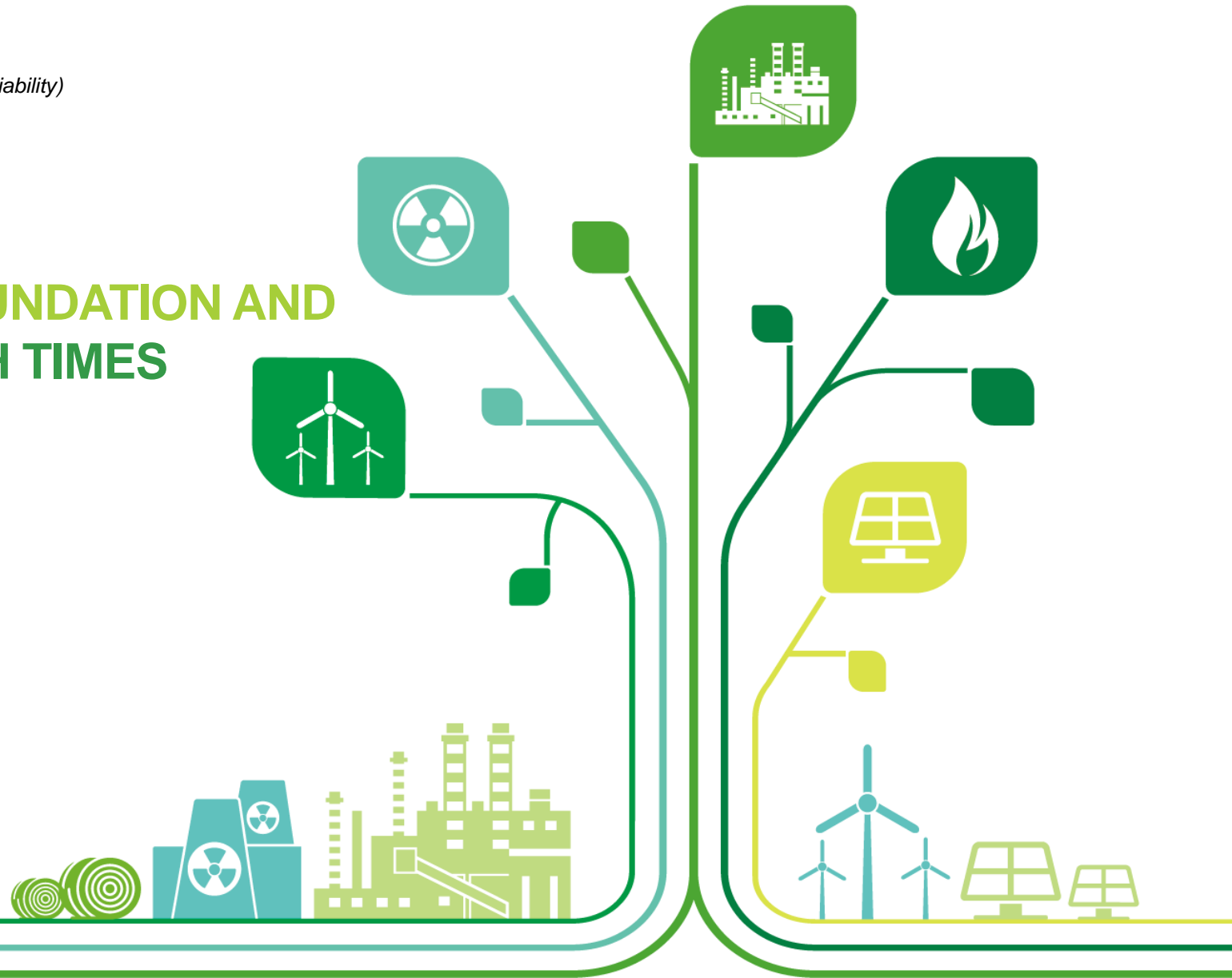


LAYING A SOLID FOUNDATION AND KEEPING PACE WITH TIMES

2019 Interim Results
Announcement



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1. About the Company



Everbright Greentech's main businesses :



Integrated Biomass Utilisation

- Biomass direct combustion power generation
- Biomass electricity and heat cogeneration
- Biomass urban-rural integration



Hazardous and Solid Waste Treatment

- Hazardous and solid Waste landfill
- Hazardous and solid Waste incineration
- Hazardous and solid Waste physicochemical processing
- Hazardous and solid Waste integration utilisation



Environmental Remediation

- Restoration of industrial contaminated sites
- Restoration of contaminated farmland
- Restoration of mines and landfills
- Integrated treatment of oil sludge
- Environmental stewardship services



Solar Energy and Wind Power



Everbright Greentech

- 📍 Ranked 16th in the “Top 50 Chinese Environmental Enterprises 2019” by the China Environment Chamber of Commerce;
- 📍 In the "2019 China Biomass Power Generation Industry Ranking Report", China Everbright Greentech's Biomass power generation and on-grid electricity were ranked third and second respectively in 2018.



Well recognized by
the market over the
past 3 years

2018

- Hong Kong Institute of Certified Public Accountants (HKICPA) - Best Corporate Governance Awards 2018, Sustainability and Social Responsibility Reporting Awards - Special Mention (Non-Hang Seng Index Category) (Medium Market Capitalization)
- 8th China Securities Golden Bauhinia Awards - Listed Company with Best Investment Value
- As a constituent stock in Hang Seng Corporate Sustainability Benchmark Index

2017

- As a constituent stock in Hang Seng Composite Index ("HSCI"), Hang Seng Stock Connect Hong Kong Index ("HSHKI"), Hang Seng Stock Connect Hong Kong Mid-cap and Small-cap Index ("HSHKMS") and Hang Seng Stock Connect Hong Kong Small-cap Index ("HSHKS")
- As a constituent stock in MSCI China Small-cap Index - MSCI

2019

- The Federation of Hong Kong Industries - The BOCHK Corporate Environmental Leadership Awards 2018 - The Belt and Road Environmental Leadership Recognition Award and the title of "EcoChallenger"
- Hong Kong Quality Assurance Agency (HKQAA) - Green Finance Certification Scheme

Everbright Greentech

As of 30 June 2019



Secured
environmental
protection projects

106

Contracted
environmental
remediation projects

+24

Total investment

28.1

(Rmb billion)

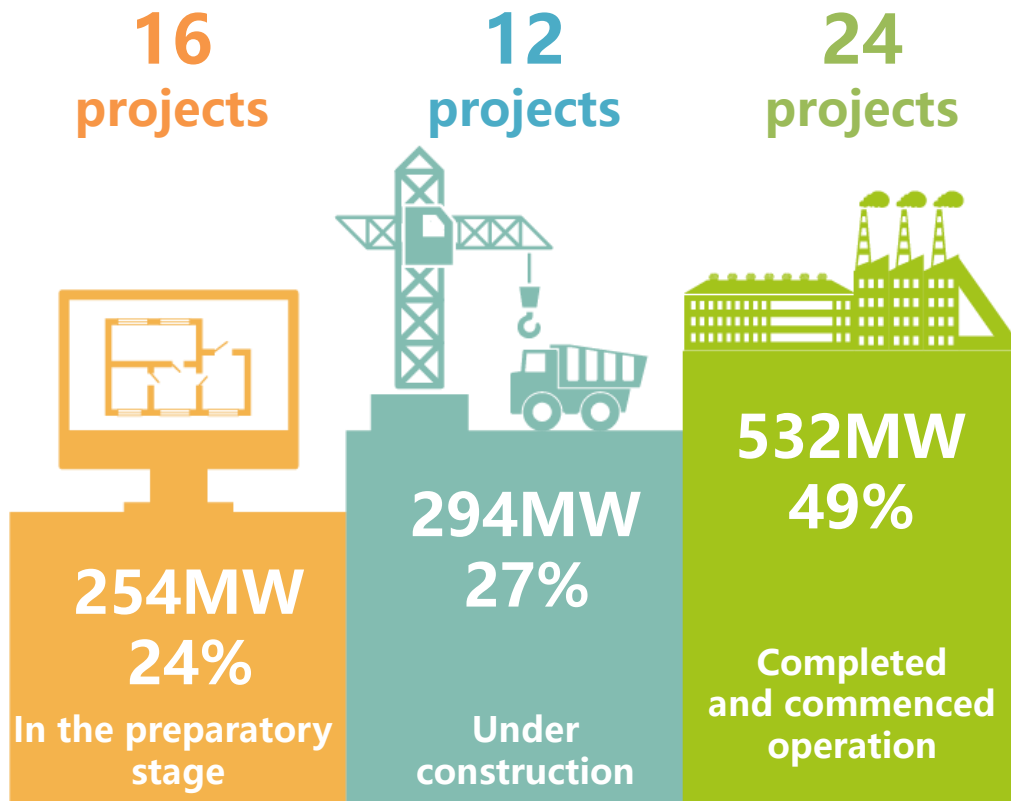
Contract amount

+656

(Rmb million)

52 projects (accounted for 56% of total investment)

Integrated Biomass Utilisation

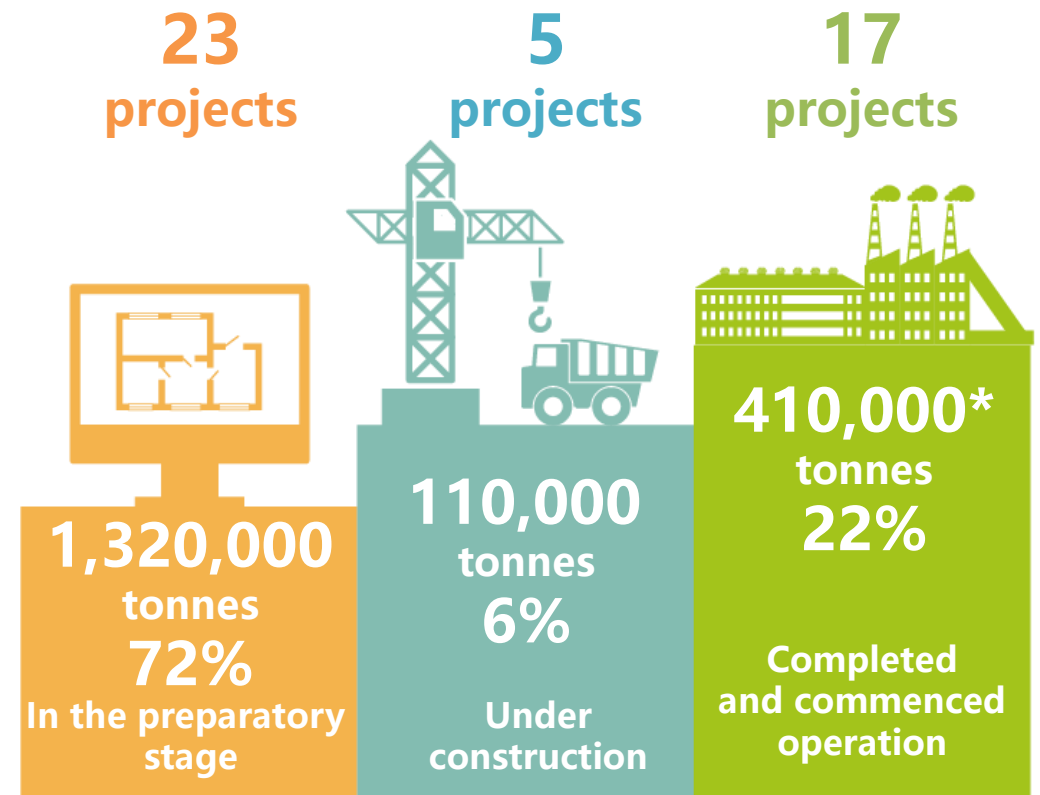


Aggregate power generation designed capacity

1,080 MW

45 projects (accounted for 37% of total investment)

Hazardous and Solid Waste Treatment



Aggregate annual processing designed capacity

1.84 million tonnes

*Includes acquisition and completed but not yet in operation projects

2. Results Highlights

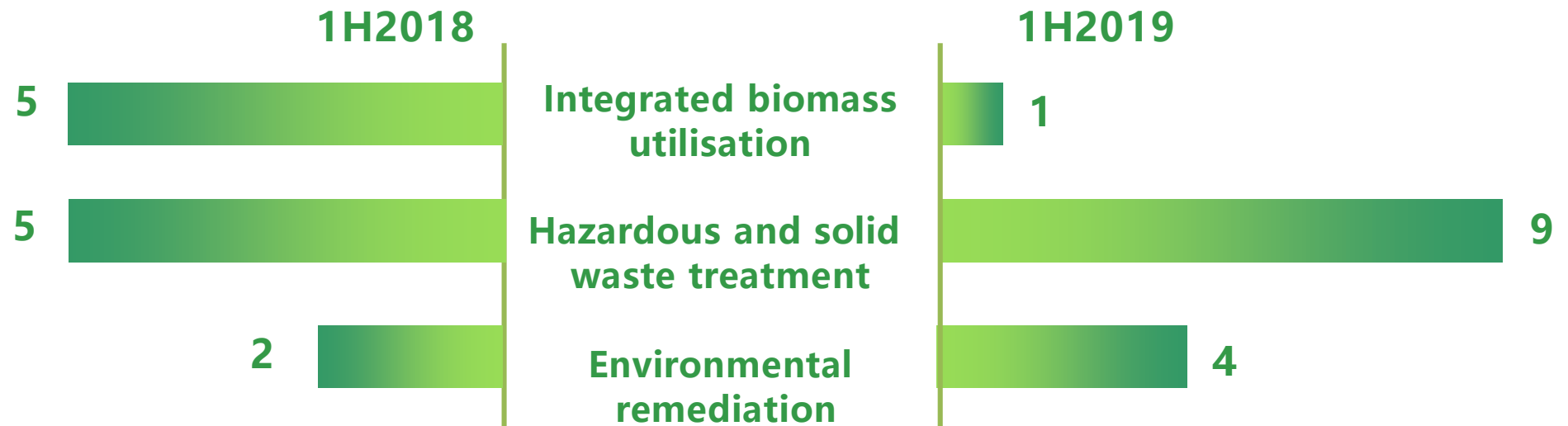


Strong Growth in Revenue with Record-high Earnings



Impressive Results Delivered Again in Market Development

(675,000 tonnes of newly-contracted hazardous and solid waste treatment capacity)



Newly secured projects: 12

Newly secured projects: 14
Signed 1 supplemental agreement



New Territory Breakthrough

Gaining more market share

In addition to maintain our strength in existing regions, during the period under review, we successfully entered the environmental protection markets of Heilongjiang Province and Inner Mongolia Autonomous Region

16 Provinces, municipalities and autonomous region from 14 provinces/municipalities as at the end of 2018.

Secured Chifeng Solid Waste Landfill Project in

**Inner Mongolia
Autonomous Region**

Secured Daqing Solid Waste Integrated Treatment Project in

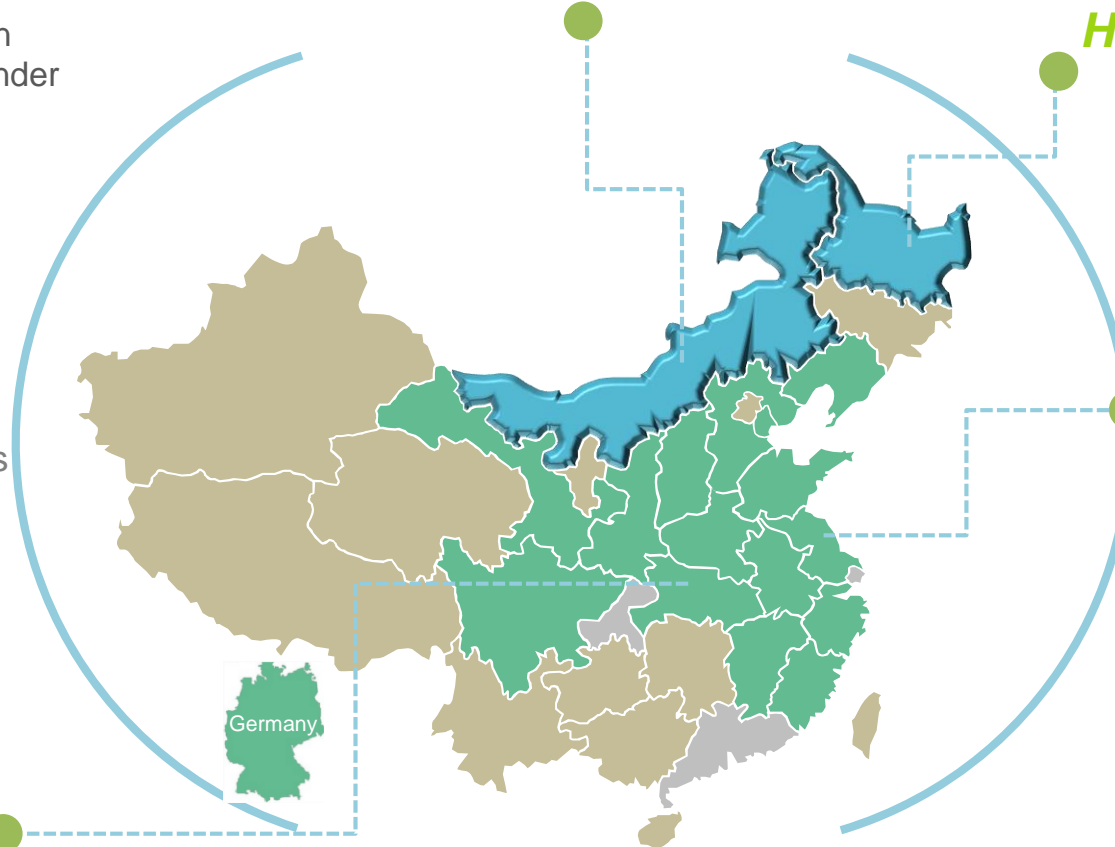
Heilongjiang Province



Secured Suqian General Industrial Solid Waste Electricity and Heat Cogeneration Project in

Jiangsu Province

Secured the first Hazardous and Solid Waste Treatment Project in

Hubei Province



-  Existing geographic coverage
-  New provinces

Rapid Development of Hazardous Waste and Solid Waste Treatment Business

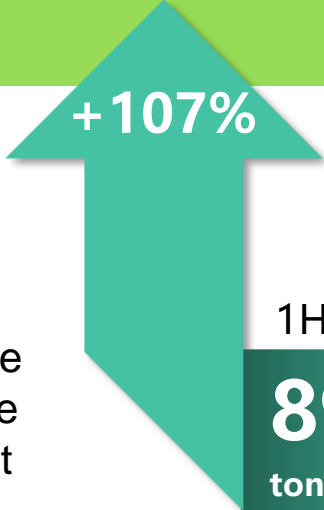


- Profit contribution from hazardous waste and solid waste segment totaled HK\$168 million, up 18% yoy;
- Hazardous waste treatment's annual designed capacity reached 1,840,000 tonnes, placing the Company at a national leading position;
- Entered into the hazardous and solid waste integrated resources utilisation field upon completion of the post-acquisition exercises in Jiangsu Jiayuan in 1H19;

Hazardous waste treatment's annual designed capacity:

1,840,000 tonnes

- The hazardous waste treatment business moves from a single project to an integrated treatment base model. For example, solid waste treatment centre in Zhangjiagang City, Jiangsu Province, Huangshi hazardous waste integrated utilisation project, etc., marking the transition from the traditional single treatment business to a zone-based hazardous waste treatment model.



1H2018

890,000 tonnes /year

Integrated Biomass Utilisation Business Upgrade and Transformation



- Profit contribution from integrated biomass utilisation segment totaled HK\$627 million, up 34% yoy;
- Actively developed biomass electricity and heat cogeneration to upgrade and transform the business;
- Increasing advantages in regional coordination of fuel collection and conveyance, leading to stronger market competitiveness and resilience with effective restructuring of fuel supply.

On-grid electricity +52%

1.65 billion kWh

Steam generation +154%
volume

353,000 tonnes

Household waste
processing volume +84%

632,000 tonnes

Strengthen Core Competence of Environmental Remediation



- The 15 environmental remediation projects under implementation, mainly in Jiangsu Province, Tianjin, Shangdong Province and Jiangxi Province, with a total contract amount of approximately RMB425 million;
- While consolidating the business of the newly acquired Suntime Environmental, the Company commenced the environmental remediation business with full force, recording a 542% growth yoy in the segment's profit contribution to HK\$35.89 million;
- Actively optimizing resources for environmental remediation business to achieve the strategic outcome of "1+1>2", and driving technological innovation, engineering operations and standards management in an effort to achieve a leading position in the environment remediation sector.

Newly
added



6 utility model patents
4 academic papers
3 "five small" innovations

Continuous technology research and development

Commencement of 2 projects under the 2018 key research programme of the Ministry of Science and Technology;

01

02

Completed the basic experimental research and technical investigation of general industrial solid waste treatment to define a technical process suitable for the industrial solid waste treatment industry in China and determine the selection of key equipment;

Conducted research on closure of hazardous waste landfills, vertical curtain anti-seepage assessment of hazardous waste landfills, hazardous waste physicochemical processing and industrial waste salt treatment and resources recycling;

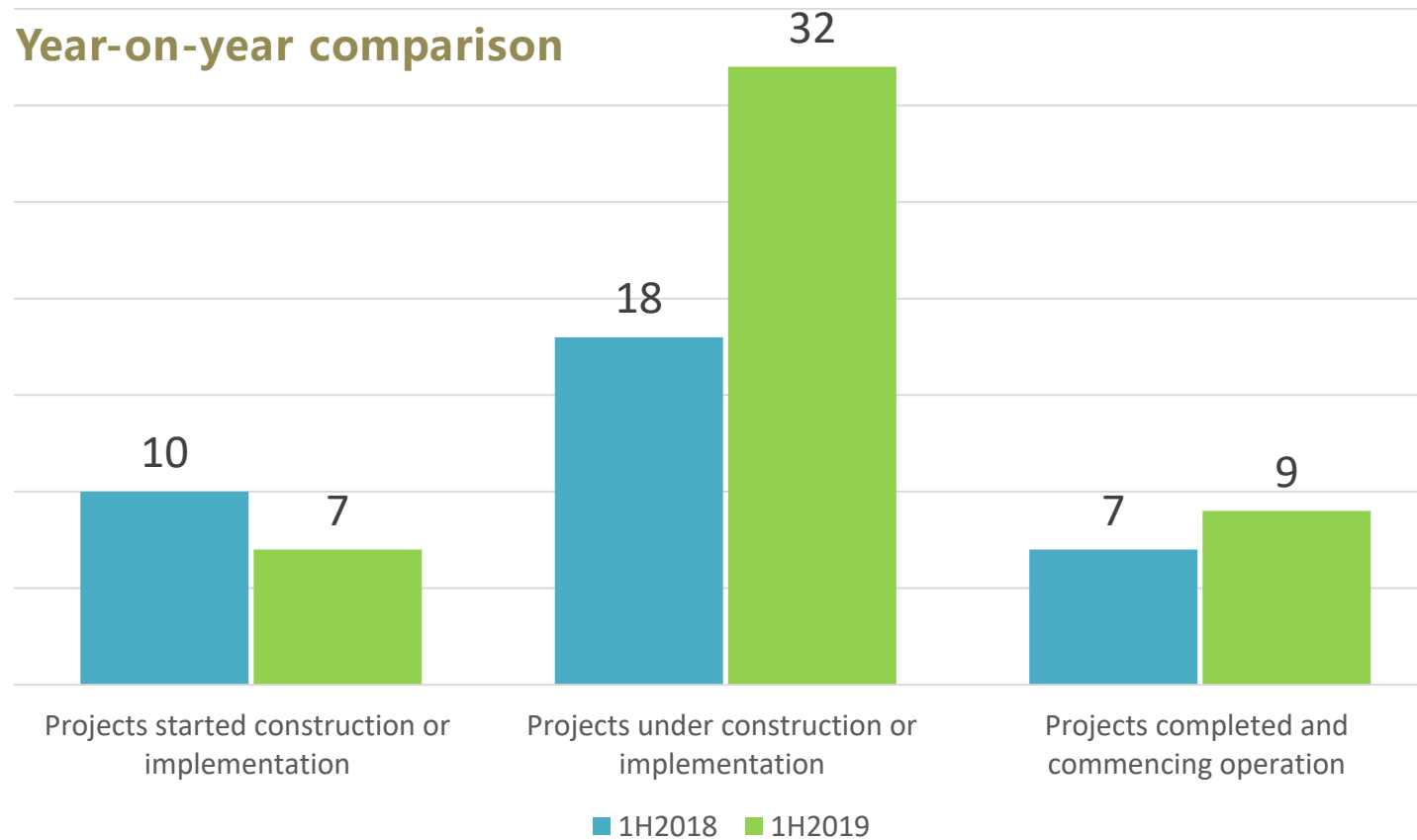
03

04

As of 30 June 2019, Everbright Greentech held 105 authorised patents, including 32 invention patents and 73 utility model patents.

Projects are Well Underway

Year-on-year comparison



Unit: Number

3. Financial Analysis



Financial Analysis

HK\$' million	1H2019	1H2018	Changes
Revenue	4,241	3,153	+35%
Gross profit	1,327	986	+35%
EBITDA	1,369	1,029	+33%
Profit attributable to equity shareholders	813	645	+26%
ROE (half year) (%)	8.44	7.12	+1.32ppt
Basic earning per share (HK cents)	39.36	31.20	+26%
Interim dividend per share (HK cents)	8.0	6.0	+33%

- Recorded a revenue of HK\$4.24 billion, representing a growth of 35% from that of the same period last year. Revenues from construction services and operations services were at record high attributable to substantial increase in both size of projects under construction and number of projects commencing operations as compared to those of the corresponding period last year;
- Number of projects completed construction and commenced operation increased from 38 of the same period last year to 50 whereas environmental remediation projects under implementation and completed increased by 18 from that of the same period last year. Profit contributions were further boosted up by lucrative income from projects;
- Interim dividend payment of HK\$8.0 cents per share, representing an interim dividend payout ratio of approximately 20.3% (1H2018 : 19.2%).

Financial Analysis

HK\$' million	At 30 Jun 2019	At 31 Dec 2018	Changes
Total assets	22,596	18,603	+21%
Total liabilities	12,510	9,172	+36%
Shareholders' equity	9,939	9,339	+6%
Current ratio (%)	163	155	+8ppt
Gearing ratio (%) (Total liabilities/Total assets)	55	49	+6ppt

- ▶ As at end-June 2019, total assets and shareholders' equity increased by 21% and 6% respectively from the corresponding period ending December 2018. Gearing ratio stayed at a healthy level while current ratio remain sound with sufficient available funds, the undrawn banking facilities amounted to HK\$5.4 billion;
- ▶ During the period under review, a 5-year HK\$1 billion syndicated loan was arranged by Taipei Fubon Bank and the Green Finance Certification Scheme was awarded by Hong Kong Quality Assurance Agency, testifying to the banking sector's confidence in the Group's development prospects and management profile. It also signifies the Group's solid capital position;
- ▶ The Group entered into a strategic cooperation agreement with the Postal Savings Bank of China Shenzhen Branch to provide up to HK\$5 billion funding. The cooperation benefits the Group in terms of quality, efficient, preferential and personalized financial services in a holistic manner.

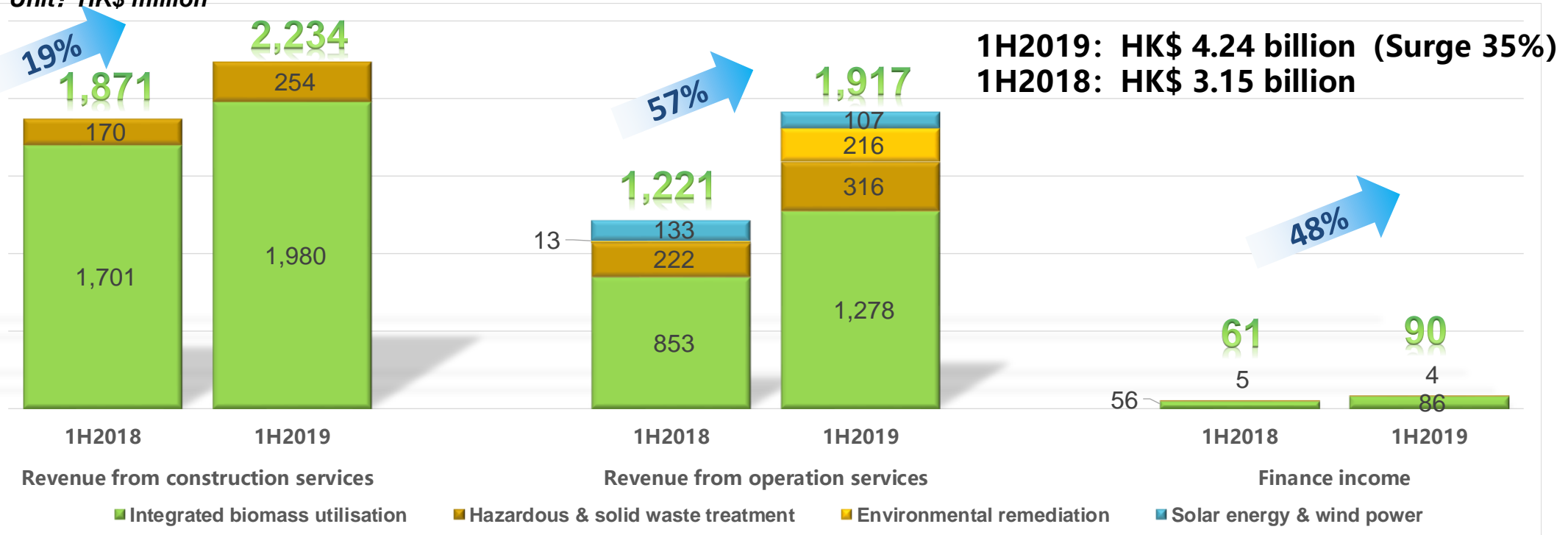
Financial Analysis

HK\$' million	At 30 Jun 2019		At 31 Dec 2018		Changes
Short-term loans	1,230	15%	916	15%	+34%
Long-term loans	7,127	85%	5,091	85%	+40%
Total bank loans	8,357		6,007		+39%
Unutilised banking facilities	5,442		5,254		+4%
Total banking facilities	13,799		11,261		+23%
 					
Unutilised banking facilities	5,442		5,254		+4%
Cash and bank balances	2,345		2,261		+4%
Cash/banking facilities available	7,787		7,515		+4%

▶ As at end-June 2019, total bank loans amounted to HK\$8.4 billion in which long-term loans accounted for 85%. Besides, available cash and banking facilities totaled approximately HK\$7.8 billion. As such, the strong financial position will lay a concrete foundation for a rapid development of the Company in the future.

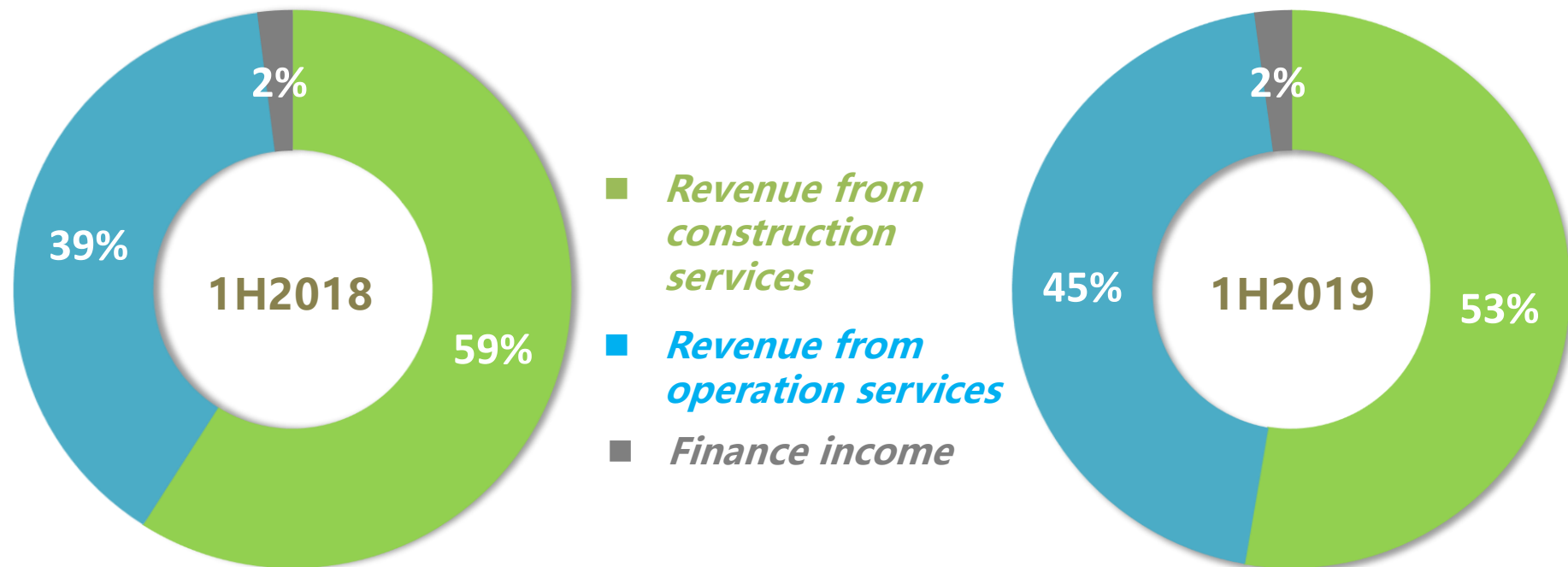
Analysis of revenue from the four business segments

Unit: HK\$'million



- Revenue from construction services: Projects under construction increased substantially in the period under review from the same period last year with yoy revenue growing 19%;
- Revenue from operation services: 50 projects completed construction and commenced operation (1H2018: 38 projects) together with the number of environmental remediation projects under implementation and completed increased by 18, boosted up the operating income increasing by 57% from those of the same period last year;
- Revenue from integrated biomass utilisation operation services: On-grid electricity was 1.65 billion kWh, up 52% yoy; Household waste processing volume was 630,000 tonnes, up 84% yoy; Steam generating volume was 350,000 tonnes, up 154% yoy;
- Revenue from hazardous and solid waste treatment operation services: Hazardous and solid waste processing volume was 82,000 tonnes, up 19% yoy; Treatment unit price increased by 13%; Besides, a joint venture commenced operation in the period under review, adding another 10,000 tonnes of hazardous waste processing;
- Revenue from environmental remediation operation services: Projects completed and under implementation reached 20.

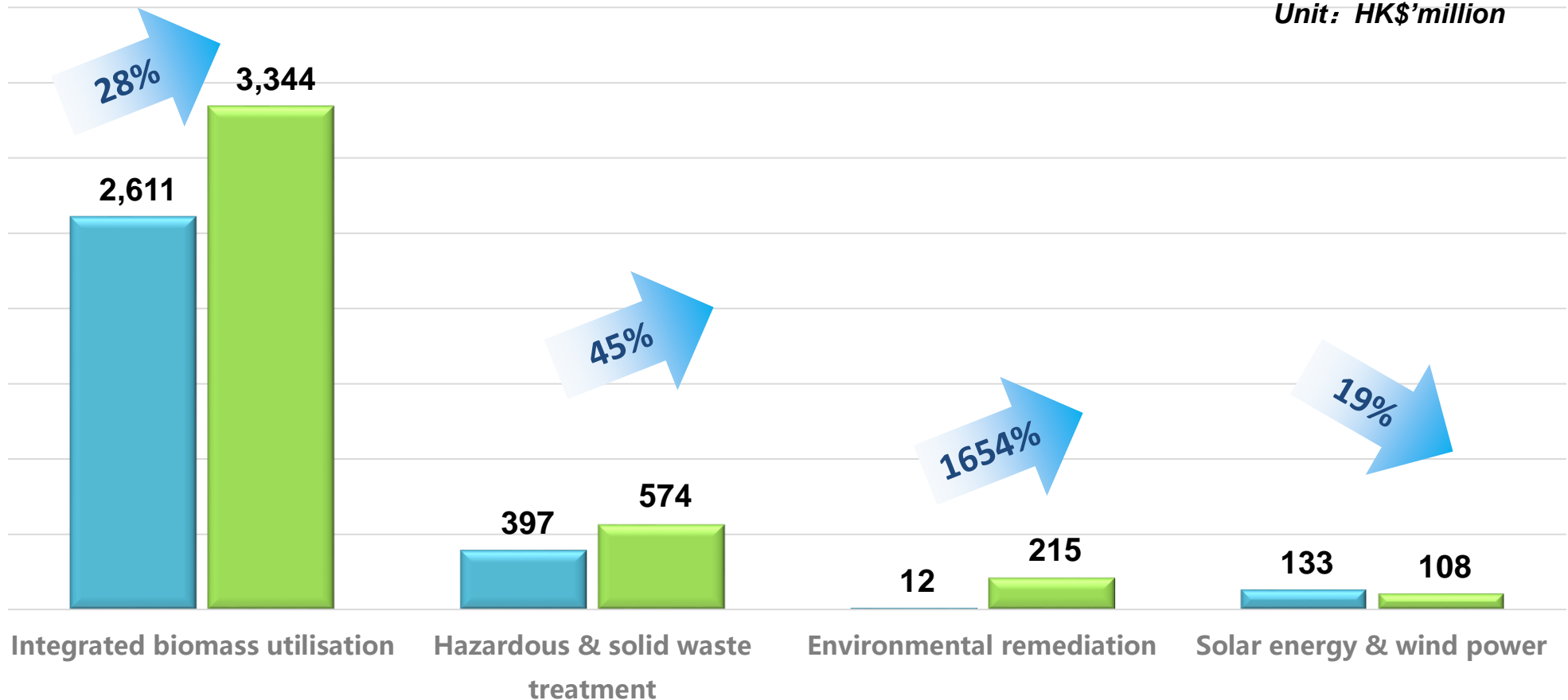
Proportion of revenue in operation and construction services for six-month period



- ▶ Revenue from operation services grew 57% yoy in 1H2019, accounting for 45% of total revenue;
- ▶ Following massive under construction or in the preparatory stage projects completion and commencement of operation, revenue from operation services is expected to contribute further.

Analysis of revenue from the four business segments

Unit: HK\$'million



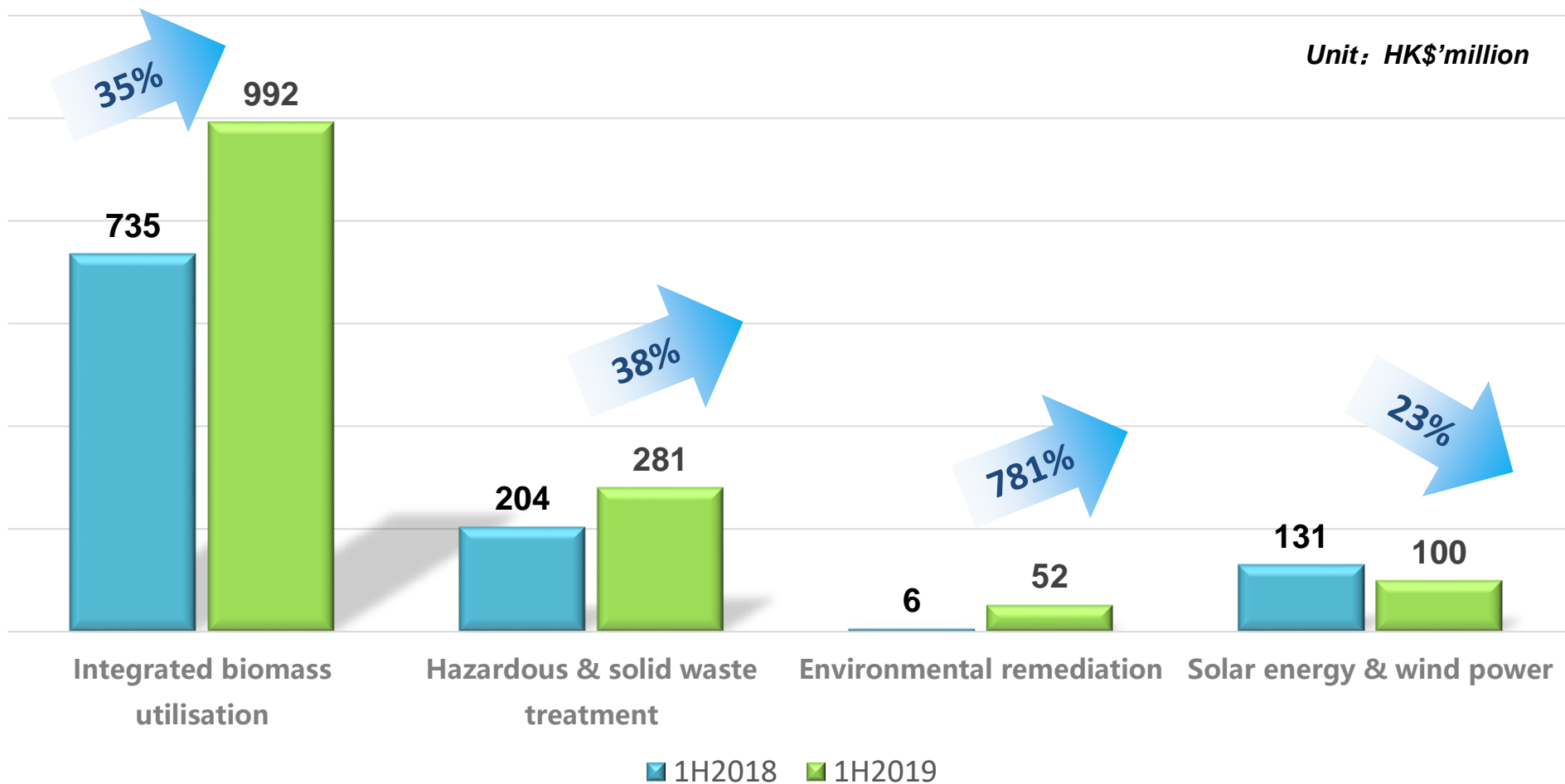
Revenue:

■ 1H2018 ■ 1H2019

1H2019: HK\$4.24 billion (Increased by 35% yoy);

1H2018: HK\$3.15 billion

Analysis of EBITDA from the four business segments



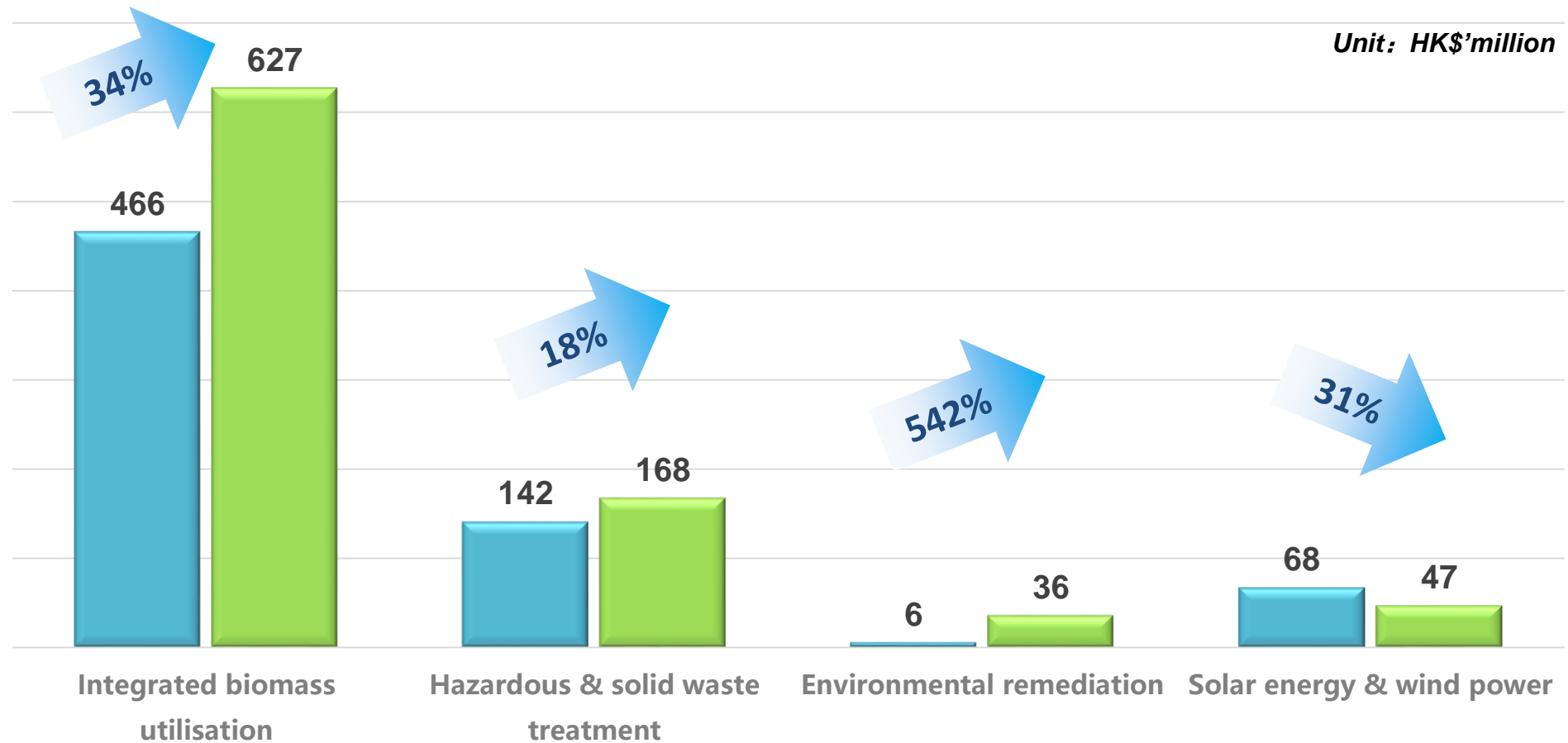
EBITDA*:

1H2019: HK\$1.43 billion (increased by 32% yoy);

1H2018: HK\$1.08 billion

* Exclude the unallocated head office and corporate net expenses

Analysis of net profit from the four businesses segments



Net profit contribution * :

1H2019: HK\$878 million (increased by 29% yoy);

1H2018: HK\$682 million

■ 1H2018 ■ 1H2019

* Exclude the unallocated head office and corporate net expenses

4. Business Prospects



Develop a Zero Waste City and Enrich the Environmental Industrial Park



Ride on the national strategy and industry trends, and based on the four business segments, to actively promote new businesses and new markets;



The Company is paying attention to the development of “zero waste city” and is actively pursuing business breakthrough brought by economic development of Yangtze River Delta region and the Guangdong-Hong Kong-Macao Greater Bay area (“Greater Bay area”);

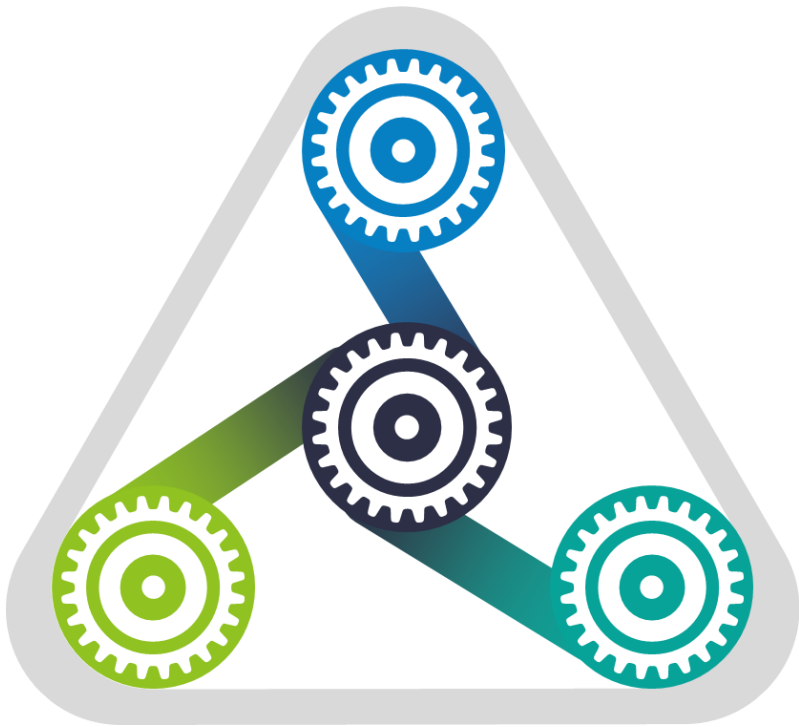


Actively explore new business models for integrated biomass utilisation and add new heating network to existing biomass power generation projects. Continue to study cutting-edge technologies and business models, actively transform and upgrade, and stride towards high value-added business of the biomass industry chain;



Strengthen core competence of environmental remediation and create new market practices. Actively explore governance model by third parties with a focus on building environmental remediation hubs in the the Greater Bay area and Yangtze River Delta Economic Zone.

Enhance Operational Management Standards



- Promote the operations management system and the data platform; Promote an informative, standardized and systematic way of project and production management; Improve management efficiency;

- Continue to strengthen safety and environment management skills; Ensure safe production and strictly control pollutant emissions and always comply with environmental regulations;

- Promote a safety culture and summarize the experience; Strengthen education, training and exchange of experiences.

Consolidate Technology Research and Development Capacity



Take part in national issues, we integrate the technological research capacity of Everbright International Research Institute, Everbright Greentech Research Institute and research institutes of each faculties, build an open platform for technological researches, boost resources sharing and continuously reinforce the collaboration between production, academics and research, thereby enhancing the entire R&D capacity;



Focus on general industrial solid waste treatment, bio natural gas 、 biomass combustion optimization and technological R&D for industry chain of hazardous waste;



Focus on bio natural gas, biomass for high value-added materials, technologies of ultra-low emissions from biomass power generation and new technologies of in-situ soil that are in line with our needs.

5. Policy Highlights



Policy Highlights

“Zero waste city” Pilot Construction Work Plan

“Zero waste city” refer to a city development mode which minimizes the environmental impacts of solid waste through facilitating forming green development method and lifestyle, and continuously promoting the reduction of solid waste from the source and resource utilisation, and maximizing the reduction of the landfilled waste as led by the new development concept.

The construction of “Zero waste city” ultimately aims at minimizing the production of solid waste for the whole city, full use of resources and treatment safety.

It is important to drive the green development of production method and lifestyle in the construction of “Zero waste city”. In particular, the main tasks include implementing green industrial production to promote the close-to-zero growth of bulk industrial solid waste stock treatment in total; advocating green agricultural production to facilitate the full use of major agricultural waste; and practicing a green lifestyle to drive the main tasks including the reduction of domestic waste from the source and resource utilisation.

It is intended to select about ten qualified, well-positioned and moderate-sized cities across the country for the pilot construction of “Zero waste city” on a citywide scale.

Soil Pollution Prevention Law of the People’s Republic of China

Known as the “strongest” soil protection law in the industry, it is the first law laid down by the PRC government for the standardization of soil pollution and has been implemented since 1 January 2019.

Under the principle of prevention first and protection priority, prevention from the source shall be enhanced to reduce pollution.

A soil pollution accountability mechanism shall be established and improved. To implement the accountability of enterprise entities, the law prescribes that the soil pollution person-in-charge shall be obliged to assume the responsibility of implementing risk management and remediation; if unable to identify the soil pollution person-in-charge, the land use rights owner shall implement risk management and remediation; and the soil pollution person-in-charge shall cover the charges for risk management and remediation.

Any violation of soil pollution prevention law shall be held legally liable in a strict manner with severe punishment and penalties.

《Notice on Deepening the Third Party Governance of Pollution in Industrial Parks》

- On July 22, 2019, the National Development and Reform Commission and the Ministry of Eco-Environment jointly issued the “Notice on Deepening the Third Party Governance of Environmental Pollution in the Parks”, which is clearly defined in the Beijing-Tianjin-Hebei region and the surrounding areas, the Yangtze River Delta region, and the Guangdong-Hong Kong-Macao Greater Bay area. The park implements a third-party governance model.
- According to the notice, the state also clarified the corresponding preferential tax policies and the central subsidy funds and other favorable policies under the model.

Q & A Section

