

## EVERBRIGHT GREENTECH ANNOUNCES 2021 ANNUAL RESULTS

\*\*\*\*\*

### Financial Highlights

For the year ended 31 December

	2021	2020	
	HK\$'000	HK\$'000	Change
Revenue	8,446,999	9,835,376	(14)%
Gross Profit	2,345,971	3,011,540	(22)%
EBITDA	2,837,942	3,064,595	(7)%
Profit attributable to equity shareholders of the Company	1,110,385	1,502,532	(26)%
Basic earnings per share (HK cents)	53.74	72.72	(26)%
	<b>At 31 Dec 2021</b>	<b>At 31 Dec 2020</b>	Change
Cash and bank balances (HK\$ million)	2,644	2,727	(3)%
Total assets (HK\$ million)	40,540	35,265	15%
Asset-liability ratio (total liabilities over total assets)	65.1%	63.5%	1.60 ppt
Current ratio (current assets over current liabilities)	137.5%	156.2%	(18.70)ppt

\* ppt: percentage point

**Hong Kong, 8 March 2022** – China Everbright Greentech Limited (the “Company” or “Everbright Greentech”, and together with its subsidiaries, the “Group”) (SEHK: 1257.HK) today announced its audited annual results for the year ended 31 December 2021.

## Press Release

In 2021, the epic changing international scene was evolving at an increasing pace, while the once-in-a-century pandemic continued to ravage. Reviewing 2021, the Chinese government unprecedentedly included “carbon peak” and “carbon neutrality” (“Dual Carbon”) in its overall planning for the construction of ecological civilisation and developed a new “low-carbon green industry” in terms of policy, market and technology with consistently enriched substance. The combined effect of these factors has rendered the low-carbon green industry a new blue ocean market. With its dual attributes of pollution alleviation and carbon reduction in close tandem with the national Dual Carbon development strategy, the environmental business continues to embrace favourable opportunities for development.

As a provider of specialised environmental protection services in China, the Group laid out plans for a new phase of qualitative development and achieved steady development in various business segments in 2021, persisting in prudent progress with a special focus on management enhancement and emphasis on innovation- and reform-driven measures in ongoing firm adherence to the corporate mission of being “Devoted to Ecology and Environment for a Beautiful China” and the corporate vision of endeavouring to “Create Better Investment Value and Undertake More Social Responsibility”.

As of 31 December 2021, the Group had 136 environmental protection projects with a total investment of approximately RMB32.669 billion and had undertaken 42 environmental remediation projects, with a total contract amount of approximately RMB1.165 billion.

In terms of market development, the Group was engaged in full-gear efforts towards business transformation. The integrated biomass utilisation business has been transforming towards a value-added business model, while continuous progress was made in the heat supply market. The hazardous and solid waste treatment business was steadily transforming to the role of an industrial environmental protection service provider alongside the end-of-life tyre disposal project obtaining further success. In our first move to deploy in the solar energy market since our spinoff listing, we expanded our distributed rooftop solar energy business by advancing projects on a county-wide basis, while making our business debut in the market of the Hong Kong Special Administrative Region of the PRC (“Hong Kong”) market. Moreover, the Group engaged in in-depth research of market opportunities in the strategic context of “Dual Carbon” in an active bid to explore new commercial models and growth niches.

During the year under review, the Group secured 17 new projects and entered into 2 supplementary agreements for biomass heat supply, involving an additional total investment of approximately RMB1.2 billion. Such new projects included 3 integrated biomass utilisation projects, 1 hazardous and solid waste treatment project, 13 solar energy projects and 6

## Press Release

environmental remediation projects, with a contract amount of approximately RMB150 million. In terms of project scale, our capacity for power generation increased by 39.07 MW, daily household waste processing capacity increased by 1,300 tonnes, while our designed capacity for steam supply and hazardous and solid waste treatment were increased by approximately 600,000 tonnes and 100,000 tonnes per annum, respectively.

In terms of project construction, the Group continued to ensure steady progress in the construction work of its projects in adherence to the seven principles of “productivity, efficiency, quality, cost-effectiveness, legitimacy, safety and integrity”, deliberating and exploring new construction plans to accommodate new project types. During the year under review, 17 new projects started implementation while 28 projects had completed construction and commenced operation. As at 31 December 2021, the Group had 23 projects under construction or implementation, including 10 hazardous and solid waste treatment projects and 13 environmental remediation projects. With a strong emphasis on construction safety, construction quality and work scheduling for projects under construction, the Group has enhanced safety management at project sites through ongoing optimisation of its construction management system and framework.

In terms of technology research and development, the Group emphasises technological innovation as the driving force for the Company’s development, as all technological research underway are in tandem with the requirements of the Group’s business transformation. During the year under review, the Group’s research effort focused on carbon neutrality, solar energy storage and charging integration, recycled use of bulk industrial solid waste, remediation of old landfill sites, and end-of-life tyre recycling and incineration of hazardous waste with high sulphuric and halogenic contents, which provided support for the technical feasibility of its new business categories. During the year under review, the project for the “Development and Application of Safe, Clean and Efficient Incineration Technology for General Combustible Industrial Solid Waste”, an international cooperation project in technology innovation of the Group under the National Key Research and Development Programme, commenced successfully with preliminary completion of interim tasks. As of 31 December 2021, the Group held 205 authorised patents, including 25 invention patents, 175 utility model patents, and 5 software copyrights.

### **Integrated biomass utilisation**

During the year under review, the Group operated and completed 50 integrated biomass utilisation projects, generating approximately 6,027,143 MWh of on-grid electricity which represented an increase of 12% over 2020; the Group’s volume of steam supplied was

## Press Release

approximately 2,154,671 tonnes, representing an increase of 60% over 2020; and the Group processed approximately 7,964,335 tonnes of biomass raw materials and approximately 2,918,918 tonnes of household waste, representing increases of 19% and 28% over 2020, respectively. As of 31 December 2021, the Group had 3 integrated biomass utilisation projects under preparation, with an aggregate power generation designed capacity of 32 MW and an aggregate daily household waste processing designed capacity of approximately 1,300 tonnes.

During the year under review, the Group's integrated biomass utilisation projects contributed EBITDA of approximately HK\$2,060,530,000, a decrease of 19% compared to 2020, which was mainly attributable to the decrease in the number of projects under construction resulting in the corresponding decrease in revenue generated from construction services, as well as the increase in operating costs driven by rising biomass raw materials prices.

As of 31 December 2021, the Group had a total of 53 integrated biomass utilisation projects. Such projects provided an aggregate power generation designed capacity of 1,059 MW, an aggregate annual biomass processing designed capacity of 8,089,800 tonnes, and a daily aggregate household waste processing designed capacity of approximately 11,210 tonnes.

### **Hazardous and solid waste treatment**

During the year under review, the Group operated and completed 36 hazardous and solid waste treatment projects. For detoxification treatment, approximately 245,676 tonnes of hazardous and solid waste were treated in total, a 51% increase compared to 2020. For integrated resource utilisation, 23,003 tonnes of hazardous and solid waste were treated, increasing by 51% compared to 2020, and approximately 9,490 tonnes of recycled products were sold, a 65% increase compared to 2020. There were 10 hazardous and solid waste treatment projects under construction with an aggregate annual hazardous waste processing designed capacity of 972,500 tonnes.

During the year under review, the Group's hazardous and solid waste treatment projects contributed EBITDA of approximately HK\$686,664,000, an increase of 64% compared to 2020. Hazardous and solid waste treatment projects contributed a net profit of approximately HK\$364,210,000, increasing by 79% over 2020. The increase in profit was mainly attributable to the increase in the number of projects under construction qualified for contributions to revenue generated from construction services during the year under review.

## Press Release

As of 31 December 2021, the Group had a total of 61 hazardous and solid waste treatment projects. Such projects commanded an aggregate annual processing designed capacity of approximately 2,941,900 tonnes.

### **Environmental remediation**

As of 31 December 2021, the Group had 13 environmental remediation projects under implementation, which were located variously in Jiangsu Province, Anhui Province and Tianjin Municipality, with a total contract amount of approximately RMB603 million. There were also 3 projects in the preparatory stage, with a total contract amount of approximately RMB122 million.

During the year under review, the Group's environmental remediation projects contributed EBITDA of approximately HK\$42,182,000, an 8% increase compared to 2020. Environmental remediation projects contributed net profit of approximately HK\$15,831,000, which was broadly unchanged compared to 2020.

### **Solar energy and wind power**

During the year under review, the Group's solar energy and wind power projects sold approximately 282,976 MWh of electricity, representing a 10% increase compared to 2020. The projects contributed EBITDA of approximately HK\$189,181,000, representing a 4% increase compared to 2020. Solar energy and wind power projects contributed a net profit of approximately HK\$73,110,000, which was largely flat compared to 2020.

As of 31 December 2021, the Group had 16 solar energy projects completed and in operation and 2 wind power projects in operation located in Jiangsu Province, Anhui Province, Shanxi Province, Hong Kong and Germany, respectively, and providing an aggregate power generation designed capacity of 127.66 MW.

**Mr. QIAN Xiaodong, CEO of Everbright Greentech**, said, "In 2021, in the face of the rapid changes in the external environment, Everbright Greentech forged ahead in the working philosophy of 'Reinforcing principal business and preparing for transformation', deepening the implementation of 'management enhancement', reinforcing the foundation of its principal business development, accelerating the research of market opportunities under China's 'Dual Carbon' development strategy, accelerating the deployment of new business areas, and reserving sufficient momentum for future transformation and development. In 2022, Everbright Greentech will follow the business philosophy of 'reinforcing principal businesses and foundation exploring new business opportunities for development' and promote the quality and

## Press Release



**China Everbright Greentech Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1257)**

efficiency of the operation projects with delicate management in tandem with a business positioning underpinned by the integration of four areas: environment, resources, energy and climate. In the meantime, we will also grasp firmly the opportunities of China's '14th Five-year Plan' and 'Dual Carbon' development to accelerate the implementation of projects in the fields of disposal of bulk solid waste resources, landfill remediation and new energy to enhance the Group's carbon asset development potential and usher in a new cycle of value growth."

**Mr. WANG Tianyi, Chairman of the Board of Everbright Environment, and Chairman of Everbright Greentech**, said: "Following the inclusion of 'Dual Carbon' in its overall planning, the development of an ecological civilisation in China has entered a new phase of coordinated initiatives in 'waste reduction' and 'carbon reduction'. The national '14th Five-year Plan' period has become a critical five-year period for China's sustained effort to improve its ecological quality, as well as a crucial period and window for the ongoing battle against pollution in order to attain carbon peak by 2030. In this new period, the environmental industry will become an increasingly prominent sector in social and economic development. As a builder and participant in the development of an ecological civilisation, Everbright Greentech will establish itself in transformative development and bring its endogenic vibrancy into play in adherence to the corporate mission of being 'Devoted to Ecology and Environment for a Beautiful China' and the corporate vision of endeavouring to 'Create Better Investment Value and Undertake More Social Responsibility', focusing on the 'Dual Carbon' goals and persisting in an innovation-driven approach as it seeks to reinforce its principal businesses and foundation while grasping firmly the abundant opportunities for development in the industry to drive the long-term development of the Group with an exalted profile, higher standards and superior management."

**-End-**

## Press Release



China Everbright Greentech Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1257)**

### **About China Everbright Greentech Limited**

China Everbright Greentech Limited is a specialty environmental protection service provider in China, focusing on integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) on 8 May 2017, with its controlling shareholder being China Everbright Environment Group Limited (stock code: 257.HK). Everbright Greentech adheres to development driven by business innovation and initiated the urban-rural integration project in the country. Its businesses span across 15 provinces, autonomous region and special administrative region in China, in addition to Germany. Leveraging on its unique and diversified business models, strategic planning, robust supply networks, a strong pipeline of projects, and high level of technologies and management capabilities, Everbright Greentech is well positioned in China’s environmental protection service industry.

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

China Everbright Greentech Limited

Corporate Communications

Email: [media@ebgreentech.com](mailto:media@ebgreentech.com)

Citigate Dewe Rogerson

Queenie Chan / Samantha Wang

Email: [queenie.chan@citigatedewerogerson.com](mailto:queenie.chan@citigatedewerogerson.com) /

[samantha.wang@citigatedewerogerson.com](mailto:samantha.wang@citigatedewerogerson.com)

Tel: +852 3103 0128 / +852 3103 0125

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

China Everbright Greentech Limited

Investor Relations

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