

EVERBRIGHT ENVIRONMENT SECURES SHIHEZI INTEGRATED WASTE TREATMENT PPP PROJECT IN XINJIANG UYGUR AUTONOMOUS REGION, STEADILY STRENGTHENING MARKET LAYOUT IN NORTHWEST CHINA

7 December 2021, Hong Kong – China Everbright Environment Group Limited (“Everbright Environment” or the “Company”) (SEHK: 257) is pleased to announce that the Company has recently secured Shihezi Integrated Waste Treatment Public-Private Partnership (“PPP”) Project (“Shihezi Project” or the “Project”) in Xinjiang Uygur Autonomous Region (“Xinjiang”), which commands an investment of approximately RMB467 million.

Shihezi Project will be implemented based on a PPP model for a concession period of 30 years. As an integrated waste treatment facility, the Project will cover the treatment of household waste, food waste and medical waste, with a total designed processing capacity of 655 tonnes/day, including a designed household waste processing capacity of 600 tonnes/day, a designed food waste processing capacity of 50 tonnes/day, and a designed medical waste processing capacity of 5 tonnes/day. To be equipped with two 300 tonnes/day mechanical grate furnaces and a 12 MW condensing steam turbine power generator, Shihezi Project is expected to generate green electricity of approximately 78.6 million kWh per annum. The gas emissions and leachate treatment will comply with relevant national standards, with the daily average level of online monitored gas emission superior to the Industrial Emissions Directive (2010/75/EU). The Project will reserve land for project expansion, and the Company will consider actual demands before entering into the relevant agreement(s) for the development of additional waste treatment facilities.

Shihezi Project has been included in the “Medium- and Long-term Development Plan for Household Waste-to-energy in Xinjiang Uygur Autonomous Region (2019-2030)” and will actively apply for national subsidies for renewable energy in accordance with the relevant requirements after the Project completes construction and commences operation. According to the Project's concession agreement, the national subsidies for renewable energy are linked to the price adjustment mechanism for waste treatment services, to ensure a reasonable return on the Project.

Shihezi City, a county-level city directly under the administration of Xinjiang, is located at the northern foothills of the middle part of the Tian Shan mountain range and the southern part of the Junggar Basin, and represents the miracle of building a new city in the wilderness. In recent years, the city has continued to promote urbanisation, and the new form of industrialisation and

agricultural modernisation, which helps to strengthen its position as a core city of the economic belt on the northern foothills of the Tian Shan mountain range. The city is also actively carrying out ecological projects to transform itself into a regional ecological park city.

Mr. Wang Tianyi, Executive Director and Chairman of the Board of Everbright Environment, said: “Shihezi City, a shining pearl in the Gobi Desert as described by poets, is a ‘garden city’ with beautiful scenery. Shihezi Project echoes with the local effort in developing an ‘ecological park city’. Securing the Project also marks Everbright Environment's expansion into the environmental protection market in Xinjiang, expanding the Company's business footprint to 25 provinces, municipalities and autonomous regions across China. Shihezi Project also carries an important strategic significance to the Company in improving its market footprint in China and expanding the northwest market. Everbright Environment will uphold the operation philosophy of ‘Pursuing Excellence and Close to Zero Discharge’ and ensure the smooth construction and operation of the Project, with the aim of developing a ‘garden factory’ as befits the ‘garden city’ and boosting Shihezi City’s reputation in green development.”

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About China Everbright Environment Group Limited

China Everbright Environment Group Limited ("Everbright Environment") is a backbone enterprise of China Everbright Group Ltd. Everbright Environment is listed on the Main Board of The Stock Exchange of Hong Kong Limited ("HKEX") (257.HK). It has two listed subsidiary companies: China Everbright Water Limited, which is dual listed on Singapore Exchange Securities Trading Limited and HKEX (U9E.SG and 1857.HK), and China Everbright Greentech Limited, which is listed on HKEX (1257.HK). After over a decade of development, Everbright Environment has become the largest environmental protection company in China, a leading player in Asia's environmental protection industry, as well as a world-renowned ecological and environmental management group. As China's first one-stop integrated environmental solution provider, Everbright Environment focuses on the three areas of environment, resource and energy, with main businesses covering waste-to-energy and integrated waste treatment, biomass power generation, hazardous and solid waste treatment, environmental remediation, water environment management, equipment manufacturing, waste sorting, environmental sanitation integration, resource recycling, development of zero-waste cities, energy-saving lighting, analysis and testing, research and development relating to green technologies, ecological and environmental planning and designing, as well as environmental protection industrial parks. Everbright Environment has a business presence in over 200 locations across 25 provinces, municipalities, autonomous regions and special administrative region in China, as well as in Germany, Poland and Vietnam.

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