

**EVERBRIGHT GREENTECH ANNOUNCES  
2024 INTERIM RESULTS**

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**Hong Kong, 16 August 2024** – China Everbright Greentech Limited (the “Company” or “Everbright Greentech”, and together with its subsidiaries, the “Group”) (SEHK: 1257.HK) today announced its unaudited interim results for the six months ended 30 June 2024.



From left to right: Mr. HUANG Chaoxiong, Executive Director; Dr. ZHU Fugang, Executive Director & Chief Executive Officer; Mr. WANG Dianer, Executive Director & Vice President; and Mr. QU Ning, Chief Financial Officer

In the first half of 2024, the Chinese economy maintained the keynote of stable recovery in general in spite of a austere and complicated external environment. Amidst an environment for development in which opportunities as well as challenges prevailed, the Group implemented the decisions and planning the Central Committee of the Party and the State Council on procuring stable economic development in a resolute manner, strengthening its fundamental strengths while making in-depth effort in its principal duties and businesses and pursuing innovative development with finesse in persistent adherence to the operating strategy of seeking progress in stability, as it vigorously served and positioned itself in the forging of a new pattern for development in a full drive towards the Company’s qualitative development.

## Press Release

During the period under review, the decrease in revenue and profit attributable to equity shareholders of the Group was mainly attributable to the decrease in revenue and profit for construction services following the Group's proactive adjustment of development strategy given changes in national policies and market developments. In connection with the operation service, even though the unit treatment fee for the hazardous and solid waste segment continued to drop against the backdrop of escalating competition resulting from demand and supply imbalances, the Group nevertheless sought to leverage the advantages of scale and delicacy management and implemented cost-cutting measures to proactively control operating cost. Moreover, the Group's integrated biomass utilisation project achieved long cycles of stable operation through the combined effect of technological optimisation and delicacy management, and simultaneously strengthened the economic benefits and social contributions in the field of heat. The Group's revenue was approximately HK\$3,505,577,000, decreasing by 8% as compared to HK\$3,819,944,000 for the same period last year. EBITDA was approximately HK\$1,100,415,000, decreasing by 13% as compared to HK\$1,263,506,000 for the same period last year. Profit attributable to equity shareholders of the Company for the period under review was approximately HK\$143,925,000, decreasing by 45% as compared to HK\$263,862,000 for the same period last year. Basic earnings per share for the first half of 2024 was HK6.97 cents, HK5.8 cents less compared to HK12.77 cents for the same period last year. The Company has declared an interim dividend of HK1.4 cents per share for the six months ended 30 June 2024. The Group was backed by readily access to various financing options and ample cash flow and reported sound financial indicators across the board.

In terms of market development, the Group upheld the development principle of "strengthening principal businesses, innovative development and dual emphasis on asset-light and asset-heavy operations" with a focus on clean energy projects aimed at achieving the "Zero-carbon Industry Park", such as distributed solar energy, user energy storage, virtual power plant and heat supply, as well as asset-light projects represented mainly by "Waste Landfill Restoration". During the period under review, the Group secured 7 new projects (including 3 Zero-carbon Industry Park projects), increased the installed capacity of its distributed solar energy projects by 37.46 MW, installed capacity of user energy storage by 12.2 MW/24.47 MWh, and heat supply capacity of 260,000 tonnes/year. The Group also attached great importance to the development of distributed solar energy projects in Hong Kong, as the rooftop solar energy project of South Seas Centre, Tsimshatsui, Kowloon commenced grid-connected power generation during the period under review, bringing the total number of solar energy projects in Hong Kong to 13 with a total designed power generation capacity of 3.60 MW.

In terms of project construction, the Group continued to advance its project work construction in a steady manner. During the period under review, 6 projects commenced implementation or construction and 7 projects completed and commissioned (including 3 environmental remediation projects). As of 30 June 2024, the Group had 28 projects under construction or implementation, including 1 integrated biomass utilisation project, 3 hazardous and solid waste treatment projects, 8 solar energy projects and 16 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 standard at project sites through ongoing optimisation of its construction management system.

## Press Release

In terms of technology research and development (“R&D”), the Group persisted in the implementation of the innovative development strategy through technological innovation as it commenced research in numerous areas including ultra-purification fume treatment for biomass boiler, biomass boiler combustion optimisation, restoration of sites with heavy-metal pollution, integrated waste landfill treatment, biomass gasified heat supply, biomass preparation of green methanol, integrated utilisation of ash and waste salt, end-of-life tyre recycling, “Biomass Power Plant + Zero-carbon Industry Park”, virtual power plant and spot power trading, among others. The Group has completed the building of a “virtual power plant and power trading platform” based on AI computing technology in active cooperation with Alibaba Cloud to lay a technical foundation for the Group’s development in the green power trading market. At the same time, the Group has also further enhanced research on policies such as carbon asset development, carbon trading and green power trading. As of 30 June 2024, the Group held 131 authorised patents, including 43 invention patents, 88 utility model patents, and also held 5 software copyrights.

In terms of operational management, the Group sought to tap new resources and reduce consumption whilst further identifying its intrinsic potential during the period under review. On one hand, benchmarking analysis and exchange was enhanced and regulation were introduced to technical upgrade and overhaul management in an ongoing effort to improve awareness for standardisation and delicacy in project management, as the Group made a full effort to develop the heat supply market. In connection with hazardous and solid waste treatment, the Group was fully focused on market coordination and joint regional operation, as well as the adoption of a customer service coordination and management model with a view to broadening the Group’s market. On the other hand, the Group’s integrated biomass utilisation business enhanced management and appraisal of secondary fuel cost and achieved optimisation in fuel quality and price by further identifying local resources for biomass fuel. In view of the challenge of the current austere operating conditions, the Group’s hazardous and solid waste treatment business exercised control over service cost in percentage terms by adopting practicable measures such as organisational optimisation and “One Enterprise, One Policy”, whilst enhancing delicacy management in areas such as pre-processing and process technique control to lower the unit disposal cost of the incineration business and enhance resilience against the impact brought by market changes. Thanks to the aforesaid efforts, substantial period-on-period improvement was recorded in the operating results for the second quarter.

During the period under review, the Group continued to enhance governance of its sustainability initiatives. On one hand, climate-related risks and opportunities were identified and assessed in an in-depth manner through scenario analysis to ensure that the Group’s staff at all levels were made aware of the issue of climate change. On the other hand, ongoing improvements to rules and regulations were introduced in close tandem with the regulatory trend and actual business conditions to ensure effective fulfilment of sustainability-related duties by all levels within the governance structure. To further drive the implementation of sustainability, the Group has participated in the Green Pledge hosted by the Green Council to help in the promotion of green life and advancement of sustainability in Hong Kong. The Group has also been awarded the “Caring Company” logo by The Hong Kong Council of Social Service for 2023–2024, the fifth consecutive year for which it has received this honour, in addition to the Bauhinia

Contribution (Team) Award presented by China Everbright Holdings Company Limited in recognition of the Group's active involvement in and commitment to the environment, community and staff care.

### **Integrated biomass utilisation**

During the period under review, the Group operated and completed a total of 53 integrated biomass utilisation projects, generating approximately 3,176,136 MWh of on-grid electricity which represented a 4% increase compared to the same period last year; approximately 3,883,000 tonnes of biomass raw materials and approximately 2,057,000 tonnes of household waste were processed, representing an increase of 4% and increase of 16%, respectively, compared to the same period last year. During the period under review, the volume of steam supplied was approximately 1,328,000 tonnes, representing an increase of 18% compared to the same period last year. As of 30 June 2024, the Group had 1 integrated biomass utilisation project under construction, with power generation designed capacity of 10 MW and daily household waste processing designed capacity of approximately 300 tonnes and an estimated annual on-grid power generation of approximately 61,972 kWh.

During the period under review, the Group's integrated biomass utilisation projects contributed EBITDA of approximately HK\$888,872,000, representing a decrease of 18% compared to the same period last year. The integrated biomass utilisation projects contributed net profit of approximately HK\$476,060,000, representing a decrease of 23% compared to the same period last year. The decrease in profit was mainly due to decrease in profit under construction as a results of decrease in projects under construction. In terms of operation, the Group insisted on taking multiple measures to maximize "management produces benefits". The Group continued to improve and innovate the biomass fuel collection, transportation and storage system, avoid operating cost growth higher than profit growth, and contribute to greater profits by increasing the use of yellow culms and the proportion of non-electricity business.

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

During the period under review, the Group had 43 hazardous and solid waste treatment projects that were in operation or completed construction. For detoxification treatment, approximately 217,000 tonnes of hazardous and solid waste were treated in total, representing an increase of 25% compared to the same period last year. For integrated resource utilisation, 30,200 tonnes of hazardous and solid waste were treated, representing an increase of 146% compared to the same period last year, and approximately 379,000 tonnes of steam and 6,500 tonnes of recycled products were sold, representing an increase of 38% and 10% respectively compared to the same period last year. There were 3 hazardous and solid waste treatment projects under construction with an aggregate annual hazardous waste processing designed capacity of 226,500 tonnes.

During the period under review, the Group's hazardous and solid waste treatment projects contributed EBITDA of approximately HK\$109,247,000, representing a decrease of 20% compared to the same period last year. Hazardous and solid waste treatment projects recorded net loss of approximately HK\$137,156,000, representing a 17% increase in loss compared to the same period last year. The increase in loss was mainly attributable to the continuous decline

in unit treatment fee amidst escalated peer competition owing to demand and supply imbalances and unyielding cost, as upstream recovery as a whole fell short of expectations and waste production was limited to low levels. Despite various unfavourable factors faced by the hazardous and solid waste industry, the Group nevertheless sought to leverage the advantages of scale and delicacy management, continued to consolidate the effectiveness of the large market and large customer mechanism, and implemented cost-cutting measures to proactively cope with the challenges of the continuing downward market. In addition, there was no profit from projects under construction during the period under review.

### **Environmental remediation**

As of 30 June 2024, the Group had 16 environmental remediation projects under implementation, which were mainly located in Guangdong Province, Tianjin, Jiangsu Province, Zhejiang Province and Anhui Province, with a total contract amount of approximately RMB693 million. There was also 1 project in the preparatory stage, with a total contract amount of approximately RMB78 million.

During the period under review, the Group's environmental remediation projects contributed EBITDA of approximately HK\$8,201,000, representing an increase of 65% compared to the same period last year. Environmental remediation projects recorded net loss of approximately HK\$2,403,000, representing a 47% decrease in loss compared to the same period last year. The decrease in loss was mainly due to decrease in raw material prices and comprehensive restoration costs as a result of fluctuations in the upstream market for environmental remediation, which in turn led to a recovery in gross profit.

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

As at 30 June 2024, the Group's County-wide Solar Energy Advancement Project in Feng County, Jiangsu Province included 17 subsidiary projects with a total investment of approximately RMB132 million and an aggregate power generation designed capacity of 29.61 MW, of which 9 projects with an aggregate power generation designed capacity of 27.89 MW were in operation, 1 project with an aggregate power generation designed capacity of 100 KW was under construction and 7 projects with an aggregate power generation designed capacity of 1.63 MW were under preparation.

During the period under review, the Group's solar energy and wind power projects sold approximately 144,832 MWh of electricity, representing a decrease of 12% compared to the same period last year. The projects contributed EBITDA of approximately HK\$88,401,000, representing a decrease of 13% compared to the same period last year. Solar energy and wind power projects contributed net profit of approximately HK\$34,879,000, representing a decrease of 22% compared to the same period last year. This was mainly attributable to decrease in wind resources for wind power projects as compared to the same period last year and the decrease in power generation as compared to last year as a result of the significant increase in ice-covered and low-temperature shutdowns of fans compared to the same period last year during the period under review.

## Press Release

**Dr. ZHU Fugang, CEO of Everbright Greentech**, said, “In the complex and challenging market environment of the first half of 2024, Everbright Greentech focused on implementing the management keynote of ‘empowering through reform and making solid efforts for solid results’. We proactively realigned our development strategies to keep pace with the evolving national policies and market conditions, while maintaining robustness in our core businesses and exploring innovative pathways to propel the Company’s high-quality development. Looking ahead, we are fully dedicated to embracing the new development philosophy and actively integrating into the new development landscape, where key growth drivers will be the ‘Zero-carbon Industry Park’ as we vigorously develop our clean energy business. Furthermore, we will continuously enhance our technological innovation capabilities and optimise operational management to generate greater value for our shareholders and contribute further to social development.”

**Mr. HUANG Haiqing, Chairman of the Board of Everbright Environment, and Chairman of Everbright Greentech**, said, “In the face of challenges over the past six months, Everbright Greentech has demonstrated remarkable resilience and the potential for growth. The Company has maintained its leading position in integrated biomass utilisation, while on the back of the Group’s existing integrated biomass utilisation projects, the Group will develop a model of ‘Zero-carbon Industry Park + Virtual Power Plant’ featuring primarily ‘solar, energy storage and charging, cooling, heating and power cogeneration, hydrogen cloud carbon’. These endeavours signify a proactive contribution to building a green, low-carbon, and circular economic system. Looking forward, Everbright Greentech will steadfastly adhere to its green development philosophy and seize the strategic opportunities presented by the ‘Dual Carbon’ goals. Driven by technological innovation and a commitment to high-quality development, the Company will strive to develop into a clean energy operator claiming new-quality productivity and core competitiveness.”

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## 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: 0257.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.

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