

Press Release

Everbright Water Announces 2024 Annual Results

Financial Highlights

(HK\$'000)	Full Year Ended 31 December		Year-on-Year Change (increase/ (decrease))
	2024	2023	
Revenue	6,851,918	6,704,684	2%
Gross Profit	2,617,462	2,822,383	(7%)
Gross Profit Margin (%)	38	42	(4ppt*)
EBITDA	2,197,255	2,469,511	(11%)
Profit Attributable to Equity Holders of the Company	1,019,609	1,187,412	(14%)
Basic Earnings per Share	(HK cents) 35.64	41.51	(14%)
Final Dividend per Share	(HK cents) (equivalent to Singapore cent(s)) 5.81 1.02	5.81 0.99	no change 3%
Full-Year Dividend per Share	(HK cents) (equivalent to Singapore cents) 11.90 2.07	12.44 2.12	(4%) (2%)

(*ppt: percentage point)

Singapore and Hong Kong, 25 February 2025 - China Everbright Water Limited (“Everbright Water” or the “Company”; stock codes: U9E.SG and 1857.HK) (中國光大水務有限公司), an environmental protection company focusing on water environment management, announced today the consolidated annual results of the Company and its subsidiaries (collectively, the “Group”) for the financial year ended 31 December 2024 (“FY2024” or the “year under review”).

In terms of operating results for FY2024, by prioritising development as its primary task, the Group navigated both internal and external challenges to deliver steady operating performance. It recorded a revenue of HK\$6.85 billion, representing an increase of 2% compared to the financial

year ended 31 December 2023 (“FY2023”); earnings before interest, taxes, depreciation and amortisation (“EBITDA”) were HK\$2.20 billion, representing a decrease of 11% compared to FY2023; profit attributable to equity holders of the Company reached HK\$1.02 billion, representing a decrease of 14% compared to FY2023; basic earnings per share were HK35.64 cents, representing a decrease of 14% or HK5.87 cents compared to FY2023; overall gross profit margin was 38%, down by 4 ppt compared to FY2023. The Group has ready access to diversified financing channels, holds quality assets, and maintains a healthy financial position.

In relation to market expansion, during the year under review, the Group adopted strategies that focused on strengthening its existing business areas and exploring new business fields while balancing both asset-light and asset-heavy businesses to foster synergistic growth. The Group also reinforced its traditional business strength through investments and implementation of several municipal waste water treatment projects, including Anyang Municipal Waste Water Treatment Centre Phase I Project in Henan Province. Focusing on the industrial waste water treatment sector, the Group secured several asset-light projects including Jiangsu Jiangyin Lingang Industrial Waste Water Treatment Plant and Ancillary Pipeline Network Phase I EPCO (Engineering Design-Procurement-Construction-Operation) Project, as well as Zhengzhou Airport Economy Zone Waste Water Treatment (Plant 4) Construction, Operation and Management (“O&M”) Project in Henan Province. Through the adoption of various business models, these efforts further integrated the Group’s core business capabilities and expanded its business scope to include comprehensive industrial park waste water treatment services. Leveraging its technical service entities such as Xuzhou Municipal Engineering Design Institute Co., Ltd., the Group enhanced its service capability in the asset-light business to deliver high-value services, further improving synergistic development of both asset-light and asset-heavy businesses. Meanwhile, the Group continued exploring opportunities in the “water-related” business sector, gaining valuable experience for future expansion of innovative projects. During the year under review, the Group proactively strengthened its business expansion team for markets outside mainland China and optimised the relevant systems, with a particular focus on identifying expansion opportunities in regions such as Southeast and Central Asia. The Group successfully secured several asset-light projects, including a water supply equipment service project in Bengkalis, Indonesia, and a technological

process service for a petrochemical waste water treatment project in Egypt. In addition, a Memorandum of Understanding was signed to explore opportunities for cooperation in the industrial estate of Siak Regency, Riau Province, Indonesia. The signing was supported by a delegation of relevant business representatives, with the aim of fostering business exchanges and collaboration in the water sector.

In FY2024, the Group invested in and implemented 5 new projects and signed 2 supplementary agreements to its existing projects, with a total investment value of approximately RMB896 million. It also undertook various new asset-light businesses externally such as O&M, technical services and technological processes, with a total contract value of approximately RMB1.033 billion, with an additional designed daily municipal waste water treatment capacity of 103,000 m³, designed daily industrial waste water treatment capacity of 80,000 m³, and designed daily reusable water supply capacity of 9,000 m³ (including the treatment and supply capacity of O&M projects). As at 31 December 2024, the Group invested in and held 171 environmental protection projects, with a total investment of approximately RMB31.675 billion. In addition, it undertook various asset-light business, including 12 O&M services, as well as a range of engineering, procurement and construction (EPC) projects, EPCO projects, equipment supply and technical services. The total designed daily water treatment and supply capacity of the Group's investment projects and O&M projects exceeded 7.6 million m³.

In terms of technological innovation, during the year under review, the Group focused on technology empowerment, driving technology research and innovation to address market pain points and challenges, while strengthening the application and commercialisation of technological innovation achievements. Focusing on operational and technical improvements, the Group made progress in areas such as aerator cleaning in waste water treatment projects, in-situ sludge reduction technology, and sulfur-based autotrophic biological denitrification plants pilot testing and research, further promoting cost reduction and efficiency enhancement in project operations. To support industrial waste water treatment advancements, one research and development base was established in Nanjing, Jiangsu Province, and another in Zibo, Shandong Province. These facilities provide

experimental support for business development and scientific research. Through follow-up services and systematic analysis of technical issues, the Group actively refined and improved the quality of its self-developed technological processes. In FY2024, the Group delivered a range of technological processes to both internal and external clients, with a total contract value of approximately RMB124 million. Additionally, 48 new patents (including 8 invention patents) were obtained, and 2 key research papers were published.

In terms of operations management, during the year under review, the Group leveraged digitalisation, innovative models, the “Five Innovations” initiative (small inventions, small transformations, small innovations, small designs, and small suggestions), and other key initiatives to enhance project operations management, diversify income streams, and improve efficiency, further exploring an operational service model that integrates operation, technology and data. Some of the Group’s projects implemented energy management contracting, making technological energy-saving improvements to reduce costs and increase efficiency. Some projects of the Group recycled residual oxygen to generate additional profit. The Group further refined evaluation criteria for star-rated factories, continuously improving the quality and efficiency of “intelligent water plant” construction. Based on industry exchanges and in-depth learning, the Group explored the development of a “dark factory” technical framework and an implementation roadmap that meets the Group’s needs. Additionally, the Group further solidified the “Solar Power +” model that integrates new energy with environmental protection business scenarios. As at 31 December 2024, 7 projects of the Group had seen their solar power facilities commence operation, with a total installed capacity of approximately 14 MWp, generating over 13 million kWh of green electricity per annum. In FY2024, 5 waste water treatment plants of the Group received regulatory approval for tariff hike, ranging from 6% to 87%, and secured subsidies of approximately RMB41 million in total. Additionally, in FY2024, the Group treated approximately 1.763 billion m³ of waste water and supplied approximately 48.5 million m³ of reusable water.

In relation to project construction, during the year under review, the Group focused on comprehensive management of projects under construction and in the planning stage, ensuring the

orderly progress of all construction activities. This resulted in the Group achieving the “three zeros” goal – zero incident in safety, environment, and occupational health – across all construction projects for the third consecutive year, maintaining high safety standards. A key milestone was that Guangdong Nanxiong Livestock and Poultry Manure Resource Utilisation Project (“Nanxiong Project”), as the Group’s first demonstration project in the area of “rural non-point source pollution management + comprehensive resource utilisation”, was completed and put into operation during the year under review, laying a solid foundation for the Group to create new business growth. In FY2024, the Group had 8 projects that commenced construction, with a designed daily water treatment capacity of 154,000 m³; and 13 projects that either completed construction or commenced operation upon completion, with a total designed daily water treatment capacity of 209,000 m³. Among which, Nanxiong Project, which commenced construction and began operation within the same year, has a daily livestock and poultry manure treatment capacity of 300 tonnes.

In terms of the capital market, during the year under review, the Group continued to actively explore diverse financing channels and enhance the effectiveness of its financing management, providing stable financial support for its development and operations. It further reduced financial costs by optimising the loan tenures, currencies and interest rates, while also enhancing its collection of trade receivables to mitigate liquidity risks.

Mr. Tao Junjie, Executive Director and CEO of Everbright Water, said: “Everbright Water, with a focus on green, low-carbon, and high-quality development in 2024, adhered to the principle of ‘Making Progress with Stability’ and concentrated on its primary responsibilities and key business areas. With a strong momentum for growth, the Group began to harness innovation, further reinforcing its position as an industry leader. Moving forward, the Group will closely align with China’s key national policies and guidelines, focusing on the ‘water-related’ areas. Through measures such as improving the quality and efficiency of existing assets, the Group will strive to drive endogenous growth. It will enhance efforts to facilitate external development by deeply integrating environmental protection and energy, as well as leveraging measures such as digitalisation, intelligent applications and technology-driven initiatives. Additionally, the Group will

comprehensively improve its overall support capabilities in areas such as talent development, capital management, creating new-quality productive forces, safety and environmental management, and corporate culture. These measures will assist the Group in achieving high-quality development and working together with all sectors of society to build a green and sustainable beautiful future.”

Mr. Luan Zusheng, Non-Executive Director and Chairman of Everbright Water, said: “In 2024, as a leading water environment management service provider in China, Everbright Water proactively addressed the challenges and difficulties in the industry development environment, and continuously enhanced its business strength and governance, making solid progress towards high-quality development. Despite the complex and challenging external situation and increasingly intense market competition, the Chinese environmental protection industry is creating new development opportunities amidst the ongoing deepening of ecological civilisation construction and the steady implementation of green and low-carbon development strategies in China. Looking forward, the Group will continue to uphold the overarching guiding principle of “Making Progress with Stability and Promoting Stability through Progress”, maintaining a strong commitment to the work while upholding accountability, consolidating its strength, and pursuing innovative breakthroughs. Focusing on ‘water-related’ areas, the Group is dedicated to creating a new landscape of green, low-carbon, and high-quality development. It is committed to becoming China’s leading operator in ‘water-related’ business, delivering sustainable returns for shareholders of the Company and creating value for other stakeholders of the Group, making meaningful contribution to the ecological civilisation construction and sustainable development.”

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中國光大水務有限公司
(於百慕達註冊成立之有限公司)
(股份代號: 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 total designed daily water treatment and supply capacity exceeds 7.60 million m³.

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

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