady and healthy development of business by integrating internal and external resources, actively broadening high-quality customer channels, and seeking to increase business volume and price for stable growth.

For the new building materials business, the Group will adhere to market-orientation and summarise the achievements of technological reformation to realise cost reduction and efficiency enhancement, thereby making new contributions to the industry.

### **Final Dividend**

At the Board meeting held on 26 March 2025, the Board proposed the distribution of final cash dividend of HK\$0.30 per share (the “**Final Dividend**”) for the year ended 31 December 2024. The Final Dividend is subject to approval of Shareholders at the forthcoming annual general meeting of the Company (the “**AGM**”). The Final Dividend will be paid on 25 July 2025.

### **ANNUAL GENERAL MEETING**

The AGM will be held on Wednesday, 25 June 2025. The notice and the circular of the AGM will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company as and when appropriate.

### **CLOSURE OF REGISTER OF MEMBERS**

For determining the qualification of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 18 June 2025 to Wednesday, 25 June 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as Shareholders to attend and vote at the meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 17 June 2025. Shareholders whose names appear on the register of members of the Company on Wednesday, 25 June 2025 shall be entitled to attend and vote at the meeting.

For determining the entitlement to the Final Dividend, the register of members of the Company will be closed from Monday, 7 July 2025 to Friday, 11 July 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to the Final Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share

registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 4 July 2025. Shareholders whose names appear on the register of members of the Company on Friday, 11 July 2025 shall be entitled to the Final Dividend.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the Reporting Period, the Company repurchased a total of 17,904,500 shares of the Company at an aggregate consideration of HK\$97,025,815 (excluding expenses) which was funded by internal resources of the Group on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Particulars of the shares repurchased and cancelled during the Reporting Period are as follows:

<b>Month in which shares were repurchased during the Reporting Period</b>	<b>Date of cancellation</b>	<b>Number of shares repurchased (shares)</b>	<b>Highest price paid per share (HK\$)</b>	<b>Lowest price paid per share (HK\$)</b>	<b>Total Consideration paid (HK\$)</b>
March	4 June 2024	8,054,000	5.85	5.30	44,348,625
April	4 June 2024	<u>9,850,500</u>	5.63	5.20	<u>52,677,190</u>
Total		<u><u>17,904,500</u></u>			<u><u>97,025,815</u></u>

The Directors considered the above share repurchases were made with a view to safeguard Shareholders’ interest.

In addition, a total of 3,039,500 shares of the Company repurchased by the Company on the Stock Exchange in October 2023 were cancelled on 4 June 2024.

Save as disclosed above, during the Reporting Period, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including the sale of treasury shares (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”))).

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

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board confirmed that during the Reporting Period, the Company has complied with the principles and all applicable code provisions of Part 2 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the transactions of securities of the Company by the Directors and the relevant employees (who likely possess inside information of the Company) (the “**Securities Dealing Code**”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules. Having made specific enquiries by the Company, all Directors confirmed that they complied with the Model Code and the Securities Dealing Code during the Reporting Period.

## REVIEW OF ANNUAL RESULTS

The annual results of the Group for the year ended 31 December 2024 have been reviewed by the audit committee of the Board.

## PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is available on the website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the website of the Company (<http://www.conchventure.com>). The 2024 Annual Report for the year ended 31 December 2024 of the Company containing all the information required by the Listing Rules will be published on the above websites and despatched to Shareholders (as required) in due course.

On behalf of the Board  
**China Conch Venture Holdings Limited**  
**GUO Jingbin**  
*Chairman*

Anhui Province, the People’s Republic of China  
26 March 2025

*As at the date of this announcement, the Board comprises Mr. GUO Jingbin (Chairman), Mr. JI Qinying (Vice-Chairman and Chief Executive Officer), Mr. WANG Xuesen, Mr. HE Guangyuan and Mr. WAN Changbao as executive Directors; Mr. LIU Yan as non-executive Director; and Mr. CHAN Chi On (alias Derek CHAN), Mr. CHAN Kai Wing and Ms. CHENG Yanlei as independent non-executive Directors.*

\* *English translation or transliteration of Chinese name for identification purpose only*