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Integrated Waste Solutions Group Holdings Limited
綜合環保集團有限公司

(Incorporated in the Cayman Islands with limited liability, stock code: 923)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

Financial Highlights

	6 months ended 30.09.2026 HK$'M	6 months ended 30.09.2025 HK$'M	Change HK$'M	%
(Unaudited)				
Revenue	16.9	20.7	(3.8)	(18.2)
Gross Profit	7.7	9.3	(1.6)	(17.8)
Loss attributable to equity shareholders of the Company	(19.7)	(12.4)	(7.3)	(59.0)
Loss per share (HK cent)	(0.41)	(0.26)	(0.15)	(59.0)

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2026.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 September 2026

(Expressed in Hong Kong dollars)

	Note	Six months ended 30 September	
		2026	2025
		$'000	*$'000*
Revenue	4	**16,892**	20,660
Cost of sales and services		**(9,217)**	(11,320)
Gross profit		**7,675**	9,340
Other revenue	5	**198**	2,675
Other net (loss)/gain	6	**(4,818)**	14
Selling and distribution expenses		**(5,439)**	(6,080)
Administrative and other operating expenses		**(23,342)**	(24,461)
Operating loss		**(25,726)**	(18,512)
Finance income	7(a)	**66**	328
Finance costs	7(b)	**(2,886)**	(1,309)
Share of results of associates		**791**	1,199
Share of results of joint ventures		**8,009**	5,714
Loss before taxation	7	**(19,746)**	(12,580)
Income tax	8	**–**	(59)
Loss for the period		**(19,746)**	(12,639)
Attributable to:			
Equity shareholders of the Company	9	**(19,736)**	(12,409)
Non-controlling interests		**(10)**	(230)
Loss for the period		**(19,746)**	(12,639)
Basic and diluted loss per share	9	**(0.41) cent**	(0.26) cent

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
Loss for the period	**(19,746)**	(12,639)
Other comprehensive income for the period (net of nil tax):		
Item that is or may be reclassified subsequently to profit or loss:		
Exchange difference on translation of financial statements of:		
– a subsidiary and an associate operating outside Hong Kong	**1,830**	1,104
Other comprehensive income for the period	**1,830**	1,104
Total comprehensive loss for the period	**(17,916)**	(11,535)
Attributable to:		
Equity shareholders of the Company	**(17,906)**	(11,305)
Non-controlling interests	**(10)**	(230)
Total comprehensive loss for the period	**(17,916)**	(11,535)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 September 2026

(Expressed in Hong Kong dollars)

	Note	**At 30 September 2026 (Unaudited) *$'000***	At 31 March 2026 (Audited) *$'000*
Non-current assets			
Property, plant and equipment and right-of-use assets	10	**64,095**	4,724
Interests in associates	11	**62,230**	60,710
Interests in joint ventures	12	**18,439**	14,180
Deposits and prepayments		**483**	351
		145,247	79,965
Current assets			
Inventories		**67**	69
Trade receivables	13	**2,957**	4,717
Other receivables, deposits and prepayments		**9,532**	10,961
Amount due from an associate	11	**1,128**	–
Amounts due from joint ventures	12	**160**	203
Bank deposits and cash		**10,282**	16,723
		24,126	32,673
Current liabilities			
Trade payables	14	**881**	1,063
Other payables and accruals		**7,602**	5,245
Lease liabilities	10	**8,632**	–
Loan from a controlling shareholder	15	**–**	50,000
		17,115	56,308
Net current assets/(liabilities)		**7,011**	(23,635)
Total assets less current liabilities		**152,258**	56,330
Non-current liabilities			
Other payables		**2,803**	2,801
Lease liabilities	10	**33,842**	–
Loan from a controlling shareholder	15	**80,000**	–
		116,645	2,801
NET ASSETS		**35,613**	53,529
CAPITAL AND RESERVES			
Share capital	16(a)	**482,301**	482,301
Reserves		**(445,667)**	(427,761)
Total equity attributable to equity shareholders of the Company		**36,634**	54,540
Non-controlling interests		**(1,021)**	(1,011)
TOTAL EQUITY		**35,613**	53,529

NOTES

(Expressed in Hong Kong dollars unless otherwise indicated)

1 General information

Integrated Waste Solutions Group Holdings Limited ("the Company") was incorporated and registered as an exempted company with limited liability in the Cayman Islands on 11 November 2009 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company is an investment holding company and is listed on The Stock Exchange of Hong Kong Limited ("the Stock Exchange"). The registered address of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company and its subsidiaries are collectively referred to as "the Group". The Group is principally engaged in the provision of confidential materials destruction services, trading of recovered paper and materials, trading of tissue paper products, provision of logistics services and investment holding.

The consolidated financial information is presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

2 Basis of preparation

The unaudited interim financial results set out in this announcement do not constitute the unaudited interim financial report of the Group for the six months ended 30 September 2026 but is derived from that unaudited interim financial report which has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting,* issued by the International Accounting Standards Board ("IASB").

The unaudited interim financial report has been prepared in accordance with the same accounting policies adopted in the 2026 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2027 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of the unaudited interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The unaudited interim financial report contains unaudited condensed consolidated interim financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2026 annual financial statements. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with IFRS Accounting Standards (the "IFRSs") (which include all International Financial Reporting Standards, IAS and Interpretations) as issued by the IASB. The annual financial statements for the year ended 31 March 2026 are available from the Company's registered office.

The interim financial report is unaudited, but has been reviewed by Crowe (HK) CPA Limited in accordance with International Standard on Review Engagements 2410 *"Review of interim financial information performed by the independent auditor of the entity"* issued by the International Auditing and Assurance Standards Board.

3 Changes in accounting policies

The Group has applied the following amendments to IFRSs issued by the IASB, for the first time, to these unaudited interim financial report for the current accounting period:

- Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to IFRS 9 and IFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual improvements to IFRS Accounting Standards - Volume 11, *Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

The application of the amendments to IFRSs during the six months ended 30 September 2026 has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in this unaudited interim financial report.

The Group has not early applied the following new and amendments to IFRSs that have been issued but not yet effective in this unaudited interim financial report for the current accounting period.

- IFRS 18 and consequential amendments to other IFRSs, *Presentation and Disclosure in Financial Statements*[1]
- IFRS 19 and subsequent amendments, *Subsidiaries without Public Accountability: Disclosures*[1]
- Amendments to IAS 21, *Translation to a Hyperinflationary Presentation Currency*[1]
- Amendments to IAS 28, *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*[1]
- IFRS 20, *Regulatory Assets and Regulatory Liabilities*[2]
- Amendments to IFRS 10 and IAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]

1 Effective for annual periods beginning on or after 1 January 2027
2 Effective for annual periods beginning on or after 1 January 2029
3 Effective for annual periods beginning on or after a date to be determined

IFRS 18 and consequential amendments to other IFRSs are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact on the consolidated financial statements for the forthcoming years.

Except for the aforesaid, the Group anticipates that the application of all other new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

4 Revenue and segment information

The Board of Directors of the Company, which is the chief operating decision maker of the Group, reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Group is organised into four business segments:

– Confidential materials destruction service ("CMDS"): provision of CMDS

– Logistics services: provision of logistics services

– Recovered paper and materials: sales of recovered paper and materials

– Tissue paper products: sales of tissue paper products

Although the Group's products and services are sold/rendered to Hong Kong and overseas markets, the chief operating decision maker of the Group regularly reviews the financial information by business segments to assess performance and make resources allocation decisions. It assesses the performance of the operating segments based on a measure of segment gross profits or losses.

Revenue from contracts with customers within the scope of IFRS 15

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
Disaggregated by major products or service lines		
– Provision of CMDS	**5,828**	5,869
– Provision of logistics services	**1,229**	1,236
– Sales of recovered paper and materials	**9,835**	13,355
– Sales of tissue paper products	**–**	200
	16,892	20,660

Disaggregation of revenue from contracts with customers by timing of recognition

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
Timing of revenue recognition		
– At a point in time	**16,892**	20,660

Revenue by geographic markets

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
Hong Kong	**16,445**	20,660
South Korea	**447**	–
	16,892	20,660

The geographical location is based on the location at which goods were delivered or service was rendered.

The segment results and other segment items included in the loss for the six months ended 30 September 2026 and 30 September 2025 are as follows:

– For the six months ended 30 September 2026:

	CMDS ***$'000***	**Logistics services** ***$'000***	**Recovered paper and materials** ***$'000***	**Tissue paper products** ***$'000***	**Total** ***$'000***
Segment revenue:					
Sales to external customers	**5,828**	**1,229**	**9,835**	**–**	**16,892**
Inter-segment sales	**–**	**4,578**	**–**	**1**	**4,579**
Reportable segment revenue	**5,828**	**5,807**	**9,835**	**1**	**21,471**
Elimination of inter-segment revenue	**–**	**(4,578)**	**–**	**(1)**	**(4,579)**
	5,828	**1,229**	**9,835**	**–**	**16,892**
Segment results:					
Reportable segment profit/(loss)	**4,225**	**(5)**	**3,929**	**(503)**	**7,646**
Elimination of inter-segment loss					**29**
Reportable segment profit derived from the Group's external customers					**7,675**
Other revenue					**198**
Other net loss					**(4,818)**
Selling and distribution expenses					**(5,439)**
Administrative and other operating expenses					**(23,342)**
Finance income					**66**
Finance costs					**(2,886)**
Share of results of associates					**791**
Share of results of joint ventures					**8,009**
Loss before taxation					**(19,746)**
Income tax					**–**
Loss for the period					**(19,746)**

– For the six months ended 30 September 2025:

	CMDS *$'000*	Logistics services *$'000*	Recovered paper and materials *$'000*	Tissue paper products *$'000*	Total *$'000*
Segment revenue:					
Sales to external customers	5,869	1,236	13,355	200	20,660
Inter-segment sales	–	5,456	–	2	5,458
Reportable segment revenue	5,869	6,692	13,355	202	26,118
Elimination of inter-segment revenue	–	(5,456)	–	(2)	(5,458)
	5,869	1,236	13,355	200	20,660
Segment results:					
Reportable segment profit/(loss)	4,102	(291)	5,578	(318)	9,071
Elimination of inter-segment loss					269
Reportable segment profit derived from the Group's external customers					9,340
Other revenue					2,675
Other net gain					14
Selling and distribution expenses					(6,080)
Administrative and other operating expenses					(24,461)
Finance income					328
Finance costs					(1,309)
Share of results of associates					1,199
Share of results of joint ventures					5,714
Loss before taxation					(12,580)
Income tax					(59)
Loss for the period					(12,639)

5 Other revenue

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
Write back of other payables and accruals	**7**	2,381
Others	**191**	294
	198	2,675

6 Other net (loss)/gain

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
Gain/(loss) on disposal of property, plant and equipment, net	**850**	(86)
Loss on surrender of the Lease (as defined and set out in note 10)	**(5,775)**	–
Write off of property, plant and equipment	**(17)**	–
Foreign exchange gain, net	**124**	100
	(4,818)	14

7 Loss before taxation

Loss before taxation is stated after (crediting)/charging:

	Six months ended 30 September	
	2026	2025
	$'000	*$'000*
(a) Finance income		
Interest income from bank deposits	**(66)**	(328)
(b) Finance costs		
Interest on loan from non-controlling interests	**6**	6
Interest on loan from a controlling shareholder	**1,779**	1,303
Interest on lease liabilities	**1,101**	–
	2,886	1,309
(c) Other items		
Cost of inventories sold	**5,587**	8,018
Depreciation charge:		
– Owned property, plant and equipment	**1,289**	4,251
– Right-of-use assets	**4,526**	506
Short-term lease payments not included in the measurement of lease liabilities	**93**	74

8 Income tax

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 September 2025: 16.5%) for the six months ended 30 September 2026.

Corporate Income Tax ("CIT") in the Chinese Mainland is calculated at 25% (six months ended 30 September 2025: 25%) of the estimated assessable profits of the relevant subsidiary for the six months ended 30 September 2026.

No provision for Hong Kong Profits Tax and CIT for the six months ended 30 September 2026 and 30 September 2025 has been made in respect of the subsidiaries in Hong Kong and Chinese Mainland as either the tax losses brought forward from previous years exceed the estimated assessable profits of the subsidiaries for the period or the subsidiaries have no estimated assessable profits in Hong Kong and Chinese Mainland during the period.

Pursuant to the "Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income" signed on 21 August 2006, the Chinese government may impose tax on dividends paid by a Chinese company to a resident of the Hong Kong Special Administrative Region ("HKSAR") (including natural person and legal entity), but such tax will not exceed 10% of the total amount of the dividends payable. If an HKSAR resident directly holds 25% or more of the equity interest in a Chinese company, such tax will not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol to the "Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income" issued by the State Administration of Taxation effective on 6 December 2019 stipulates that the arrangements or transactions made for the primary purpose of obtaining the above-mentioned tax benefits are not subject to the above-mentioned provisions. During the six months ended 30 September 2026, 5% (six months ended 30 September 2025: 5%) withholding tax rates was used for the Company's subsidiary and the Group's associate, respectively. No provision for dividend withholding tax (six months ended 30 September 2025: $59,000) was charged to profit or loss for the six months ended 30 September 2026 and no such withholding tax (six months ended 30 September 2025: $59,000) was paid during the current interim period.

9 Loss per share

(a) Basic loss per share

The calculation of the basic loss per share is based on the loss attributable to equity shareholders of the Company of $19,736,000 (six months ended 30 September 2025: $12,409,000) and the weighted average of 4,823,009,000 (six months ended 30 September 2025: 4,823,009,000) ordinary shares in issue during the interim period.

(b) Diluted loss per share

Diluted loss per share is the same as basic loss per share as there were no potential dilutive ordinary shares outstanding for the six months ended 30 September 2026 and 30 September 2025.

10 Property, plant and equipment and right-of-use assets

During the year ended 31 March 2026, given that the lease of premises located at Subsection 3 of Section S of Tseung Kwan O Town Lot No. 39 and Extension thereto ("the Lease") granted by Hong Kong Science and Technology Parks Corporation (the "HKSTP") is to be surrendered to HKSTP at zero consideration and the Group will not receive any compensation for the remaining lease term, the fair value less costs of disposal was determined to be nil. A full impairment loss of the premises located at the Lease (the "TKO Premises"), including their interests in buildings and leasehold land, and leasehold improvements, was recognised in profit or loss to write down to their recoverable amounts of nil at 31 March 2026.

On 23 March 2026, the Group entered into a tenancy agreement (the "Tenancy Agreement") with an independent third party to lease a property in Sheung Shui, New Territories (the "New Premises"), for the Group's industrial and business operations. The lease term spans three years, commencing on 1 April 2026 and expiring on 31 March 2029, with a monthly rental of $880,000 and a rent-free period from 1 April 2026 to 31 May 2026, and the Group has an option to renew the lease for a further term of two years. As the Group is reasonably certain to exercise the renewal option, the lease term for the purpose of IFRS 16 has been determined as five years ending 31 March 2031. Upon the commencement of the lease, the Group recognised a lease liability of $44,014,000, measured at the present value of the lease payments discounted at 5% per annum, and a right-of-use asset of $45,252,000, which included lease payments made before the commencement date and initial direct costs of $1,238,000 in aggregate. During the six months ended 30 September 2026, depreciation for the right-of-use asset and interest on lease liability charged to profit or loss were $4,526,000 (six months ended 30 September 2025: Nil) and $1,101,000 respectively (six months ended 30 September 2025: Nil).

Relocation to the New Premises was completed in September 2026, and on 30 September 2026, the Group and HKSTP formally signed and executed the Deed of Surrender. Accordingly, the Group has recognised a loss on surrender of the Lease amounting to $5,775,000 during the six months ended 30 September 2026 which is calculated by reference to (i) the zero consideration of surrender of the Lease; (ii) the net book value of the land and buildings of the Lease of nil as at 30 September 2026; and (iii) the expenses incurred incidental to the surrender of the Lease of $5,775,000. This amount was included in other net (loss)/gain (note 6).

Details of the update on relocation to the New Premises were disclosed in the announcements the Company dated 9 March 2026, 19 March 2026, 23 March 2026 and 7 May 2026 and 4 September 2026 respectively and the Circular, relating to, among others, the Tenancy Agreement in relation to the leasing of the New Premises dated 30 March 2026.

During the six months ended 30 September 2026, the Group acquired items of property, plant and equipment and right-of-use assets with aggregate cost of $65,670,000 (six months ended 30 September 2025: $134,000), including right-of-use assets of $45,252,000 recognised upon the commencement of the lease under the Tenancy Agreement on 1 April 2026, and property, plant and equipment of $20,418,000, mainly related to the leasehold improvements and related works at the New Premises.

11 Interests in associates

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
Share of net assets	**62,230**	60,710
Amount due from an associate *(note 11(c))*	**1,128**	–
	63,358	60,710
Represented by:		
Non-current portion	**62,230**	60,710
Current portion	**1,128**	–
	63,358	60,710

(a) Interest in an associate - An Jie Supply Chain Management Co., Ltd. ("An Jie")

During the year ended 31 March 2024, the Group entered into an agreement with a third party to acquire 13.16% issued shares in An Jie. The acquisition was completed on 19 January 2024. The total consideration of RMB50,000,000 (equivalent to approximately $54,995,000) was fully paid to the third party ("the Vendor") by cash. The transaction cost for the acquisition was $4,064,000. The total consideration paid by the Group for the investment was approximately $59,059,000.

A guarantee arrangement is included in the agreement. According to this arrangement, in the event that An Jie issues of new shares and should the valuation of An Jie after the completion of the proposed new issue of shares be less than RMB450,000,000, the Vendor shall compensate the Group by paying a sum of RMB5,000,000. It was classified as financial assets at fair value through profit or loss ("FVTPL") in accordance with IFRS 9.

As at 30 September 2026, the fair value of the financial assets at FVTPL was assessed to be RMB2,500,000 (equivalent to approximately $2,926,000) (31 March 2026: RMB2,500,000 (equivalent to approximately $2,840,000)). This amount was included in other receivables, deposits and prepayments in the condensed consolidated statement of financial position.

(b) Disposal of an associate

As at 31 March 2025, the Group owns 40% interests in an associate, Dugong IWS HAZ Limited ("DIWS"), with carrying amount of nil in the consolidated financial statements. On 26 September 2025, the Group entered into an agreement with Dugong Limited, a company owns the remaining 60% interests in DIWS, to dispose of the entire interests in DIWS at cash consideration of $1 ("DIWS S&P Agreement"). Accordingly, gain on disposal of an associate of $1 was recognised in profit or loss during the six months ended 30 September 2025. In accordance with the terms of DIWS S&P Agreement, the loans and amount due, that were fully impaired as at 31 March 2025, were waived together with the disposal during the six months ended 30 September 2025.

(c) Amount due from an associate

The amount due from an associate at 30 September 2026, which was denominated in RMB, was unsecured, interest-free and had no fixed terms of repayment.

12 Interests in joint ventures

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
Share of net liabilities	**(18,797)**	(23,056)
Loans to a joint venture *(note 12(a))*	**18,000**	18,000
Amounts due from joint ventures *(note 12(b))*	**41,581**	41,624
Less: Impairment *(note 12(a) and (b))*	**(22,185)**	(22,185)
	18,599	14,383
Represented by:		
Non-current portion	**18,439**	14,180
Current portion	**160**	203
	18,599	14,383

(a) Loans to a joint venture

At 30 September 2026, loans to a joint venture of $18,000,000 (31 March 2026: $18,000,000) were unsecured, interest-bearing at the rate of Hong Kong Interbank Offered Rate ("HIBOR") plus 4% per annum and repayable on demand. The loans were impaired at 30 September 2026 and 31 March 2026.

(b) Amounts due from joint ventures

The amounts due from joint ventures at 30 September 2026 and 31 March 2026 were unsecured, interest-free and had no fixed terms of repayment, in which $4,185,000 were impaired.

13 Trade receivables

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
Trade receivables	**3,595**	5,355
Less: Loss allowance	**(638)**	(638)
Trade receivables, net	**2,957**	4,717

As at the end of the reporting period, the ageing analysis of trade receivables, based on transaction date and net of loss allowance, is as follows:

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
0 - 30 days	**2,547**	3,510
31 - 60 days	**222**	1,172
61 - 90 days	**126**	69
91 - 120 days	**54**	–
Over 120 days	**646**	604
	3,595	5,355
Less: Loss allowance	**(638)**	(638)
	2,957	4,717

Payment terms granted to customers are mainly cash on delivery or on credit. The average credit period ranges from 10 days to 90 days.

14 Trade payables

As at the end of the reporting period, the ageing analysis of trade payables, based on the invoice due date, is as follows:

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
Current	**195**	510
1 - 30 days	**292**	177
31 - 60 days	**59**	37
61 - 90 days	**17**	19
91 - 120 days	**6**	14
Over 120 days	**312**	306
	881	1,063

The average credit period granted from suppliers mainly ranges from 5 days to 30 days.

15 Loan from a controlling shareholder

At 31 March 2026, loan with an amount of $50,000,000 from a controlling shareholder, Chow Tai Fook Nominee Limited, was unsecured, interest-bearing at the rate of HIBOR plus 2.5% per annum and repayable on 15 December 2026. The loan was fully repaid on 16 June 2026.

The Group entered into a new loan agreement during the year ended 31 March 2026 with its controlling shareholder for a total facility of $80,000,000, which was available for drawdown on or before 17 June 2026. The facility is unsecured and bears interest at a rate of HIBOR plus 2.5% per annum. Under the terms of this agreement, $50,000,000 shall be used to repay the existing loan, and $30,000,000 to be used for general working capital purposes, with a maturity of three years from the drawdown date. On 16 June 2026, the Group drew down an amount of $80,000,000 under this facility. At 30 September 2026, this unsecured and interest-bearing loan from a controlling shareholder of $80,000,000 is repayable on 15 June 2029 and is classified as a non-current liability.

Subsequently, on 30 October 2026, the Group entered into a new loan agreement with its controlling shareholder for a total facility of $20,000,000, which is available for drawdown on or before 30 January 2027. The facility is unsecured and bears interest at a rate of HIBOR plus 2.5% per annum. Under the terms of this agreement, $20,000,000 shall be used for general working capital purposes, with a maturity of three years from the drawdown date. Up to the date of this unaudited interim financial report, nil amount has been drawdown under this facility.

16 Capital and reserves

(a) Share capital

(i) Authorised share capital of the Company

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
Authorised:		
At 1 April 2025, 30 September 2025, 31 March 2026, 1 April 2026 and 30 September 2026		
7,500,000,000 ordinary Shares of $0.10 each	**750,000**	750,000

(ii) Issued share capital of the Company

	Number of ordinary shares *'000*	Amount *$'000*
Issued and fully paid:		
At 1 April 2025, 30 September 2025, 31 March 2026, 1 April 2026 and 30 September 2026	**4,823,009**	**482,301**

(b) Equity settled share-based transactions

Pursuant to the resolutions passed by the shareholders of the Company on 30 August 2023, the Company adopted a share option scheme ("Share Option Scheme") on 30 August 2023. The Share Option Scheme is valid and effective for a period of 10 years commencing from 30 August 2023 and the number of share options available for grant under the Share Option Scheme mandate is 482,300,900. Under the Share Option Scheme, no option has been granted, exercised nor cancelled since its adoption and up to 30 September 2026.

No expenses related to equity settled share-based payment transactions was recognised by the Group during the six months ended 30 September 2026 and 30 September 2025.

(c) Dividends

No dividends had been paid or declared by the Company for the six months ended 30 September 2026 (six months ended 30 September 2025: Nil).

17 Capital commitments

	At 30 September 2026 (Unaudited) *$'000*	At 31 March 2026 (Audited) *$'000*
Capital expenditure in respect of:		
– property, plant and equipment contracted but not provided for in the condensed consolidated financial statements	**2,560**	495

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

The operating environment in 2026 remained challenging, with customer spending discipline, competitive pricing pressure and broader macroeconomic uncertainty affecting demand and margins across several business lines. Broader geopolitical uncertainty and trade-related tensions continued to affect market sentiment and contributed to volatility in certain cost components. In the recycled materials market, the opening of the EcoPark waste paper pulping facility in July 2026 and the expiry of direct subsidy from Environmental Protection Department for local waste paper recyclers have adversely affected the demand and average unit prices for recovered paper. Despite the fact that market conditions remained competitive throughout the period under review, the Group has continued to provide solid waste management services in Hong Kong.

During the year ended 31 March 2026, the Group advanced its strategic transition from an asset-heavy to an asset-light operating model. In July 2025, the Group reached an agreement with Hong Kong Science and Technology Parks Corporation ("HKSTP") in relation to the surrender of the lease of the Group's headquarters at Tseung Kwan O (the "Surrender"). Following the cessation of plastic recycling and tissue paper production, with only Confidential Materials Destruction Service ("CMDS") and logistics operations remaining on-site, the premises at Tseung Kwan O (the "TKO Premises") had become materially underutilised and the associated upkeep costs were no longer justifiable. The Surrender is intended to alleviate long-term financial pressures, reduce property-related fixed costs, improve operational efficiency and redirect resources towards CMDS and logistics operations, with a focus on maintaining the highest standards of security, confidentiality and service continuity for our clients.

On 30 September 2026, the Group and HKSTP formally signed and executed the Deed of Surrender. Accordingly, the Group has recognised a loss on the Surrender amounting to $5,775,000 during the six months ended 30 September 2026, which is calculated by reference to (i) the zero consideration of Surrender; (ii) the net book value of the TKO Premises of nil as at 30 September 2026; and (iii) the expenses incurred incidental to the Surrender of $5,775,000. Following the successful relocation of the Group's head office including its CMDS and logistics operations to a newly leased facility in Sheung Shui ("New Premises") in September 2026, the Group has resumed normal business operations.

FINANCIAL REVIEW

	6 months ended 30.09.2026 HK$'000	6 months ended 30.09.2025 HK$'000	**Fav./(Unfav.) Change HK$'000**	**%**
Results of operating segments	**(7,499)**	(1,619)	**(5,880)**	**(363.2)**
Net corporate expenses	**(21,037)**	(17,703)	**(3,334)**	**(18.8)**
	(28,536)	(19,322)	**(9,214)**	**(47.7)**
Share of results of associates	**791**	1,199	**(408)**	**(34.0)**
Share of results of joint ventures	**8,009**	5,714	**2,295**	**40.2**
Loss attributable to equity shareholders of the Company	**(19,736)**	(12,409)	**(7,327)**	**(59.0)**

The loss attributable to equity shareholders of the Company for the six months ended 30 September 2026 (the "Current Period") amounted to HK$19.7 million, an increase of approximately HK$7.3 million loss compared to the six months ended 30 September 2025 (the "Last Period").

Results of operating segments decreased by HK$5.9 million or 363.2% which was mainly caused by the decline in profit margin of **Recovered Paper** business, together with the relocation expenses, depreciation charge of right-of-use assets and interest on lease liabilities in relation to the New Premises incurred in the Current Period. Net corporate expenses increased by HK$3.3 million or 18.8% was primarily due to the reinstatement costs of the TKO Premises amounting to HK$5.8 million, partly compensated by the cost control measures initiated by the management throughout the year.

Share of results of joint ventures has been improved by HK$2.3 million or 40.2% in the Current Period, supported by the increased contribution from the WEEE joint venture which had recorded an increase in collection tonnage in the Current Period.

Revenue Analysis

	6 months ended 30.09.2026 HK$'000	6 months ended 30.09.2025 HK$'000	**Fav./(Unfav.) Change HK$'000**	**%**
Sales of Recovered Paper	**9,762**	13,275	**(3,513)**	**(26.5)**
CMDS service income	**5,828**	5,869	**(41)**	**(0.7)**
Logistics service income	**1,229**	1,236	**(7)**	**(0.6)**
Sales of tissue paper products	**–**	200	**(200)**	**(100.0)**
Sales of other waste materials	**73**	80	**(7)**	**(8.8)**
	16,892	20,660	**(3,768)**	**(18.2)**

The revenue of **Recovered Paper** business was HK$9.8 million, a decline of HK$3.5 million or 26.5% as compared to the Last Period, due to decrease in sales quantity of 20.5% and decrease in unit selling price of 7.5% during the Current Period. The sales revenue of recovered office paper generated from the CMDS services has also decreased by HK$2.1 million or 18.6%, caused by the decrease in sales quantity and unit selling price of 11.5% and 8.1% respectively. Accordingly, the gross profit of Recovered Paper has decreased by HK$1.4 million or 24.9% from HK$5.7 million to HK$4.3 million. Gross profit margin remained constant as Last Period, which slightly increased from 42.7% to 43.6%, as the unit purchase costs also decreased in line with the decrease in unit selling price.

CMDS service income amounted to HK$5.8 million in the Current Period, with only 0.7% slight decrease when compared to the Last Period. Our CMDS business remained as the core business segment of the Group. Keen competition and pressure from customers asking for lower service charges affected the income growth.

Our **Logistics** Division primarily focuses on providing support services to other business segments of the Group, and it also plays a major role in the transportation of **waste electrical and electronic equipment ("WEEE")** items to the treatment plant of our joint venture. Logistics service income amounted to HK$1.2 million which was similar to the Last Period.

The joint venture with ALBA Group for treatment and recycling of **WEEE** continued to be one of the major income contributors, with share of HK$8.0 million of profit to the Group in the Current Period.

An Jie Supply Chain Management Co., Ltd. ("An Jie"), an associate acquired on 19 January 2024, continued to operate in the specialised logistics sector, serving clients in the new energy vehicle and chemical industries. An Jie has contributed share of HK$0.8 million of profit to the Group in the Current Period. The Group is continuing to have strategic discussions with An Jie and aims to broaden its market coverage.

Gross Profit and Gross Profit Margin

The Gross Profit of the Group for the Current Period was HK$7.7 million, decreased by approximately HK$1.6 million or 17.8% when compared to the Last Period, mainly due to the decline in the profitability of Recovered Paper. The Gross Profit Margin maintained at the same level as Last Period, which were 45.4% and 45.2% for Current Period and Last Period respectively.

Selling, Distribution, Administrative and Other Operating Expenses

Selling, Distribution, Administrative and Other Operating Expenses amounted to a total of HK$28.8 million, representing a decrease of HK$1.8 million or 5.8% when compared to the Last Period due to the cost control measures initiated by the management, partly offset by the incurrence of one-off relocation expenses to the New Premises.

Loss Before Interest, Tax, Depreciation and Amortisation ("LBITDA")

LBITDA increased by approximately HK$4.3 million, from HK$6.8 million in the Last Period to HK$11.1 million in the Current Period, mainly caused by the reinstatement costs of TKO Premises and relocation costs of New Premises amounting to HK$7.1 million, partly compensated by the improvement in share of results of joint ventures and the cost control measures initiated by the management throughout the year.

Liquidity and Financial Resources

The Group operates a centralised treasury function to monitor its cashflow and funding requirements. The Group considers it prudent to finance long-term growth by long-term modes of financing and especially prefers equity since it does not increase recurring finance costs. The Group acknowledges that it may encounter difficulties in raising funds from financial institutions by way of debt because of its recent financial performance.

As at 30 September 2026, the Group had unrestricted bank deposits and cash of approximately HK$10.3 million (31 March 2026: HK$16.7 million).

The Group had a loan from non-controlling interests of approximately HK$0.4 million which is unsecured and repayable on demand (31 March 2026: HK$0.4 million) and a loan from a controlling shareholder of HK$80.0 million which is unsecured and repayable in full on 15 June 2029 (31 March 2026: HK$50.0 million which is unsecured and repayable in full on 15 December 2026) as at 30 September 2026.

The Group entered into a loan agreement during the year ended 31 March 2026 with its controlling shareholder for a total facility of HK$80.0 million, which is unsecured and available for drawdown on or before 17 June 2026. Under the terms of this agreement, HK$50.0 million shall be used to repay the existing loan, and HK$30.0 million to be used for general working capital purposes, with a maturity of three years from the drawdown date. During the six months ended 30 September 2026, the Group drew down an amount of HK$80.0 million under this facility, which is repayable on 15 June 2029.

Subsequently, on 30 October 2026, the Group entered into a new loan agreement with its controlling shareholder for a total facility of HK$20.0 million, which is available for drawdown on or before 30 January 2027. The facility is unsecured and bears interest at a rate of HIBOR plus 2.5% per annum. Under the terms of this agreement, HK$20.0 million shall be used for general working capital purposes, with a maturity of three years from the drawdown date.

The Group had no bank loans and overdrafts as at 30 September 2026 (31 March 2026: Nil). As at 30 September 2026, the Group has a net debt balance of HK$70.1 million (cash in hand less loan from a controlling shareholder and loan from non-controlling interests) (31 March 2026: HK$33.7 million) and the gearing ratio of the Group (net debt over total equity) was 196.9% (31 March 2026: 62.9%).

As at 30 September 2026, the Group had net current assets of approximately HK$7.0 million, compared to net current liabilities of approximately HK$23.6 million as at 31 March 2026. The current ratio of the Group was 1.4 as at 30 September 2026 compared to 0.6 as at 31 March 2026.

The Group will continue to monitor its cash position and explore all possible financing options as and when required.

Foreign Exchange Exposure

The Group mainly operates in Hong Kong with most of its sales denominated in Hong Kong dollars. Most of raw materials purchases are denominated in Hong Kong dollars. The Group's monetary assets and liabilities are principally denominated in Hong Kong dollars, Renminbi and United States dollars. Certain associated companies have local currency project loans in place, which are naturally hedged as their revenues are also denominated in the same local currency of the entity concerned.

During the Current Period, the Group recorded a net foreign exchange gain of HK$0.1 million (six months ended 30 September 2025: HK$0.1 million) due to appreciation of the Renminbi. The Group has not used any forward contracts, currency borrowings or other means to hedge its foreign currency exposure.

Major Capital Expenditure and Commitments

During the Current Period, the Group incurred capital expenditure of HK$20.4 million in respect of the New Premises. As at 30 September 2026, the Group has capital commitments of approximately HK$2.6 million, which are mainly related to the acquisition of leasehold improvements and related works at the New Premises.

Pledge of Assets

As at 30 September 2026, the Group had no pledge of assets (31 March 2026: Nil).

Contingent Liabilities

As at 30 September 2026, the Group still had certain claims against its former directors and employees and the outcomes of which remain to be seen.

Employees and Remuneration Policies

The Group employed approximately 85 staff members in Hong Kong as at 30 September 2026. Employee costs, including directors' emoluments, amounted to HK$19.2 million for the six months ended 30 September 2026 (six months ended 30 September 2025: HK$20.1 million).

All of the Group companies are equal opportunity employers, with the selection and promotion of employees based on suitability for the position offered. The Group also believes that, with proper training and guidance, people with intellectual disabilities can be capable, loyal and conscientious workers to contribute to society. By providing job opportunities to people with intellectual disabilities, we can enhance their social integration and assist them in seeking open employment.

We strictly comply with relevant laws and regulations related to occupational health and safety and we are equally committed to the health and safety of our workforce. Regular training and site inspections are conducted to maintain safe working conditions across all operations. Our CMDS is certified as OSH Star Enterprise by the Occupational Safety and Health Council. A Safety Management Committee is in place to ensure occupational health and safety policies are up-to-date, by serving as a channel to facilitate actions related to safety issues within the Group.

OUTLOOK AND PROSPECT

Going forward, the Group remains cautiously optimistic about the long-term development of the environmental services sector, while recognising the near-term challenges posed by subdued economic conditions, intense competition and rising operating costs.

The completion of the surrender of the TKO Premises and the successful relocation to the New Premises are expected to support the Group's transition to a leaner operating platform with lower long-term fixed commitments. We expect stable revenue streams from our high-quality CMDS services and an efficient logistics fleet.

In the WEEE segment, the enhanced Producer Responsibility Scheme on Waste Electrical and Electronic Equipment ("WPRS") has expanded to cover additional categories of regulated electrical equipment, which supported the increasing WEEE collection and processing volumes. The Group will continue to collaborate closely with its joint venture partner to address the Government arrangements prior to the expiration of the current operating contract in 2027.

Shifting market dynamics in logistics and supply chain management, especially related to new energy technologies and chemical logistics, offers avenues for expansion. Despite intense price competition and ongoing macroeconomic headwinds in the Chinese Mainland, the Group maintains a cautiously optimistic outlook for An Jie, driven by sustained demand within the new energy logistics sector. Concurrently, the Group remains focused on mitigating pricing pressures and managing cost volatility across both cross-border and overland logistics routes.

Facing a squeeze in operating margin by the Government's current designated purchasing price framework in the waste paper market, the Group will continue to adopt a disciplined approach to cost control, capital allocation and liquidity management to alleviate such impact. The management will continue to focus on strengthening its core businesses and delivering sustainable long-term value to shareholders.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2026 (Interim dividend for the Last Period: Nil).

CHANGE OF HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company relocated its head office and principal place of business in Hong Kong to Units B1 – B23 G/F, Jumbo Plaza, 6 Choi Fai Street, Sheung Shui, New Territories, Hong Kong on 7 September 2026. Following the relocation, the Group has resumed its normal business operations.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to maintain a high standard of corporate governance and has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix C1 to the Listing Rules. The Company has complied with the code provisions set out in the CG Code throughout the six months ended 30 September 2026.

The Company will continue improving its corporate governance that is conducive to the conduct and growth of its business, and aligning the corporate culture of good governance with its purpose, value and strategy, thereby meeting the expectations of shareholders and investors.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its own code for dealing in securities of the Company by the Directors.

Having made specific enquiries by the Company with the directors of the Company ("Directors"), all Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 September 2026.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS BY RELEVANT EMPLOYEES OF THE COMPANY

The Company has also adopted Code for Securities Transactions by Relevant Employees (the "Own Code") on no less exacting terms than the Model Code for governing securities transactions by employees who are likely to be in possession of inside information of the Company or its securities. No incident of non-compliance of the Own Code by any relevant employee was noted by the Company during the six months ended 30 September 2026.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee of the Company comprises three independent non-executive Directors, namely, Mr. Wong Man Chung, Francis (chairman of the Audit Committee), Mr. Chow Shiu Wing, Joseph and Mr. Chan Ting Bond, Michael and two non-executive Directors, namely Mr. Cheng Chi Ming, Brian and Mr. Lee Chi Hin, Jacob.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited interim results of the Group for the six months ended 30 September 2026 with the management and the external auditor, Crowe (HK) CPA Limited. The unaudited interim financial report of the Group for the six months ended 30 September 2026 has been reviewed by the Company's external auditor, Crowe (HK) CPA Limited, in accordance with International Standard on Review Engagements 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*, issued by International Auditing and Assurance Standards Board.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 September 2026.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the Company's website (www.iwsgh.com) and the designated website of the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 September 2026 containing all the information required by the Listing Rules will be despatched to the Company's shareholders and published on the above websites in due course.

By order of the Board
Integrated Waste Solutions Group Holdings Limited
Cheng Chi Ming, Brian
Chairman

Hong Kong, 27 November 2026

As at the date of this announcement, the Board comprises one executive Director, Mr. Tam Sui Kin, Chris; three non-executive Directors, namely, Mr. Cheng Chi Ming, Brian (Chairman), Mr. Lee Chi Hin, Jacob and Ms. Luey Sisi, Doris; and three independent non-executive Directors, namely, Messrs. Chow Shiu Wing, Joseph, Wong Man Chung, Francis and Chan Ting Bond, Michael.