

**Press Release**
**Everbright Water Announces 2023 Annual Results**
**Financial Highlights**

(HK\$'000)	For the year ended 31 December		Year-on-Year Change
	2023	2022	
<b>Revenue</b>	<b>6,704,684</b>	6,727,967	(0.3%)
<b>Gross profit</b>	<b>2,822,383</b>	2,563,987	10%
<b>Gross profit margin (%)</b>	<b>42</b>	38	4 ppt*
<b>EBITDA</b>	<b>2,469,511</b>	2,180,523	13%
<b>Profit attributable to equity holders of the Company</b>	<b>1,187,412</b>	1,010,565	17%
<b>Basic earnings per share</b> (HK cents)	<b>41.51</b>	35.32	17%
<b>Final dividend per share</b> (HK cents) (equivalent to Singapore cent)	<b>5.81</b> <b>0.99</b>	5.14 0.86	13% 15%
<b>Total dividend per share</b> (HK cents) (equivalent to Singapore cents)	<b>12.44</b> <b>2.12</b>	10.59 1.84	17% 15%

(\* ppt: percentage point)

**Singapore and Hong Kong, 27 February 2024** - China Everbright Water Limited (“Everbright Water” or the “Company”; stock codes: U9E.SG and 1857.HK), an environmental protection company focusing on water environment management, today announced the consolidated annual results of the Company and its subsidiaries (collectively the “Group”) for the financial year ended 31 December 2023 (“FY2023” or “year under review”).

In terms of operating results for FY2023, the Group made steady progress, and recorded a revenue of HK\$6.70 billion, representing a slight decrease of 0.3% from HK\$6.73 billion in the financial year ended 31 December 2022 (“FY2022”); earnings before interest, taxes, depreciation and amortisation (“EBITDA”) were HK\$2.47 billion, representing an increase of 13% from HK\$2.18 billion in FY2022; the profit attributable to equity holders of the Company reached HK\$1.19 billion, representing an



**China Everbright Water Limited**  
*(Incorporated in Bermuda with limited liability)*  
*(Stock Codes: U9E.SG, 1857.HK)*

increase of 17% from HK\$1.01 billion in FY2022; basic earnings per share were HK41.51 cents, representing an increase of 17% from HK35.32 cents in FY2022; overall gross profit margin was 42%, up by 4 ppt compared to 38% in FY2022. The Group has ready access to various diversified financing channels, holds quality assets and sufficient funds, maintains a reasonable gearing ratio, and is in a healthy financial position.

In relation to market expansion for FY2023, despite the exceptionally challenging market conditions, the Group, with a focus on the “water-related” business, solidified and enhanced its advantages in the traditional business and actively explored opportunities in asset-light business areas. As a result, the Group managed to achieve a balance between the asset-light and asset-heavy businesses in its business expansion and development, and achieved breakthroughs in various aspects, such as its geographical markets, scopes of business, and business models. Securing Guangdong Nanxiong Livestock and Poultry Manure Resource Utilisation Project, which is the Group’s first project in the Guangdong Province and the Guangdong-Hong Kong-Macao Greater Bay Area, marks the Group’s entry into the field of livestock and poultry manure resource utilisation. This project enables the Group to expand its water environment management business into the areas of non-point source pollution control and rural environmental management, widening the scope of its “water-related” businesses. By adopting the EPCO (Design-Procurement-Construction-Operation) model, the Group undertook water projects in Lianshui County of Huai’an City, and Jiangyin High-tech Zone, Jiangsu Province. By adopting this asset-light business model, the Group was able to make full use of its experience and advantages in operations management to serve external clients. This also represents the practical achievements resulting from the collaboration with the local government authorities to explore new business models in public utilities and environmental management. Furthermore, the Group continued to focus on the “water-related” concept and established dedicated research teams to brainstorm new ideas, conduct in-depth research and formulate new strategies and plans on a wide range of topics, such as “low-carbon development + new rural areas” and “industrials + water-related areas”, as well as zero-discharge of waste water and ecological buffer zones.



**China Everbright Water Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock Codes: U9E.SG, 1857.HK)

In FY2023, the Group invested in and secured 6 new projects and signed 1 supplementary agreement for an existing project, involving a total investment of approximately RMB1.213 billion, with an additional designed daily municipal waste water treatment capacity of 45,000 m<sup>3</sup>, designed daily industrial waste water treatment capacity of 60,000 m<sup>3</sup>, designed daily reusable water supply capacity of 15,000 m<sup>3</sup> and designed daily livestock and poultry manure capacity of 300 tonnes. In addition, during the year under review, the Group undertook 2 operation and management (“O&M”) projects (excluding a renewed O&M project), 3 EPCO projects and other asset-light projects and services, involving a total contract value of approximately RMB1.914 billion; among which, the newly undertaken O&M and EPCO projects contributed an additional designed daily waste water treatment capacity of 100,000 m<sup>3</sup>. As at 31 December 2023, the Group invested in and held 166 projects, with a total investment of approximately RMB30.780 billion. In addition, it undertook various asset-light projects and services, such as O&M, engineering, procurement and construction, EPCO, equipment supply and technical services.

As for technological innovation, the Group has been adhering to the philosophy of “Development Driven by Technological Innovation” and continued its effort on carrying out relevant works. In FY2023, the Group initiated more than 10 research and development projects, covering various topics, including intelligent water plants, iris valves and venturi valves, and sludge ultra-high-pressure filtration test system, all of which resulted in multiple achievements. The Group also completed the development of its intelligent management platform, which was put under a trial run. Additionally, the Group actively participated in the formulation of industrial standards such as *Technical Specification for Greenhouse Gas Monitoring of Sewage and Waste Water Treatment Plants*. During the year under review, the Group provided its in-house developed technological processes to both internal and external clients, which amounted to a total contract value of approximately RMB192 million; and was newly granted 28 patents (including 7 invention patents and 21 utility model patents).

In terms of operations management, the Group continuously focused on energy saving, cost reduction, efficiency enhancement, and opened up new revenue sources through green measures. In FY2023,

in order to reduce its costs and enhance the efficiency of its operations management from different aspects, the Group carried out on-site counselling on project operation (the “Counselling Program”), and construction of the intelligent water plants. Additionally, the Group also launched the “Five Innovations” initiative (which refers to small inventions, small transformations, small innovations, small designs, and small suggestions), and the “in-plant solar energy” project. During the year under review, nearly 50 operating projects of the Group participated in the Counselling Program, resulting in significant optimisation and improvement of project management. The intelligent water plants operations management system was applied to all the operating projects of the Group. Following the issuance and implementation of the *Standards for Everbright Water’s Intelligent Waste Water Treatment Plants* and other standards, the operations management of the Group’s projects was further enhanced. Over 20 achievements under the “Five Innovations” initiative were promoted across projects under the Group, effectively enhancing project management, cost control, energy saving, emission reduction, and efficiency. The “in-plant solar energy” project had been implemented in an orderly manner. As at 31 December 2023, 4 solar power generation facilities projects were put into operation. These facilities generated over 10 million kWh of green electricity during the year under review, while the implementation of solar power generation facilities in 10 other projects were in progress. In FY2023, 11 waste water treatment plants of the Group received regulatory approval for tariff hikes, ranging from 4% to 36%, and subsidies of approximately RMB33 million in total were granted to the Group. Moreover, the Group treated approximately 1.749 billion m<sup>3</sup> of waste water and supplied approximately 46 million m<sup>3</sup> of reusable water.

In relation to project construction for FY2023, the Group consistently applied the principle of “Building for Use” by planning the progress of construction according to the operation needs, thereby enhancing the project construction capability and improving the quality of construction. During the year under review, the Group had 18 projects that commenced construction, with a designed daily waste water treatment capacity of 325,000 m<sup>3</sup>; and 13 projects that completed construction and commenced operation, with a designed daily waste water treatment capacity of 130,000 m<sup>3</sup>. As at 31 December 2023, the Group had 9 projects in the preparatory stage, with a designed daily waste water treatment capacity of 292,000 m<sup>3</sup>.



**China Everbright Water Limited**  
*(Incorporated in Bermuda with limited liability)*  
*(Stock Codes: U9E.SG, 1857.HK)*

In terms of capital market for FY2023, the Group continued to diversify its financing channels, applied different financing tools in a proper and appropriate manner to effectively enhance the liquidity level, and optimised the capital structure to further strengthen the financial support for its overall operation and development.

**Mr. Tao Junjie, Executive Director and CEO of Everbright Water**, said: “In the year of 2023, despite the unpredictable external environment and the ongoing adjustment phase of the industry, Everbright Water adhered to the development principle of ‘Striving for Steady Progress’, and maintained its strategic focus. While focusing on the ‘water-related’ business, the Group proactively explored new areas and innovations to solidify its foundation and provide strong support. The Group also improved its quality to increase profit, formulated plans for future development based on the current situation, and nurtured its corporate culture to enhance its corporate image. As such, the Group recorded positive results in its major operating indicators with a healthy financial position, embarking on a journey of green, low-carbon and high-quality development, and maintaining its industry-leading position. Next, the Group will strive to ensure stability in strategy, operations and management to solidify the foundation for development, and explore opportunities in the market, recruit new talents and seek innovation to facilitate high-quality development and enhance industrial value.”

**Mr. Hu Yanguo, Executive Director and Chairman of Everbright Water**, said: “Being the Group’s 20<sup>th</sup> anniversary, the year 2023 symbolised Everbright Water’s unwavering determination and advancement, fueled by its enduring passion and dedication. Everbright Water remained steadfast and committed to its mission and vision over the past two decades. Following the implementation of China’s ecological civilisation, its economy and society continued to forge ahead on an accelerated path towards a green and low-carbon development. The relevant top-level design and deployment set forth by the Chinese government have provided positive guidance for the transformation, upgrading, and high-quality development of the environmental protection industry and the industry players in the face of transitional challenges. As such, the Group will remain true to its commitment to protecting the water environment, maintaining unwavering determination



**China Everbright Water Limited**  
*(Incorporated in Bermuda with limited liability)*  
*(Stock Codes: U9E.SG, 1857.HK)*

and embracing professionalism. With a focus on the ‘water-related’ business field, the Group will uphold the direction of ‘Striving for Steady Progress in Pursuit of Stability’. Guided by the strategic directions of the board of directors of the Company and with the confidence and support of all stakeholders, the Group will hold fast to its aspirations and forge ahead with confidence towards the development of its vision of ‘Creating Value to Industries through Various Water-Related Businesses’, striving to build a new development paradigm and align itself more effectively with national strategies.”

*-End-*



**China Everbright Water Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock Codes: U9E.SG, 1857.HK)

### **About China Everbright Water Limited**

China Everbright Water Limited (“Everbright Water” or the “Company”) is an environmental protection company focusing on water environment management. The Company is listed on the Mainboard of the Singapore Exchange Securities Trading Limited and the Main Board of The Stock Exchange of Hong Kong Limited (stock codes: U9E.SG and 1857.HK) with its controlling shareholder being China Everbright Environment Group Limited (stock code: 257.HK).

The Company has developed a full-fledged business coverage, which includes raw water protection, water supply, municipal waste water treatment, industrial waste water treatment, reusable water, river-basin ecological restoration, and sludge treatment and disposal. Meanwhile, the Company has also formed a full industry chain in the water business, including project investment, planning and design, technological research and development, engineering and construction, and operations management, among others. It is determined to create value to industries through various water-related businesses. The Company’s geographical footprint spans across East, Central, South, North, Northeast and Northwest China, covering 13 provinces, municipalities and autonomous regions, namely Beijing, Tianjin, Hebei, Jiangsu, Zhejiang, Shandong, Shaanxi, Henan, Hubei, Liaoning, Guangdong, Guangxi Zhuang Autonomous Region, and Inner Mongolia Autonomous Region. The Company also has a business presence in Mauritius. To date, the Company’s designed daily water treatment capacity exceeds 7.4 million m<sup>3</sup>.

For more information, please visit the Company’s official website at <http://www.ebwater.com>.

#### **For media inquiries, please contact:**

China Everbright Water Limited  
Corporate Communications  
Email: [media@ebwater.com](mailto:media@ebwater.com)

Citigate Dewe Rogerson

Chia Hui Kheng (Singapore)

Email: [huikheng.chia@citigatedewerogerson.com](mailto:huikheng.chia@citigatedewerogerson.com)

Tel: +65 6534 5122

Frida Li (Hong Kong)

Email: [frida.li@citigatedewerogerson.com](mailto:frida.li@citigatedewerogerson.com)

Tel: +852 3103 0136

#### **For investor relations inquiries, please contact:**

China Everbright Water Limited

Investor Relations

Email: [ir@ebwater.com](mailto:ir@ebwater.com)