For Immediate Release **August 25, 2026**

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 Announces 2026 Interim Financial Results

Innovation-Driven, Resilient Growth

- ***Main business revenue increased by approximately 3.1%.***
- ***The Group newly obtained 54 urban services projects through public tenders, with total contract values and estimated annual revenue amounting to approximately RMB2,915.2 million and RMB949.5 million, respectively.***
- ***Profit attributable to shareholders of the Company increased by approximately 8.6%.***
- ***The impairment loss on non-current assets of RMB127.0 million was a one-off non-cash expenditure and had no impacts on the Group's cash flow.***

(August 25, 2026 - Hong Kong) Beijing Enterprises Urban Resources Group Limited (hereinafter referred to as the "Company" or the "Group"; stock code: 03718.HK) announces the interim results for the period ended 30 June 2026. The followings are the highlights of the announcement:

- The Group recorded a revenue of approximately RMB3,132.4 million for the six months ended 30 June 2026, representing an increase of approximately 3.1% as compared with that of approximately RMB3,039.3 million for the six months ended 30 June 2025.

- Profit attributable to shareholders of the Company increased by approximately 8.6% to approximately RMB35.3 million for the six months ended 30 June 2026 as compared to approximately RMB32.5 million for the six months ended 30 June 2025.

- A provision for impairment loss on property, plant and equipment and right-of-use assets from the hazardous waste treatment business of RMB127.0 million was recognised during the six months ended 30 June 2026. The provision for impairment loss was a one-off noncash expenditure and had no impacts on the Group's cash flow.

- During the six months ended 30 June 2026, the Group newly obtained 54 urban services projects through public tenders, with total contract values and estimated annual revenue amounting to approximately RMB2,915.2 million and RMB949.5 million, respectively.

- Interim dividend of HK1.8 cents per share is declared for the six months ended 30 June 2026 (six months ended 30 June 2025: HK1.8 cents).

BUSINESS REVIEW

The Group continued to deepen the "high-quality development" strategy in the urban services business. During the period, the Group recalibrated its tender bidding and operational approach in the Chinese Mainland, focusing on high-quality projects and adopting prudent tender bidding strategies to enhance project quality and mitigate operational risks. As a result, revenue from the urban services in the Chinese Mainland decreased by approximately 3.0% during the period. Meanwhile, the Group actively expanded its Hong Kong urban services business and successfully won a number of projects, diversifying its urban services from street cleaning to urban leisure venues cleaning and waste collection services, which led to a significant revenue increase of approximately 48.1% from Hong Kong business, making it a key growth driver for the urban services business during the period. The Group's urban services business recorded a revenue of approximately RMB2,723.0 million, representing an increase of 2.2% as compared with approximately RMB2,664.2 million in the corresponding period of last year.

During the period, the overall gross profit margin of the Group's urban services business decreased, primarily due to an increase in the proportion of revenue from the Hong Kong business, whose project gross profit margin was relatively low. In addition, the Chinese Mainland business was under pressure from rising labor costs, vehicle and other operating costs, which led to a decrease in gross profit margin compared with the corresponding period of last year. The Group's urban services business recorded a profit attributable to shareholders of the Company of approximately RMB208.8 million, representing a decrease of 21.2% as compared with approximately RMB264.8 million in the corresponding period of last year.

As at 30 June 2026, the Group successfully won a total of 54 urban services projects through public tender with total contract value and estimated annual revenue amounting to approximately RMB2,915.2 million and RMB949.5 million, respectively. This comprised 9 projects in Chinese Mainland with total contract value and estimated annual revenue amounting to approximately RMB448.9 million and RMB159.3 million, respectively; and 45 projects in Hong Kong with total contract value and estimated annual revenue amounting to approximately RMB2,466.3 million and RMB790.2 million, respectively.

As at 30 June 2026, the Group had 298 urban service projects. During the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB2,711.1 million (six months ended 30 June 2025: RMB2,661.0 million) from its urban services projects.

In terms of the hazardous waste treatment business, the average unit treatment price of hazardous waste recovered compared with the corresponding period of last year, and the Group's special action plan to address losses and improve efficiency gradually delivered results. With cost controls and other operational areas steadily improving, the gross profit margin of the hazardous waste treatment business increased compared with the corresponding period of last year, leading to a gradual improvement in the operating performance. However, the hazardous waste treatment business remained at a cyclical trough, with certain projects still recording operating losses. For the six months ended 30 June 2026, the Group's hazardous waste treatment business recorded a loss attributable to Shareholders of the Company of approximately RMB21.0 million, representing a decrease of approximately 36.4% as compared with a loss of approximately RMB33.0 million for the corresponding period of last year.

During the six months ended 30 June 2026, driven by the intensified industry competition, hazardous waste disposal prices have continued to stay at low levels. Combined with the lower utilisation of the hazardous waste disposal capacity, this has rendered absorption of fixed costs more difficult. As a result, the Group recognised a provision for impairment of assets approximately RMB127.0 million in respect of Xuzhou Project.

As at 30 June 2026, the Group had 10 hazardous waste treatment projects in operation (31 December 2025: 10 projects). Among these, 2 hazardous waste treatment projects provided integrated services encompassing both hazard-free disposal and recycling and reuse treatment services. As of 30 June 2026, the total design treatment capacity of treatment facilities that engaged in hazard-free disposal is

419,716 tons per annum (31 December 2025: 419,716 tons) and total design treatment capacity of treatment facilities that engaged in recycling and reuse is 280,000 tons per annum (31 December 2025: 280,000 tons).

FUTURE OUTLOOK

In the second half of 2026, the Group actively responded to the national work requirements of driving a sound start to the 15th Five-Year Plan through high-quality development. By firmly adhering to the main theme of high-quality development, the Group concentrated its resources on advancing core strategies, drive the effective implementation of various operational initiatives, continuously build competitive barriers, and spare no effort in promoting the elevation of the Group's business value.

The Group will continue to deepen digital and intelligent empowerment, consolidate the digital and intelligent foundation, and accelerate the development of a mechanical operations data platform to integrate data links across multiple systems. It will improve the workforce efficiency and quality management system, deepen lean operations, and leverage AI technology to deeply empower business operations. The Group will also strengthen end-to-end management and control of vehicle operations and maintenance, and facilitate data-driven decision-making to comprehensively enhance operational efficiency. Concurrently, the Group will advance key breakthroughs in its core operations, steadily implement policy-supported debt resolution, improve operating cash flows, and consolidate the foundation of financial risk control; selectively expand high-quality incremental projects to solidify its core business fundamentals; and precisely implement cost reduction and efficiency enhancement measures to achieve coordinated progress in quality improvement, cost control, and revenue growth, thereby enhancing operational resilience and profitability stability.

Upholding the philosophy of "Building Foundations and Enhancing Quality to Embrace An Intelligent Rebirth", the Group will strengthen the product competitiveness of its urban services business, actively promote the pilot application and gradual roll-out of unmanned intelligent cleaning equipment and smart dispatch systems in new projects, optimize refined operations and human-robot collaboration working models, establish competitive barriers of digital intelligence differentiation, and facilitate the profound transformation of the business from scale expansion to value creation. Meanwhile, the Group will continuously carry out special governance on inefficient assets, stringently manage the operational risks of the hazardous waste business segment, adjust the business asset structure, revitalize existing resources, and improve the dual-control system for safety risks, thereby promoting the continuous value enhancement and efficiency improvement of the business.

Against the backdrop of tightening labour supply within the urban services sector and constrained growth prospects for conventional labour-driven operating models, the Group capitalises on industry-development opportunities stemming from iterative advancements in artificial intelligence and autonomous driving technologies to pursue targeted strategic deployment in the high-potential intelligent equipment segment. In collaboration with leading technical partners specialising in embodied intelligence, the Group has established a joint-venture entity dedicated to outdoor cleaning robots. This strategic extension into the upstream intelligent-equipment value chain is poised to empower the Group's existing core-business urban-service legacy projects to deliver cost optimisation, operational-efficiency enhancements and improved profitability. Concurrently, it enables the Group to further refine its full-industrial-chain value architecture, broaden medium-to-long-term growth horizons and cultivate new core competitive edges. Preliminary project preparations, product development and core-technology R&D endeavours are currently progressing in an orderly manner. Drawing on its dual competitive strengths in technology and real-world application scenarios, the Group will continue to unlock performance-growth momentum and achieve accelerated high-quality development.

Looking ahead, the Group will focus on the strategic direction of high-quality development characterized by "low risk, steady growth and strong profitability". By deeply integrating digital and intelligent empowerment, lean operations and risk prevention and control, the Group will steadily enhance its operational quality and efficiency, drive its steady and long-term progress, and create long-term, sound and sustainable returns for Shareholders.

Reference:

Interim Results Announcement for the period ended 30 June 2026
https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0825/2026082500364.pdf

－ END －

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

For further information, please contact:

BEIJING ENTERPRISES URBAN RESOURCES GROUP LIMITED
E-mail： ir@beurg.com