

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)

BEURG Delivers Full-Year Fiscal 2024 Financial Results

Promoting the strategy of “High-quality Development” in full force
Forming a new landscape of “sound profitability, stable growth and low risk” for
its operation

- *Main business revenue increased by approximately 19.2%*
- *Acquisition of 85% equity of Hong Kong’s Shiny Glory, obtaining 64 urban service projects through public tenders and acquisition to further expand market breadth*
- *The impairment loss on goodwill was a one-off non-cash expenditure and had no impacts on the Group’s cash flow*
- *Promoting the strategy of “High-quality Development” in full force, adhering to the business strategy of “stability first” with an aim to improve its profitability, reduce growth rate and control risks, and continuously enhance its core competitiveness*

(March 25, 2025 – Hong Kong) Beijing Enterprises Urban Resources Group Limited (hereinafter referred to as the "Company" or the "Group"; stock code: 03718.HK) announces the consolidated annual results for the year ended 31 December 2024. The followings are the highlights of the announcement:

- The Group recorded a revenue of approximately RMB6,027.7 million for the year ended 31 December 2024, representing an increase of approximately 19.2% as compared with that of approximately RMB5,057.6 million for the year ended 31 December 2023.
- Profit for the year attributable to shareholders of the Company decreased by approximately 91.0% to approximately RMB25.7 million for the year ended 31 December 2024 as compared to approximately RMB284.7 million for the year ended 31 December 2023. The decrease was mainly due to the impairment loss on goodwill of RMB237.7 million recognised during the year ended 31 December 2024. The impairment loss on

goodwill was a one-off non-cash expenditure and had no impacts on the Group's cash flow.

- The Group's financial position and cash flow remain healthy, the production and operation remain normal and smooth. The market demand for services remains strong. The Group obtained 64 urban services projects through public tenders and acquisition of Shiny Glory, with total contract values and estimated annual revenue amounting to approximately RMB7,847.5 million and RMB1,496.9 million, respectively.
- A final dividend of HK1.3 cents per share is proposed for the year ended 31 December 2024. Full-year dividend is HK2.5 cents.

BUSINESS REVIEW

As at 31 December 2024, the Group had 231 urban service projects, with a total contracted area of approximately 459.0 million sq.m. (31 December 2023: 339.0 million sq.m.), which created a total revenue of RMB5,310.5 million for the year ended 31 December 2024 (31 December 2023: RMB4,343.6 million).

As at 31 December 2024, the Group successfully won a total of 35 urban services projects through public tender with total contract value and estimated annual revenue amounting to approximately RMB6,421.8 million and RMB987.4 million, respectively. During the year ended 31 December 2024, the Group had recorded a total revenue of approximately RMB561.9 million in respect of these projects through public tenders and acquisition located in Chinese Mainland and Hong Kong.

As at 31 December 2024, the Group had 10 hazardous waste treatment projects in operation (31 December 2023: 11 projects). As of 31 December 2024, the total design treatment capacity of treatment facilities that engaged in hazard-free disposal is 419,716 tons per annum (31 December 2023: 423,366 tons) and total design treatment capacity of treatment facilities that engaged in recycling and reuse is 280,000 tons per annum (31 December 2023: 270,000 tons).

Acquired 85% equity interest in Shiny Glory

On 25 June 2024, the Group completed the acquisition of Shiny Glory Services Limited ("Shiny Glory"). At the date of acquisition, Shiny Glory had 38 urban services projects in

operation. Shiny Glory is a well-established service provider for urban services, including (a) cleaning services; (b) pest management services; (c) waste management and recycling services in Hong Kong. As at 31 December 2024, the Group had 35 urban services projects in Hong Kong, China with total contract value and estimated annual revenue amounting to approximately RMB1,756.6 million and 621.8 million, respectively. Shiny Glory enables the Group to achieve rapid growth of environmental sanitation services in the Hong Kong market and accelerate our accumulation of service operation experience in similar projects overseas, thus being an important initiative for the Group to achieve leapfrog development.

The strategy of “High-quality Development”

In 2025, upholding the “efficiency enhancement, innovation-driven and value exploration” principal strategy, the Group will promote the overall business upgrades, with a focus on room for profitability and investment returns. In respect of the urban service business, in order to actively mitigate cash flow risks and improve its solvency position, the Group will formulate a transformation plan based on the current situation and promote the strategy of “High-quality Development” in full force. In other words, the Group will adhere to the business strategy of “stability first” with an aim to improve its profitability, reduce growth rate and control risks, and continuously enhance its core competitiveness, thereby forming a new landscape of “sound profitability, stable growth and low risk” for its operation.

The core path for its “high-quality development” will be: focusing on the two major business pillars of high-quality existing projects and high-quality incremental projects, the Group will take improving internal management and innovating the product business as the core support to systematically build an operation system for “high-quality development”. In terms of the hazardous waste business, the Group will explore the circular economy model, develop high value-added treatment technologies and enhance the efficiency of resource utilization.

The Group will focus on innovation-driven and technology-enabled research and development of intelligent environmental sanitation equipment, low-carbon technologies and digital platforms to develop its differentiated competitive edge through technological breakthroughs, and continue to improve the mechanism for the application of innovation results in order to strengthen cross-business synergies. In terms of risk management and control and sustainable development, the Group will improve its environmental, social and corporate governance framework to systematically reduce carbon footprint in operations. In addition, it will strengthen the dynamic risk monitoring mechanism and optimize the cash flow

management to support its goal of sustainable development. The Group will continuously enhance its operational efficiency through refined cost management and expansion of high value-added businesses. Under the guidance of the high-quality development strategy, we are committed to driving the sustainability of the Group along the steady path of high-quality development, and creating stable long-term value for the investors.

Reference:

Annual Results Announcement for the year ended 31 December 2024

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0325/2025032500313.pdf>

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

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