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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: 3718)

PROFIT WARNING ONE-OFF IMPAIRMENT LOSS

This announcement is made by Beijing Enterprises Urban Resources Group Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board of Directors of the Company (the “**Board**”) would like to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 (the “**FY2024**”) and currently available information, it is expected that the profit attributable to shareholders of the Company for FY2024 will decrease by approximately 90% to 95% as compared with the year ended 31 December 2023, primarily due to the impairment loss on goodwill of approximately RMB238 million to be recognised in the Group’s Hazardous Waste Treatment Business (the “**Hazardous Waste Treatment Business**”). The impairment loss on goodwill were mainly due to the intensified competition in the hazardous waste treatment business market, which led to a continuous decrease in the unit price of the treatment/sales of the Group’s Hazardous Waste Treatment Business in order to capture market share; and the production reduction or even shutdown of the upstream industrial enterprises, which led to lower demand for the hazardous waste treatment business. In view of the cyclical declines of the hazardous waste treatment industry and intensified market competition, the Group has adopted appropriate innovative technology applications and enhanced resource efficiency to improve the overall operating resilience of the Hazardous Waste Treatment Business. **The Board would like to state that the aforementioned impairment loss on goodwill is a one-off non-cash expenditure which does not have impacts on the Group’s cash flow.**

Despite the fact that the aforesaid passive factors, 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. During FY2024, the Group successfully won a total of 35 new urban services projects through public tender with total contract value over RMB6.4 billion. The Group is actively expanding its urban services to the Greater Bay Area. During the period from 1 January 2025 up to the date of this announcement, the Group has won certain urban services projects through public tender with total contract value over RMB300 million.

As at the date of this announcement, the Company is still in the process of finalizing the final results for FY2024. The information contained in this announcement is only based on the preliminary assessment by the management of the Company according to the unaudited consolidated management accounts of the Group for FY2024 and is not based on any figures or information confirmed, audited or 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 FY2024 will be published on 25 March 2025.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Beijing Enterprises Urban Resources Group Limited
Zhou Min
Chairman

Hong Kong, 18 March 2025

As at the date of this announcement, the executive directors of the Company are Mr. Zhou Min (Chairman), Mr. Zhao Kexi (Chief Executive Officer), Mr. Li Haifeng, Mr. Li Li and Mr. Zhou Chen; and the independent non-executive directors of the Company are Mr. Wu Tak Kong, Dr. Du Huanzheng and Ms. Judith Yu.