

**Beijing Enterprises Urban Resources Group Limited**

**北控城市资源集团有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

*(Stock code: 03718.HK)*

(March 26, 2021 — Hong Kong) Beijing Enterprises Urban Resources Group Limited (hereinafter referred to as the "Company" or the "Group"; stock code: 03718.HK) is pleased to announce the final results for the year ended 31 December 2020. The followings are the highlights of the announcement:

- ♦ The Group recorded a revenue of approximately HK\$3,520.0 million for the year ended 31 December 2020, representing an increase of approximately 29.8% as compared with that of approximately HK\$2,711.2 million for the year ended 31 December 2019.
- ♦ Profit for the year from continuing operations attributable to shareholders of the Company increased by approximately 58.3% to approximately HK\$426.8 million for the year ended 31 December 2020 as compared to approximately HK\$269.6 million for the year ended 31 December 2019.
- ♦ Basic and diluted earnings per share for profit from continuing operations for the year ended 31 December 2020 were approximately HK11.97 cents (31 December 2019: HK9.99 cents).
- ♦ The Group's revenue from environmental hygiene services increased by approximately 43.3% to HK\$2,821.0 million for the year ended 31 December 2020 as compared with that of approximately HK\$1,968.0 million for the year ended 31 December 2019.
- ♦ Net cash flows from operating activities for the year ended 31 December 2020 was approximately HK\$672.9 million (31 December 2019: HK\$635.5 million).
- ♦ Cash and cash equivalents of the Group amounted to approximately HK1,725.3 million as at 31 December 2020 (31 December 2019: HK\$1,051.9 million).

## ***BUSINESS REVIEW***

Notwithstanding the outbreak of COVID-19 pandemic, the Group's environmental hygiene services business was not affected in 2020. During the year ended 31 December 2020, the Group successfully won a total of 23 new environmental hygiene service projects through public tenders with total contract value and estimated annual revenue amounting to approximately HK\$11.3 billion and HK\$1,048.1 million, respectively. During the year ended 31 December 2020, the Group had recorded a total amount of approximately HK\$543.3 million as revenue in respect of these 23 projects.

As at 31 December 2020, the Group had a total contracted area of approximately 194.4 million sq.m. (31 December 2019: 150.3 million sq.m.) with its environmental hygiene service projects, which created an average revenue of approximately HK\$13.1 per sq.m. (2019: HK\$10.7 per sq.m.).

However, the Group's hazardous waste treatment business was adversely affected by the COVID-19 pandemic in the first half of 2020 as majority of the Group's customers' factories had ceased operations in the first few months of 2020. These customers had resumed operations gradually from the second quarter of 2020 and businesses have been recovering since then. Although the revenue from the Group's hazardous waste treatment business in the second half of 2020 increased, the overall revenue for the year ended 31 December 2020 inevitably dropped when compared with 2019.

As at 31 December 2020, the Group had 8 hazardous waste treatment projects in operation and 2 hazardous waste treatment projects in trial operation. As of 31 December 2020, treatment facilities of our projects that engaged in hazard-free waste disposal had a total designed treatment capacity of 338,718 tons per annum (2019: 370,396 tons) and treatment facilities of projects that engaged in recycling and reuse had a total designed treatment capacity of 250,000 tons per annum (2019: 250,000 tons). As of 31 December 2020, the Group also had 3 projects under construction and 3 projects planned for future construction.

## ***FUTURE OUTLOOK***

Looking forward, the ongoing COVID-19 pandemic brings uncertainties to the PRC economic environment. Nevertheless, due to rapid implementations of contingency measures to control the spread of COVID-19 in the PRC, the operating environment is expected to improve considerably in 2021.

In respect of the Group's environmental hygiene services business, the Group intends to participate in more tendering process for new projects, expands into new markets and seeks the opportunities to expand the services to certain related business areas, such as recycling, sorting, greenway maintenance and reuse of municipal waste as a result of increasing urbanization in the PRC. The Group's hazardous waste treatment services business is also expected to recover considerably as the PRC economy recovers and the treatment capacity of the Group's hazardous waste treatment business projects increases in 2021.

*Reference:*

Final Results Announcement for the year ended 31 December 2020

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0326/2021032600597.pdf>

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This press release is issued by **BEIJING ENTERPRISES URBAN RESOURCES GROUP LIMITED**

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