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上海实业环境控股有限公司
SIIC ENVIRONMENT HOLDINGS LTD.

SIIC ENVIRONMENT HOLDINGS LTD.

上海實業環境控股有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong stock code: 807)

(Singapore stock code: BHK)

**Unaudited Condensed Interim Financial Statements and
Dividend Announcement for the
Six Months Ended 30 June 2025**

This overseas regulatory announcement is issued pursuant to Part XIVA of the Securities and Futures Ordinance and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This report is prepared in accordance with the relevant regulations of The Singapore Exchange Securities Trading Limited and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This results announcement contains financial information based on Singapore Financial Reporting Standards (International) and International Financial Reporting Standards, and have not been reviewed by auditors. Shareholders and public investors should exercise caution when trading in the shares of the Company.

By Order of the Board
SIIC Environment Holdings Ltd.
Mr. Ji Guanglin
Executive Director

Singapore and Hong Kong, 12 August 2025

As at the date of this announcement, the Chairman and Executive Director is Mr. Zhou Yuding; the executive Directors are Mr. Ji Guanglin, Mr. Wang Xiwang and Mr. Yang Xing; and the independent non-executive Directors are Dr. Kimmis Pun Kim Ming, Mr. An Hongjun and Mr. Zhong Ming.

** For identification purpose only*



SIIC ENVIRONMENT HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200210042R)

Unaudited Condensed Interim Financial Statements and
Dividend Announcement for the
Six Months Ended 30 June 2025

12 August 2025

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SIIC Environment Holdings Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200210042R)

Six Months of Financial Year 2025 Financial Statements and Dividend Announcement

Business Review

The board of SIIC Environment Holdings Ltd. (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025 (“1H FY2024”). The Group’s net profit attributable to shareholders for the period amounted to RMB 344.3 million, an increase of 7.1% year-on-year.

Total revenue of the Group decreased by 4.4% to RMB 3,177.1 million, gross profit decreased by 1.6% to RMB 1,257.2 million.

As at 30 June 2025, the Group’s cash and cash equivalents stood at a healthy RMB 4.01 billion.

Review of Interim Results

The audit committee has reviewed the Company’s unaudited consolidated interim results for the six months ended 30 June 2025.

Corporate Governance

The Company has complied with all the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited (the “SEHK”) throughout the six months ended 30 June 2025.

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	6 Months Ended		Changes
		30.6.25 (Unaudited)	30.6.24 (Unaudited)	
		RMB'000	RMB'000	%
Revenue	5	3,177,120	3,323,515	(4.4)
Cost of sales		(1,919,969)	(2,046,128)	(6.2)
Gross profit		1,257,151	1,277,387	(1.6)
Other income		49,105	42,854	14.6
Other gains and losses		5,402	2,481	117.7
Selling and distribution costs		(40,127)	(37,966)	5.7
Administrative expenses		(272,260)	(240,508)	13.2
Finance expenses		(350,104)	(400,052)	(12.5)
Share of results of joint ventures		1,911	(1,033)	N.M.
Share of results of associates		291	8,755	(96.7)
Profit before tax		651,369	651,918	(0.1)
Income tax expense	6	(97,854)	(143,701)	(31.9)
Profit for the period	7	553,515	508,217	8.9
Other comprehensive loss:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Exchange difference arising from translation		(36,515)	(79,278)	(53.9)
Fair value change on investments in equity instruments designated as at FVTOCI		(10,400)	-	N.M.
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences arising from translation of foreign operations		-	61,494	N.M.
Total other comprehensive loss for the period, net of tax		(46,915)	(17,784)	163.8
Total comprehensive income for the period		506,600	490,433	3.3
Profit for the period attributable to:				
Owners of the Company		344,258	321,446	7.1
Non-controlling interests		209,257	186,771	12.0
		553,515	508,217	8.9
Total comprehensive income attributable to:				
Owners of the Company		297,343	303,662	(2.1)
Non-controlling interests		209,257	186,771	12.0
		506,600	490,433	3.3
Earnings per share for profit for the period attributable to the owners of the Company during the period:				
-Basic (RMB in cent)	15	13.37	12.48	7.1
-Diluted (RMB in cent)	15	13.37	12.48	7.1

N.M. – Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 30.6.25 (Unaudited)	As at 31.12.24 (Audited)	As at 30.6.25 (Unaudited)	As at 31.12.24 (Audited)
		RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Cash and cash equivalents		4,012,387	2,918,241	349,633	145,909
Pledged bank deposits		90,501	67,567	-	-
Trade and other receivables	8	6,710,618	6,394,057	830	792
Bills receivables		607	109	-	-
Prepayments		64,958	62,122	2,981	3,536
Inventories		238,333	245,199	-	-
Receivables under service concession arrangements - current portion	9	851,628	900,577	-	-
Amounts due from customers for contract work		57,686	53,591	-	-
Amounts due from subsidiaries		-	-	6,488,582	6,430,861
Amounts due from joint venture		11,000	11,000	-	-
Amounts due from associates		7,895	7,895	-	-
Financial assets at fair value through profit or loss		9,797	10,061	-	-
Assets classified as held for sale		-	107,741	-	-
Total current assets		12,055,410	10,778,160	6,842,026	6,581,098
Non-current assets					
Financial assets at fair value through other comprehensive income		3,000	13,400	-	-
Prepayments		49,623	41,262	-	-
Receivables under service concession arrangements – non-current portion	9	19,895,971	21,041,568	-	-
Property, plant and equipment		432,483	465,857	-	-
Right-of-use assets		55,547	60,306	7,168	8,562
Intangible assets	10	11,609,333	11,334,107	4,518	4,856
Long term receivables		85,171	81,775	-	-
Deferred tax assets		60,986	53,899	-	-
Investment in subsidiaries		-	-	5,739,858	5,739,858
Interest in joint ventures		482,355	480,444	354,141	354,141
Interest in associates		116,015	115,724	-	-
Goodwill on consolidation		457,241	457,241	-	-
Amounts due from associates		31,191	32,755	-	-
Total non-current assets		33,278,916	34,178,338	6,105,685	6,107,417
Total assets		45,334,326	44,956,498	12,947,711	12,688,515

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. – cont'd

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION – cont'd

	Note	Group		Company	
		As at 30.6.25 (Unaudited)	As at 31.12.24 (Audited)	As at 30.6.25 (Unaudited)	As at 31.12.24 (Audited)
		RMB'000	RMB'000	RMB'000	RMB'000
Current liabilities					
Trade and other payables	11	3,247,653	3,782,599	55,720	102,776
Tax payable		124,376	137,515	-	-
Amounts due to customers for contract work		10,290	20,037	-	-
Amounts due to subsidiaries		-	-	332,361	81,248
Bank and other borrowings	12	4,696,209	5,315,861	3,116,500	2,650,500
Lease liabilities		8,692	8,191	2,856	2,813
Total current liabilities		8,087,220	9,264,203	3,507,437	2,837,337
Non-current liabilities					
Bank and other borrowings	12	18,281,245	17,023,019	2,890,957	3,305,470
Deferred tax liabilities		2,419,410	2,428,769	-	-
Other non-current liabilities		104,607	114,187	-	-
Lease liabilities		39,412	43,810	4,310	5,749
Total non-current liabilities		20,844,674	19,609,785	2,895,267	3,311,219
Capital, reserves and non-controlling interests					
Share capital	13	6,604,723	6,604,723	6,604,723	6,604,723
Retained earnings		4,519,773	4,388,207	(59,716)	(64,764)
Other reserves		(348,648)	(357,861)	-	-
Equity attributable to owners of the Company		10,775,848	10,635,069	6,545,007	6,539,959
Non-controlling interests		5,626,584	5,447,441	-	-
Total equity		16,402,432	16,082,510	6,545,007	6,539,959
Total liabilities and equity		45,334,326	44,956,498	12,947,711	12,688,515

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, please specify the following at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

Please refer to Note 12 to the Condensed Interim Consolidated Financial Statements.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group For 6 Months Ended	
	30.6.25 (Unaudited) RMB'000	30.6.24 (Unaudited) RMB'000
Operating activities:		
Profit before tax	651,369	651,918
Adjustments for:		-
Loss allowance for trade receivables, net	106,229	830
Reversal of loss allowance for non-trade receivables, net	(53,000)	(188)
Depreciation of property, plant and equipment	31,891	27,294
Amortisation of intangible assets	383,952	238,987
Depreciation of right-of-use assets	4,539	9,470
Gain on disposal of property, plant and equipment	(647)	(24)
Gain on disposal of intangible assets	(48,164)	-
Gain on disposal of subsidiary and associate	(13,277)	-
Finance income	(13,910)	(14,119)
Finance expenses	350,104	400,052
Share of results of associates	(291)	(8,755)
Share of results of joint ventures	(1,911)	1,033
Fair value loss on financial assets at fair value through profit and loss	264	172
Operating cash flows before working capital changes	1,397,148	1,306,670
(Increase) decrease in:		-
Inventories	6,866	(672)
Amounts due from/to customers for contract work, net	(13,842)	4,398
Trade receivables, other receivables and prepayments	(311,269)	(1,024,094)
Bills receivables	(498)	1,169
Amounts due from joint ventures	(2,700)	6,073
Amounts due from associates	1,564	(260)
Decrease in:		-
Trade and other payables (inclusive of non-current liabilities)	(559,012)	(150,139)
Cash generated from operating activities before service concession arrangement projects	518,257	143,145
Change in receivables under service concession arrangements (Note A)	277,610	(74,010)
Cash generated from operating activities after service concession arrangement projects	795,867	69,135
Interest received	7,025	10,670
Income tax refund	-	1,549
Income tax paid	(171,400)	(145,771)
Net cash generated from (used in) operating activities	631,492	(64,417)

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS – cont'd

	Group For 6 Months Ended	
	30.6.25 (Unaudited) RMB'000	30.6.24 (Unaudited) RMB'000
Investing activities:		
Purchase of property, plant and equipment	(13,908)	(26,157)
Purchase of intangible assets, net of amount on credit terms	(239,699)	(311,899)
Movement in prepayment for property, plant and equipment and intangible assets, net	(14,374)	(69,141)
Proceeds from disposal of property, plant and equipment	17,850	97
Proceeds from disposal of intangible assets	381,497	-
Proceeds from disposal of an associate	119,658	-
Dividend received	2,700	22,439
Net cash inflow on disposal of a subsidiary	1,770	-
Net cash generated from (used in) investing activities	255,494	(384,661)
Financing activities:		
Proceeds from bank and other borrowings	5,787,187	7,710,292
Repayment of bank and other borrowings	(5,009,537)	(6,731,557)
Interest paid	(366,037)	(452,802)
Principal and interest elements of lease payments	(5,148)	(7,962)
Dividend paid to equity shareholders	(157,479)	(82,431)
Dividend paid to non-controlling interest in subsidiaries	(2,122)	(5,162)
Contribution from non-controlling interests upon additional capital injection in subsidiaries	1,400	-
Acquisition of non-controlling interests	(22,750)	-
Increase in pledged bank deposits	(22,934)	(8,336)
Net cash generated from financing activities	202,580	422,042
Net increase (decrease) in cash and cash equivalents	1,089,566	(27,036)
Cash and cash equivalents at beginning of period	2,918,241	2,885,781
Effects of exchange rate changes on cash and cash equivalents	4,580	(6,710)
Cash and cash equivalents at end of period	4,012,387	2,852,035

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS – cont'd

	Group For 6 Months Ended	
	30.6.25 (Unaudited) RMB'000	30.6.24 (Unaudited) RMB'000
Cash and cash equivalents at end of period		
Cash and bank balances	4,102,888	2,923,381
Less: Pledged bank deposits	(90,501)	(71,346)
Cash and cash equivalents	4,012,387	2,852,035

Note A:

In accordance with the application of SFRS(I) INT 12 *Service Concession Arrangements* and SFRS(I) 1-7 *Statement of Cash Flows*, the movement in the receivables under service concession arrangements has been classified under operating activities. The movement in the receivables under service concession arrangements was mainly arising from the construction and/or purchase of new or existing water treatment and waste incineration facilities in 1HFY2025 respectively.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

GROUP	Share capital	Retained earnings	Other reserves, total	General reserve	Investment revaluation reserve	Translation reserve	Effects of changes in ownership interest in subsidiaries where there is no change in control	Merger reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jan 25 (Audited)	6,604,723	4,388,207	(357,861)	855,926	-	(1,084,451)	70,979	(200,315)	10,635,069	5,447,441	16,082,510
Profit for the period	-	344,258	-	-	-	-	-	-	344,258	209,257	553,515
<u>Other comprehensive loss</u>											
Exchange differences arising on translation	-	-	(36,515)	-	-	(36,515)	-	-	(36,515)	-	(36,515)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(10,400)	-	(10,400)	-	-	-	(10,400)	-	(10,400)
Other comprehensive loss for the period, net of tax	-	-	(46,915)	-	(10,400)	(36,515)	-	-	(46,915)	-	(46,915)
Total comprehensive income for the period	-	344,258	(46,915)	-	(10,400)	(36,515)	-	-	297,343	209,257	506,600
<u>Transactions with owners recognised directly in equity</u>											
Acquisition of NCI	-	-	915	-	-	-	915	-	915	(1,556)	(641)
NCI upon proportional capital injection in a subsidiary	-	-	-	-	-	-	-	-	-	1,400	1,400
Dividends declared to NCI	-	-	-	-	-	-	-	-	-	(29,958)	(29,958)
Dividends declared to equity shareholders	-	(157,479)	-	-	-	-	-	-	(157,479)	-	(157,479)
Total	-	(157,479)	915	-	-	-	915	-	(156,564)	(30,114)	(186,678)
<u>Other</u>											
Transfer to general reserve	-	(55,213)	55,213	55,213	-	-	-	-	-	-	-
Total	-	(55,213)	55,213	55,213	-	-	-	-	-	-	-
Balance at 30 Jun 25 (Unaudited)	6,604,723	4,519,773	(348,648)	911,139	(10,400)	(1,120,966)	71,894	(200,315)	10,775,848	5,626,584	16,402,432

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

GROUP	Share capital	Retained earnings	Other reserves, total	General reserve	Translation reserve	Effects of changes in ownership interest in subsidiaries where there is no change in control	Merger reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jan 24 (Unaudited)	5,920,175	3,955,497	255,835	754,717	(369,546)	70,979	(200,315)	10,131,507	5,158,949	15,290,456
Profit for the period	-	321,446	-	-	-	-	-	321,446	186,771	508,217
<u>Other comprehensive loss</u>										
Exchange differences arising on translation	-	-	(79,278)	-	(79,278)	-	-	(79,278)	-	(79,278)
Exchange differences arising on translation of foreign operations	-	-	61,494	-	61,494	-	-	61,494	-	61,494
Other comprehensive loss for the period, net of tax	-	-	(17,784)	-	(17,784)	-	-	(17,784)	-	(17,784)
Total comprehensive income for the period	-	321,446	(17,784)	-	(17,784)	-	-	303,662	186,771	490,433
<u>Transactions with owners recognised directly in equity</u>										
Dividend declared to NCI	-	-	-	-	-	-	-	-	(5,010)	(5,010)
Dividend declared to equity shareholders	-	(82,431)	-	-	-	-	-	(82,431)	-	(82,431)
Total	-	(82,431)	-	-	-	-	-	(82,431)	(5,010)	(87,441)
<u>Others</u>										
Transfer to general reserve	-	(13,976)	13,976	13,976	-	-	-	-	-	-
Total	-	(13,976)	13,976	13,976	-	-	-	-	-	-
Balance at 30 Jun 24 (Unaudited)	5,920,175	4,180,536	252,027	768,693	(387,330)	70,979	(200,315)	10,352,738	5,340,710	15,693,448

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

COMPANY	Share capital	Retained earnings	Other reserves*	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jan 25 (Audited)	6,604,723	(64,764)	-	6,539,959
Profit for the period, representing total comprehensive income for the period	-	162,527	-	162,527
<u>Transactions with owners recognised directly in equity</u>				
Dividend declared to equity shareholders	-	(157,479)	-	(157,479)
Balance at 30 Jun 25 (Unaudited)	<u>6,604,723</u>	<u>(59,716)</u>	<u>-</u>	<u>6,545,007</u>

* Relates to translation reserve.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

COMPANY	Share capital	Retained earnings	Other reserves*	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jan 24 (Audited)	5,920,175	(163,761)	739,620	6,496,034
Profit for the period	-	262,198	-	262,198
<u>Other comprehensive loss</u>				
Exchange differences arising on translation, net of tax	-	-	(24,764)	(24,764)
Other comprehensive loss for the period, net of tax	-	-	(24,764)	(24,764)
Total comprehensive income for the period	-	-	(24,764)	237,434
<u>Transactions with owners recognised directly in equity</u>				
Dividend declared to equity shareholders	-	(82,431)	-	(82,431)
Balance at 30 Jun 24 (Unaudited)	<u>5,920,175</u>	<u>16,006</u>	<u>714,856</u>	<u>6,651,037</u>

* Relates to translation reserve.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

SIIC Environment Holdings Ltd. (the “Company”) is a public limited company, incorporated and domiciled in the Republic of Singapore and is dual listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and The Stock Exchange of Hong Kong Limited (the “SEHK”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries’ (collectively, “the Group”). The registered office and principal place of business of the Company is located at One Temasek Avenue, #37-02 Millenia Tower, Singapore 039192. There were no changes to the principal activities of the Group.

2. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee under the Accounting and Corporate Regulatory Authority and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Renminbi (“RMB”) which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2. BASIS OF PREPARATION - cont'd

2.2 Use of judgements and estimates

The preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the year ended 31 December 2024.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 9 – Receivables under service concession arrangements

Management has determined that there is no impairment loss for the Group's goodwill on consolidation as at 30 June 2025.

2.3 Financial Risk Management Objectives and Policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include (i) foreign currency risk; (ii) interest rate risk; (iii) liquidity risk; and (iv) credit risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Financial Director and Management.

The condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited annual financial statements as at 31 December 2024.

There have been no changes in the risk management policies since year end.

3. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. SEGMENT INFORMATION

The Group is organised into business segments based on their products and services, and has reportable segments as follows:

(i) Water and Sludge Treatment:

Principal activities include construction, management and operation of water and sludge related infrastructure under service concession arrangements and management and operation of water and sludge related infrastructure under non-service concession arrangements and financial income under service concession arrangements.

(ii) Water Supply:

Principal activities include construction, management and operation of water supply related infrastructure under service concession arrangements.

(iii) Waste Incineration:

Principal activities include construction, management and operation of waste incineration related infrastructure under service concession arrangements.

Other operations include design and consultancy on the projects and installation of water meters. None of these segments meets any of the quantitative thresholds for determining reportable segments for the financial period ended 30 June 2025 and 31 December 2024.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group's financing is managed on a Group basis and are not allocated to operating segments. Unallocated assets/liabilities mainly comprise of corporate assets and liabilities, and interest receivable and payable.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Transfer prices between operating segments are on agreed-term basis in a manner similar to transactions with third parties.

4. SEGMENT INFORMATION - cont'd

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

Six Months Ended 30 June 2025 (Unaudited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Unaudited
Revenue	2,578,313	386,576	212,231	3,177,120	
Reportable segment profit from operations	864,906	42,225	100,787	1,007,918	
Finance income	-	-	-	-	
Finance expenses	-	-	-	-	(3)
Other non-operating income	(18,053)	23,160	288	5,395	
Share of results of associates	291	-	-	291	
Share of results of joint ventures	-	-	1,911	1,911	
Income tax expense	(76,685)	(17,126)	(6,893)	(100,704)	
Profit after tax	770,459	48,259	96,093	914,811	(3)
Segment depreciation and amortisation	300,665	90,394	28,923	419,982	
Segment non-cash income	-	-	-	-	
Segment non-cash expenses	(48,866)	(281)	(4,346)	(53,493)	

4. **SEGMENT INFORMATION - cont'd**

Segment revenue and results – cont'd

Six Months Ended 30 June 2024 (Unaudited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Unallocated	Consolidated
Revenue	2,573,935	554,733	194,847	3,323,515	-	3,323,515
Reportable segment profit from operations	801,713	67,878	103,303	972,894	45,707	1,018,601
Finance income	-	-	-	-	14,119	14,119
Finance expenses	-	-	-	-	(400,052)	(400,052)
Other non-operating income	13,299	(1,533)	(238)	11,528	-	11,528
Share of results of associates	8,755	-	-	8,755	-	8,755
Share of results of joint ventures	-	-	(1,033)	(1,033)	-	(1,033)
Income tax expense	(105,164)	(18,677)	(4,429)	(128,270)	(15,431)	(143,701)
Profit after tax	718,603	47,668	97,603	863,874	(355,657)	508,217
Segment depreciation and amortisation	149,500	91,853	24,474	265,827	9,924	275,751
Segment non-cash income	24	-	-	24	-	24
Segment non-cash expenses	(172)	(642)	-	(814)	-	(814)

4. SEGMENT INFORMATION - cont'd

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

At 30 June 2025 (Unaudited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Unallocated	Consolidated
Segment assets	34,010,314	3,846,006	5,966,986	43,823,306	899,853	44,723,159
Interest in joint ventures	-	-	482,355	482,355	-	482,355
Interest in associates	82,985	-	-	82,985	33,030	116,015
Financial assets at fair value through profit or loss	9,797	-	-	9,797	-	9,797
Financial assets at fair value through other comprehensive income	3,000	-	-	3,000	-	3,000
Total assets	34,106,096	3,846,006	6,449,341	44,401,443	932,883	45,334,326
Segment liabilities	15,875,231	1,535,449	4,158,831	21,569,511	7,362,383	28,931,894
Segment capital expenditure	190,834	44,662	(2,332)	233,164	103	233,267

4. SEGMENT INFORMATION - cont'd

Segment assets and liabilities - cont'd

At 31 December 2024 (Audited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Unallocated	Consolidated
Segment assets	33,119,986	4,828,186	5,989,042	43,937,214	291,914	44,229,128
Interest in joint ventures	-	-	480,444	480,444	-	480,444
Interest in associates	82,694	-	-	82,694	33,030	115,724
Financial assets at fair value through profit or loss	10,061	-	-	10,061	-	10,061
Financial assets at fair value through other comprehensive income	13,400	-	-	13,400	-	13,400
Assets classified as held for sale	-	-	-	-	107,741	107,741
Total assets	33,226,141	4,828,186	6,469,486	44,523,813	432,685	44,956,498
Segment liabilities	15,822,664	2,101,286	4,220,870	22,144,820	6,729,168	28,873,988
Segment capital expenditure	1,334,628	352,977	238,105	1,925,710	46	1,925,756

5. REVENUE

	6 months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Construction revenue	271,607	562,225
Operating and maintenance income from services concession arrangements	2,122,182	1,908,809
Financial income from service concession arrangements	527,871	616,762
Service income	119,594	101,383
Other revenue	135,866	134,336
	<u>3,177,120</u>	<u>3,323,515</u>
Timing of revenue recognition:		
At a point in time	2,122,182	1,908,809
Over time	1,054,938	1,414,706
	<u>3,177,120</u>	<u>3,323,515</u>

6. TAXATION

	6 months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax:		
Current year	146,940	126,970
(Over) Under provision in respect of prior periods	(30,372)	512
Deferred tax:		
Current year	(20,019)	18,575
Under (Over) provision in respect of prior periods	1,305	(2,356)
	<u>97,854</u>	<u>143,701</u>

The corporate income tax applicable to the Singapore companies of the Group is 17% (six months ended 30 June 2024: 17%).

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax ("EIT") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. In accordance with the "Income Tax Law of the PRC for Enterprises with Foreign Investment and Foreign Enterprises", certain subsidiaries, engaging in public infrastructure projects, are entitled to full exemption from EIT for the first three years and a 50% reduction in EIT for the next three years of generating operating income.

7. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	6 months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Loss allowance for trade receivables, net	106,229	830
Reversal of loss allowance for non-trade receivables, net	(53,000)	(188)
Depreciation of property, plant and equipment	31,891	27,294
Amortisation of intangible assets	383,952	238,987
Depreciation of right-of-use assets	4,539	9,470
Gain on disposal of property, plant and equipment	(647)	(24)
Gain on disposal of intangible assets	(48,164)	-
Gain on disposal of subsidiary and associate	(13,277)	-
Finance income	(13,910)	(14,119)
Finance expenses	350,104	400,052
Share of results of associates	(291)	(8,755)
Share of results of joint ventures	(1,911)	1,033
Fair value loss on financial assets at fair value through profit and loss	264	172
Foreign exchange gain, net	(29,696)	(2,117)

8. TRADE AND OTHER RECEIVABLES

The following is an aged analysis of trade receivables, net of loss allowance, excluding other receivables, presented based on the invoice date at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 30 days	899,559	865,481
Within 31 to 60 days	371,004	403,165
Within 61 to 90 days	368,384	382,549
Within 91 to 180 days	956,000	1,022,262
Within 181 to 365 days	1,464,475	1,224,869
Over 365 days	1,805,207	1,620,742
	<u>5,864,629</u>	<u>5,519,068</u>

9. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

Consideration given by the grantor for a service concession arrangement is accounted for as an intangible asset (operating concessions) or a financial asset (receivables under service concession arrangements) or a combination of both, as appropriate. The financial asset component is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Receivables under service concession arrangements:		
Current portion	851,628	900,577
Non-current portion	19,895,971	21,041,568
	<u>20,747,599</u>	<u>21,942,145</u>

Expected collection schedule is analysed as follows:

Within 1 year	851,628	900,577
Within 2 to 5 years	3,044,966	3,707,932
Over 5 years	16,851,005	17,333,636
	<u>20,747,599</u>	<u>21,942,145</u>

10. INTANGIBLE ASSETS

During the period, the Group's additions of intangible assets amounted to RMB 219,010,000 (Six Months ended 30 June 2024: RMB 288,616,000).

11. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 30 days	335,520	769,462
Within 31 to 60 days	99,217	135,296
Within 61 to 90 days	94,515	69,058
Within 91 to 180 days	209,511	223,112
Within 181 to 365 days	332,656	146,860
Over 365 days	709,104	781,892
	<u>1,780,523</u>	<u>2,125,680</u>

12. BANK AND OTHER BORROWINGS

	Group		Company	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Amount repayable within one year or on demand:				
Secured	1,130,981	1,865,301	-	-
Unsecured	3,565,228	3,450,560	3,116,500	2,650,500
	<u>4,696,209</u>	<u>5,315,861</u>	<u>3,116,500</u>	<u>2,650,500</u>
Amount repayable after one year:				
Secured	11,541,622	12,403,237	-	-
Unsecured	6,739,623	4,619,782	2,890,957	3,305,470
	<u>18,281,245</u>	<u>17,023,019</u>	<u>2,890,957</u>	<u>3,305,470</u>

Details of any collateral

The bank and other borrowings are secured/guaranteed on concessionary arrangements, trade receivables (relating to concessionary arrangements) collection rights, guarantees by subsidiaries, guarantees by third party company and/or secured by a corporate guarantee by SIIC Environment Holdings Ltd..

13. SHARE CAPITAL

	Group and Company	
	Number of	Amount
	ordinary shares	RMB'000
	(Unaudited)	(Unaudited)
Issued and paid up share capital		
At 1 January 2024, 31 December 2024 and 30 June 2025	2,575,665,726	6,604,723

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

Neither the Company nor any of its subsidiaries has redeemed, purchased or sold any of the Company's listed securities for the financial period ended 30 June 2025.

14. DIVIDENDS

A final one-tier tax exempt dividend of S\$0.011 per ordinary share in respect of the financial year ended 31 December 2024 was approved in the annual general meeting held on 29 April 2025 and paid out on 30 May 2025.

15. NET ASSET VALUE AND EARNINGS PER SHARE

	Group		Company	
	30 June	31 December	30 June	31 December
	2025	2024	2025	2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Number of shares in issue to calculate net asset value per share	2,575,665,726	2,575,665,726	2,575,665,726	2,575,665,726
Net asset value per ordinary share (RMB in cent)	418.23	412.91	254.11	253.91

	6 Months Ended	
	30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Profit for the period attributable to the Owners of the Company (RMB'000)	344,257	321,446
Weighted average number of shares in issue to calculate the basis and diluted earnings per share	2,575,665,726	2,575,665,726
Earnings per share for profit for the period attributable to the owners of the Company during the period:		
-Basic (RMB in cent)	13.37	12.48
-Diluted (RMB in cent)	13.37	12.48

16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Except as detailed in the following tables below, the directors of the Company consider that the carrying amounts of all other financial assets and financial liabilities that are recorded at amortised cost in the consolidated financial statements to approximate their fair value, due to their short-term nature, that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period, or the discount rate used to amortise the instruments approximates the prevailing market interest rates.

The Group classifies financial assets measured at fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- c) Inputs for the assets or liabilities which are not based on observable market data (unobservable inputs) (Level 3).

(i) Fair value of financial assets that are measured at fair value on a recurring basis

Financial assets	Fair value		Fair value hierarchy
	30 June 2025	31 December 2024	
	RMB'000 (Unaudited)	RMB'000 (Audited)	
Financial assets at FVTOCI			
Unlisted equity security	3,000	13,400	Level 3
Financial assets at FVTPL			
Listed equity security	3,291	3,555	Level 1
Put option of unlisted equity security	6,506	6,506	Level 3

16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS - cont'd

(ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis and whose carrying amounts are not reasonable approximation of fair value

	30 June 2025		31 December 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Financial assets				
Receivables under service concession arrangements	19,566,179	20,468,457	20,739,599	22,007,453

The fair values of receivables under service concession arrangements as disclosed in the table above are classified under level 3 of the fair value hierarchy and the fair values are estimated by discounting expected future cash flows at prevailing interest rate or borrowings rate as at the end of the reporting period.

There was no transfer amongst Levels 1, 2 and 3 in both periods.

17. SUBSEQUENT EVENTS

The Group has evaluated all events that occurred after the reporting date through the date when the condensed interim financial statements were issued. The Management of the Group determined that there were no reportable subsequent events to be disclosed.

OTHER INFORMATION REQUIRED BY SGX LISTING RULE APPENDIX 7.2

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Please refer to Note 13 of the Notes to the Condensed Interim Consolidated Financial Statements.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 30 June 2025, there were no treasury shares held (31 December 2024: Nil). Total number of issued shares as at 30 June 2025 was 2,575,665,726 (31 December 2024: 2,575,665,726).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the financial period reported on.

- 2. Whether the figures have been audited or reviewed, and in accordance with which standard or practice.**

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter).**

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as that of the audited financial statements for the year ended 31 December 2024.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

No such change in the accounting policies and methods of computation.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Please refer to Note 15 of the Notes to the Condensed Interim Consolidated Financial Statements.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**

- (a) current financial period reported on; and**
(b) immediately preceding financial year.

Please refer to Note 15 of the Notes to the Condensed Interim Consolidated Financial Statements.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) any material factors that affect the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Overall Review

For the six months ended 30 June 2025, the Group's revenue was RMB 3,177.1 million, representing a decrease of 4.4%, as compared to RMB 3,323.5 million for the same period in 2024.

For the six months ended 30 June 2025, the Group's profit for the period was RMB 553.5 million, representing an increase of 8.9%, as compared to RMB 508.2 million for the same period in 2024.

For the six months ended 30 June 2025, the profit attributable to owners of the Company was RMB 344.3 million, representing an increase of 7.1%, as compared to RMB 321.4 million for the same period in 2024.

8. A review of the performance of the group – cont'd.

(A) Revenue

Construction Revenue

For the six months ended 30 June 2025, construction revenue was RMB 271.6 million, representing a decrease of 51.7%, as compared to RMB 562.2 million for the same period in 2024. The decrease in revenue was mainly due to the completion of major construction projects in FY2024 and the commencement of new major construction projects are expected in 2HFY2025.

**Operating and Maintenance Income from Service Concession Arrangements/
Financial Income from Service Concession Arrangements**

For the six months ended 30 June 2025, the aggregate income was RMB 2,650.1 million, representing an increase of 4.9%, as compared to RMB 2,525.6 million for the same period in 2024. The increase was due to higher volume of water sold for the period.

Service Income

For the six months ended 30 June 2025, service income was RMB 119.6 million, representing an increase of 18.0%, as compared to RMB 101.4 million for the same period in 2024. The increase in service income is mainly due to the contribution of new projects.

Other Revenue

For the six months ended 30 June 2025, other revenue was RMB 135.9 million, representing an increase of 1.1%, as compared to RMB 134.3 million for the same period in 2024. The slight increase in other revenue was mainly due to a increase in the volume of ad-hoc installation works.

(B) Gross Profit (“GP”) / Gross Profit Margin (“GPM”)

For the six months ended 30 June 2025, the Group’s GP was RMB 1,257.2 million, representing a decrease of 1.6%, as compared to RMB 1,277.4 million for the same period in 2024. The decrease in GP was primarily caused by the decrease in construction revenue.

For the six months ended 30 June 2025, GPM was 39.6%, representing an increase of 1.2%, as compared to 38.4%, for the same period in 2024. The improvement was mainly due to the lower proportion of construction revenue, which typically has a lower gross profit margin, and a lower unit cost due to higher volume of water sold.

8. A review of the performance of the group – cont'd.

(C) Other Income

For the six months ended 30 June 2025, other income was RMB 49.1 million, representing an increase of 14.6%, as compared to RMB 42.9 million for the same period in 2024. The increase was mainly due to increase in volume of work and services not related to core business activities.

(D) Other Gains and Losses

For the six months ended 30 June 2025, other gains and losses amounted to a gain of RMB 5.4 million, representing an increase of 117.7%, as compared to a gain of RMB 2.5 million for the same period in 2024. The increase was mainly due to foreign exchange gain recorded in the six months ended 30 June 2025 .

(E) Selling and Distribution Costs

For the six months ended 30 June 2025, selling and distribution costs were RMB 40.1 million, representing an increase of 5.7%, as compared to RMB 38.0 million for the same period in 2024. The increase was mainly due to higher repair and maintenance costs.

(F) Administrative Expenses

For the six months ended 30 June 2025, administrative expenses were RMB 272.3 million, representing an increase of 13.2%, as compared to RMB 240.5 million for the same period in 2024. The increase was mainly due to rising in costs during the period.

(G) Finance Expenses

For the six months ended 30 June 2025, finance expenses were RMB 350.1 million, representing a decrease of 12.5%, as compared to RMB 400.1 million for the same period in 2024. During the six month ended 30 June 2025, the financing structure was continuously being optimized by the replacement of higher interest rate loans with lower interest rate loans. With the increase in loans, financial expenses were significantly reduced compared with the same period.

8. A review of the performance of the group – cont'd.

(H) Share of Results of Associates/ Share of Results of Joint Ventures

The share of results of associates and joint ventures using the equity method represents the Group's share of results in investments which are accounted for using equity method.

The share of results of joint ventures in 1HFY2025 increased as compared to 1HFY2024 was mainly due to higher contribution from joint ventures.

The share of results of associates in 1HFY2025 decreased as compared to 1HFY2024 was mainly due to lower contribution from associates.

(I) Income Tax Expenses

For the six months ended 30 June 2025, income tax expense was RMB 97.9 million, representing a decrease of 31.9%, as compared to RMB 143.7 million for the same period in 2024. The decrease in income tax expense was due to the reversal of overprovision of current tax and deferred tax in previous years.

STATEMENTS OF FINANCIAL POSITION

(J) Current Assets

Current assets as at 30 June 2025, amounted to RMB 12.06 billion, representing an increase of 11.9%, as compared to RMB 10.78 billion as at 31 December 2024. The increase in current assets was mainly due to the rise in cash and also trade receivables related to the revenue generated in the first half of 2025.

(K) Non-current Assets

Non-current assets as at 30 June 2025, amounted to RMB 33.28 billion, showing a slight decrease of 2.6%, as compared to RMB 34.18 billion as at 31 December 2024. The decrease in non-current assets was mainly due to decrease in receivables under service concession arrangements.

(L) Current Liabilities

Current liabilities as at 30 June 2025, amounted to RMB 8.09 billion, representing a decrease of 12.7%, as compared to RMB 9.26 billion as at 31 December 2024. The decrease was primarily due to the repayment of trade and other payables and short-term borrowings.

(M) Non-current Liabilities

Non-current liabilities as at 30 June 2025, amounted to RMB 20.84 billion, representing an increase of 6.3%, as compared to RMB 19.61 billion as at 31 December 2024. The increase was mainly due to new long-term borrowings following a loan restructuring.

8. A review of the performance of the group – cont'd.

STATEMENT OF CASH FLOWS

As at 30 June 2025 , the Group's cash and cash equivalents stood at RMB 4.01 billion, representing an increase of 37.5%, as compared to RMB 2.92 billion as at 31 December 2024.

Net Cash generated from Operating Activities: Net cash of RMB 631.5 million was generated from the Group's operating activities, reflecting the improvement in working capital management during this period.

Net Cash from Investing Activities: Net cash of RMB 255.5 million was generated from the Group's investing activities, primarily due to disposal of intangible assets related to the concession arrangement and disposal of an associate during the period.

Net Cash from Financing Activities: Net cash of RMB 202.6 million was generated from the Group's financing activities, mainly due to higher net proceeds from bank and other borrowings, partially offset by the repayment of bank and other borrowings plus interest paid.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In the first half of 2025, the People's Republic of China ("China") continued to promote the construction of a Beautiful China. The Report on the Work of the Government (2025) proposed to make concerted efforts to cut carbon emissions, reduce pollution, pursue green development and boost economic growth, and step up green transformation in overall economic and social development; further deepen the reform of the ecological civilization system, coordinate industrial structure adjustment, pollution control, ecological protection and tackle climate change, and promote ecological priority, conservation and intensiveness, green and low-carbon development; strengthen pollution prevention and control and ecological construction; continue to deepen efforts to protect the blue sky, clear water and pure land; formulate an action plan for the comprehensive management of solid waste, and strengthen the synergistic management of new pollutants and the control of environmental risks. In January 2025, the Ministry of Ecology and Environment issued the "Implementation Opinions on Launching Pilot Zones for Building a Beautiful China (《關於建設美麗中國先行區的實施意見》)", which advocates the in-depth implementation of coordinated regional development strategies and major regional strategies, highlighting the three major regions (i.e., the Beijing-Tianjin-Hebei Region, the Yangtze River Delta and the Guangdong-Hong Kong-Macao Greater Bay Area), synergistically promoting the high-level protection of the Yangtze River and Yellow River basins, focusing on solving cross-provincial common problems, strengthening collaboration on regional green development, and deepening the joint governance for ecological environment. The Group will actively grasp the favorable policy opportunities in the industry, and actively explore quality new project opportunities while orderly promoting the construction and upgrading of the existing projects. At present, the Group's "One Mountain and One River" benchmark projects have made positive progress. The benchmark solid waste treatment project, Shanghai Baoshan Renewable Energy Utilization Center ("Baoshan Project"), is operating well, and the key sewage treatment project, Qingpu Xicen Water Purification Plant ("Xicen Project"), has entered commercial operation. The Group will continue to optimize its business layout and expand its market share to consolidate its leadership in China's water and environmental protection industries.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. – cont'd.

On the water policy front, in January 2025, the Shanghai Municipal Bureau of Ecology and Environment, together with the Shanghai Municipal Bureau of Planning and Natural Resources, the Shanghai Water Authority, the Shanghai Municipal Commission of Agriculture and Rural Affairs, and the Shanghai Landscaping & City Appearance Administrative Bureau, issued the “Shanghai Groundwater Pollution Prevention and Control Key Zone Delineation and Management Plan* (《上海市地下水污染防治重點區劃定及管控方案》)”, which puts forward that the water department shall strengthen the management of the drainage pipelines; strengthen the domestic sewage treatment in rural areas, and adopt a combination of on-site centralized treatment, treatment through collection pipes and resource utilization, so as to comprehensively realize the management and control of domestic sewage treatment in rural areas in the control category areas. In April 2025, the Shanghai Municipal Development & Reform Commission issued the “Shanghai 2025 Key Work Arrangements for Carbon Peaking, Carbon Neutrality, and Energy Conservation & Emission Reduction* (《上海市2025年碳達峰碳中和及節能減排重點工作安排》)”, which proposes intensified implementation of key pollutant reduction projects, including the completion of a number of sewage treatment projects with new daily sewage treatment capacity of 789,000 m3. In May 2025, the Action Program for the Protection and Construction of Beautiful Rivers and Lakes (2025-2027)* (《美麗河湖保護與建設行動方案（2025—2027年）》) was issued, calling for focusing on improving the quality of water ecosystems, adhering to precise, scientific and legal pollution control, coordinating the comprehensive management of water resources, water environment and water ecology, promoting the establishment of an integrated ecological environment governance system that connects the upstream and downstream sections of important river basins, accelerating the protection and restoration of beautiful rivers and lakes, and enhancing the health and sustainability of river and lake ecosystems. In June, the General Office of the CPC Central Committee and the General Office of the State Council jointly issued the Opinions on Comprehensively Advancing River Protection and Management* (《關於全面推進江河保護治理的意見》), which proposes, by 2035, further improving the level of economical and intensive utilization of water resources, markedly enhancing the level of safety guarantee of water supply for both urban and rural areas, comprehensively improving the quality of river ecological environment, and keeping the water ecosystems healthy and stable.

On the sewage treatment front, the Group will actively respond to national policies, firmly implement the concept of green development, and continuously reduce carbon dioxide emissions from sewage treatment projects by leveraging innovative technologies and approaches, so as to contribute to the achievement of carbon peaking and carbon neutrality goals and make efforts to promote green development in the industry.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. – cont’d.

As for the digitalization development of water affairs, in March 2025, the Ministry of Industry and Information Technology and other two departments jointly issued the “Several Opinions on Promoting the High-quality Development of Environmental Protection Equipment Manufacturing Industry”, which proposes, in the “generating new impetus for the development of the industry” section, promoting the transformation of pollutant management to synergistic pollution reduction and carbon reduction; facilitating enterprises engaged in atmospheric controlling, sewage treatment and solid waste treatment to research and develop new processes and technologies; developing innovative multi-pollutant treatment technologies and equipment to help realize the synergistic reduction of sulfur dioxide, nitrogen oxides, fine particulate matter, volatile organic compounds and other pollutants; enhancing the level of energy efficiency and carbon effect of equipment; promoting the resource utilization of wastes; encouraging enterprises to expand the greenhouse gas reduction, new pollutant treatment, emerging solid waste disposal and other businesses; researching and developing a number of environmental protection robots, intelligent pollution control equipment, and remote operation and maintenance equipment around the intelligent water affairs, pipeline cleaning, environmental monitoring and other areas; and speeding up the promotion and application of analogue simulation software, virtual reality, digital twins and other advanced technologies.

In terms of green financing, in February 2025, the National Financial Regulatory Administration and the People's Bank of China jointly issued the “Implementation Plan for the High-quality Development of Green Finance in Banking and Insurance industry* (銀行業保險業綠色金融高品質發展實施方案)”, which proposes that financial institutions shall focus on serving the optimization and upgrade of the industrial structure from the demand side, the low-carbon transformation of the energy system, the improvement of ecological environment quality and the protection of biodiversity, the construction of the carbon market and other areas; optimize financial services from the supply side, increase the supply of bank credit, improve the green insurance system, develop channels for green financial services, improve the green financial standards, and gradually establish and perfect the information disclosure mechanism. With the support of relevant policies, the Group will develop more financing channels, lower financing costs and enhance the efficiency of resource allocation, which will be conducive to the expansion of the Group's business scale and the commencement of new project construction.

Looking ahead, the Group will closely align with national policy directives and market dynamics, concentrating on its core businesses while accelerating business expansion; continue refining lean operation models, strengthen technology-driven innovation, and fast-track digital intelligence transformation to holistically empower business upgrade. Concurrently, fully leveraging the capital advantages of its dual-listing in Singapore and Hong Kong, the Group will actively develop domestic and international environmental protection markets, thereby contributing to building a Beautiful China.

11. Dividend

If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended): and

(b) Amount Per Share For Current Financial Period Reported On

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the Dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements.

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

The Company did not declare any dividend as the Company requires cash to fund its capital expenditure and investment in projects.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained from shareholders.

14. Confirmation by Directors pursuant to Rule 705(5) of the SGX-ST Listing Manual

We, Ji Guanglin and Wang Xiwang, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the period ended 30 June 2025, to be false or misleading, in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD
Mr. Ji Guanglin
Executive Director
12 August 2025