

Beijing Enterprises Urban Resources Group Limited

北控城市資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 03718.HK)

(2 February 2021 – Hong Kong) Beijing Enterprises Urban Resources Group Limited (hereinafter referred to as the "Company" or "Group"; stock code: 3718) announces that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the "Relevant Period") and currently available information, it is expected that the revenue for the Relevant Period will increase by more than approximately 28% as compared to that for the year ended 31 December 2019 and the profit attributable to shareholders of the Company from continuing operations for the Relevant Period will increase by more than approximately 50% as compared to that the year ended 31 December 2019. The increases were primarily due to the following factors:

- (i) Increase in total revenue in the amount of approximately HK\$781.0 million during the Relevant Period, mainly due to the increase in revenue from the Group's environmental hygiene services in the amount of approximately HK\$825.9 million due to additional projects obtained through tendering during the year, which was partially set-off by the decrease in the revenue from the Group's hazardous waste treatment services due to the adverse effect to the Group's businesses as a result of the COVID-19 pandemic, in the amount of approximately HK\$54.6 million;
- (ii) Increase in the relief related to value-added-tax granted by the local government in the People's Republic of China (the "PRC") due to the COVID-19 pandemic in the amount of approximately HK\$125.0 million (before taking into account the effect of corporate income tax and non-controlling interests of the respective projects); and

- (iii) Increase in the relief related to the reduction of the Group's social welfare and security contributions and other relief granted by the local government in the PRC due to the COVID-19 pandemic in the amount of approximately HK\$68.8 million (before taking into account the effect of corporate income tax and non-controlling interests of the respective projects).

The Company is in the process of finalizing the final results for the year ended 31 December 2020. The information contained in this press release is only based on the preliminary assessment by the management of the Company according to the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, which have not been confirmed, audited nor reviewed by the Company's auditor and/or the audit committee of the Company, and is subject to finalization and necessary adjustments. The final results announcement of the Company for the year ended 31 December 2020 is expected to be published by the end of March 2021.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

Reference:

Positive Profit Alert

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0202/2021020201703.pdf>

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

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