FY2026 Interim Results Presentation

August 2026

China Everbright Water Limited

Forward-looking Statement

This presentation may contain forward-looking statements. Any such forward-looking statements are based on a number of assumptions about the operations of China Everbright Water Limited ("Everbright Water" or the "Company", together with its subsidiaries, collectively the "Group") and factors beyond the Company's control and are subject to significant risks and uncertainties, and accordingly, actual results may differ materially from these forward-looking statements. The Company undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such dates.

The information in this presentation should be considered in the context of the circumstances prevailing at the time of its presentation and has not been, and will not be, updated to reflect material developments which may occur after the date of this presentation. The slides forming part of this presentation have been prepared solely as a support for oral discussion about background information about the Company. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of any information or opinion contained herein. It should not be regarded by recipients as a substitute for the exercise of their own judgment. Information and opinion contained in this presentation may be based on or derived from the judgment and opinion of the management of the Company. Such information is not always capable of verification or validation. None of the Company or financial adviser of the Company, or any of their respective directors, officers, employees, agents or advisers shall be in any way responsible for the contents hereof, or shall be liable for any loss arising from use of the information contained in this presentation or otherwise arising in connection therewith. This presentation does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. It shall not be construed as a solicitation or an offer or invitation to buy or sell any securities or related financial instruments. No part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This presentation may not be copied or otherwise reproduced.

光大水務
EVERBRIGHT WATER

Table of Contents

光大水務
EVERBRIGHT WATER

01 OPERATING RESULTS

Sustained Improvement of Operating Efficiency

光大水務 EVERBRIGHT WATER

In the first half of 2026 ("1HFY2026"), Everbright Water remained committed to its long-term development strategy, reinforcing the fundamentals of its asset-heavy business model, and continuously deepened refined operations management.

Efficiency improvement

The Group established a "three-in-one" operational diagnostic mechanism integrating performance evaluation, process reliability monitoring, and equipment digitalisation oversight and implemented targeted technological upgrades to address energy and material consumption issues in production and operation of projects, thereby fostering a steady increase in capacity utilisation rate of each project.

Cost reduction

Through a variety of comprehensive measures such as process optimisation, substitution with low-carbon sources, intelligent project monitoring, and centralised procurement of bulk materials, the Group effectively offset the operational pressure caused by fluctuations in chemical prices, achieving a year-on-year reduction in unit cost of chemicals for waste water treatment ("WWT") .

Water treatment volume stabilisation

The Group treated approx. 888.71 million m^3 of waste water, supplied approx. 46.42 million m^3 of raw water and supplied approx. 19.97 million m^3 of reusable water.

Revenue increase

The Group obtained various subsidies of approxi. RMB12 million in total.

Two of the Group's WWT plants were approved to increase the WWT service fees, ranging from 8% to 35%.

Safety assurance

The Group continuously optimised the dual-prevention mechanism – comprising risk classification control, and hazard investigation and rectification - leveraging digital and intelligent means, thereby advancing the digital and intelligent transformation of safety and environmental management and strictly upholding the bottom line of safe and environmentally compliant operations. 1HFY2026, all of the Group's projects under construction and in operation achieved the control targets of "Dual Zero" (zero safety incidents and zero environmental incidents).

A Dual-Pronged Approach to Market Expansion

光大水務
EVERBRIGHT WATER

In 1HFY2026, Everbright Water adhered to the strategy of "synergistic development of asset-light and asset-heavy businesses", seized structural opportunities in the industry, and achieved steady business expansion.

Consolidation of advantageous core business

The Group secured Huai'an Huaiyin Eastern District WWT Project Phase III in Jiangsu Province, continuously consolidating the foundation of its core business.

Expansion of emerging businesses

The Group proactively deployed in segments such as electronic industrial waste water advanced treatment and agricultural non-point source pollution, conducted market research and built technological pipelines, and continuously expanded the market coverage of the Group's business.

Enhancement of asset-light business expansion

The Group conducted technical verification and model refinement leveraging internal project scenarios, gradually developing a full-chain service capability and promoting the same to external markets.

The Group successively secured and implemented a number of asset-light businesses, including the supply of linear valve equipment for Anyang Municipal WWT Centre Phase I Project in Henan Province.

New Investment

approx. RMB**90.40** million

New Contract Value

approx. RMB**68.50** million

Newly-added designed water treatment capacity

20,000 m^3/day

Steady Growth in Business Scale

Business Footprint

The Group had a business presence in over 60 districts, counties and cities **across 13 provinces, autonomous regions and municipalities in the Chinese Mainland**, in addition to **overseas markets such as Mauritius**.

Total Number of Projects

The Group invested in and held **173 projects** and undertook various asset-light businesses, including **17 operations and management ("O&M") services**.

Total Project Investment

Approx. **RMB31.94 billion**

Total Designed Water Treatment and Supply Capacity*

Exceeding **7.60 million** m^3 /day

As of 30 June 2026

**Project(s) with O&M capacity included*

Continuous Optimisation of Capital Management

光大水務
EVERBRIGHT WATER

In 1HFY2026, the Group has made the collection of trade receivables as its annual core focus. It systematically deployed and coordinated efforts across three dimensions, namely intensifying collection efforts, optimising financing, and safeguarding liquidity.

Trade receivables collection

The Group has seized the opportunity presented by China's debt resolution policies, implemented dynamic ledger management, executed collection plans on a case-by-case basis, and strengthened coordination and liaison with local governments in China to make every effort to secure priority settlement of service fees.

Financing optimisation

The Group closely monitored interest rate and exchange rate movements, flexibly utilised diversified financing instruments, optimised debt maturity structures, continuously reduced financing costs and maintained ample credit facilities.

Liquidity management

The Group strengthened the comprehensive coordination of cash flows and scientifically arranged operational and construction expenditures as well as principal and interest repayment schedules for every project.

During 1HFY2026, the Group's net cash inflow from operating activities amounted to HK$51.13 million.

In terms of new projects, the Group will continue to conduct scientific evaluations in a prudent manner based on local fiscal conditions in China, strengthen full-cycle cash recovery projections, and safeguard the stability of cash recovery at source to ensure the security of the cash flow and the quality of services.

Positive Progress of Technology Empowerment

光大水務 EVERBRIGHT WATER

In 1HFY2026, the Group focused on deploying technologies across the entire "water-related" industry chain, steadily advanced the research and development ("R&D") and industrial application of proprietary technologies, and achieved positive progress. The relevant progresses and achievements have further strengthened the Group's core technical capabilities, laying a solid technological foundation for enhancing the operating efficiency of existing assets and the commercialisation of its asset-light business products.

Positive progress in technological breakthroughs and commercialisation

The Group successfully developed new technologies and equipment, notably the EBDAS™ High-Density Sludge Integrated Technological Processes and the intelligent liquid chemical quality management system, which have already been applied in multiple projects.

The 6 self-developed technological achievements, including high-density sedimentation tank, were successfully commercialised.

The Group was granted 8 new intellectual property rights (including 2 invention patents).

Demonstration role in digital and intelligent operation

The Intelligent Demonstration Centre 2.0 version at Ji'nan East Station Area Underground WWT Project in Shandong Province was completed, marking the Group's implementation of a new-generation project management model featuring "minimal staffing, high-efficiency operations and intelligent control".

02
FINANCIAL REVIEW

Financial Review - Financial Position Overview

光大水務 EVERBRIGHT WATER

(HK$'000)	As at 30/6/2026	As at 31/12/2025	As at 31/12/2024	As at 31/12/2023	As at 31/12/2022
Total Assets	**40,099,335**	38,218,241	35,889,362	34,220,661	33,446,151
Total Liabilities	**23,825,037**	23,183,850	21,897,684	20,768,319	20,445,273
Equity Attributable to Equity Holders of the Company	**13,959,436**	12,835,487	11,835,120	11,406,121	10,967,490
Gearing Ratio (%) (total liabilities/total assets)	**59.4**	60.7	61.0	60.7	61.1
Net Asset Value per Share (HK$)	**4.88**	4.49	4.14	3.99	3.83

The Company holds quality assets and has ready access to diversified financing channels with a reasonable gearing ratio, and is in a healthy financial position.

Financial Review - Revenue and Profit Structure

光大水務 EVERBRIGHT WATER

(HK$'000)	Six Months Ended 30 June		Year-on-Year ("YoY") Change (increase/(decrease))
	2026	2025	
Revenue	**2,391,656**	3,279,565	(27%)
Gross Profit	**1,227,005**	1,369,235	(10%)
Gross Profit Margin (%)	**51**	42	9ppt*
EBITDA#	**1,078,308**	1,194,117	(10%)
Profit Attributable to Equity Holders of the Company	**517,558**	563,760	(8%)
Basic Earnings per Share (HK cents)	**18.09**	19.71	(8%)

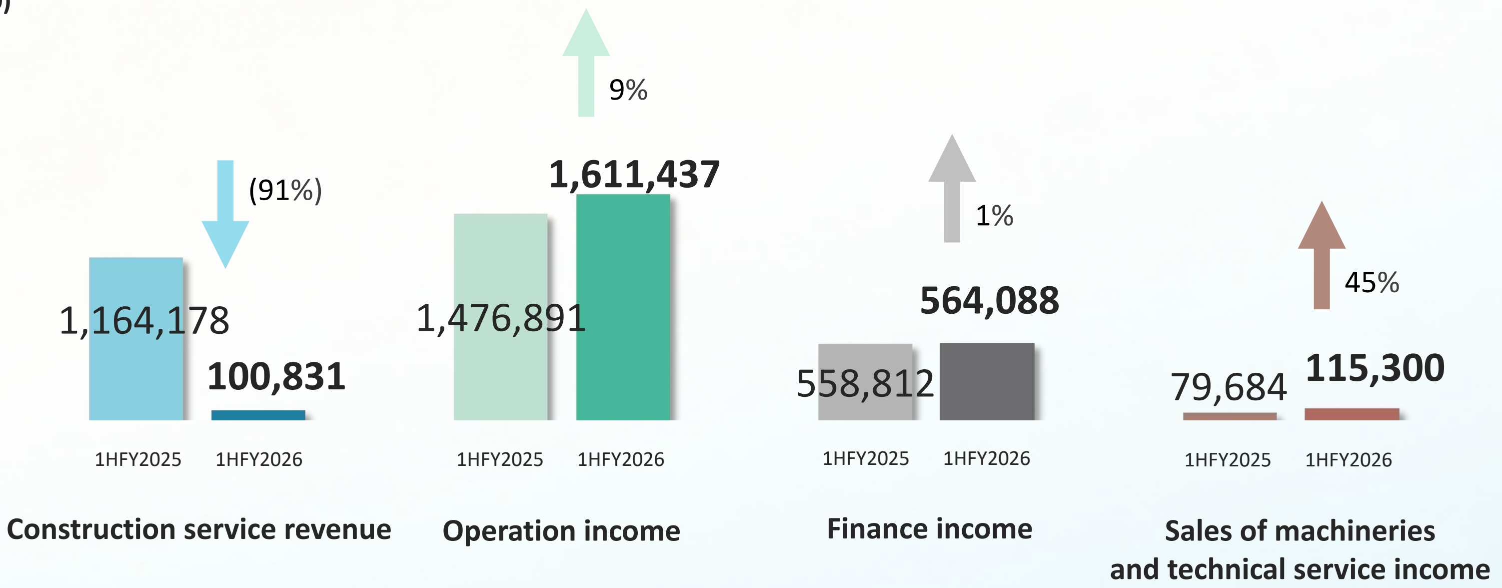
**ppt: percentage point*

 # EBITDA: Earnings before interest, taxes, depreciation and amortisation

Financial Review - Revenue Breakdown

Revenue Analysis by Categories for the Six-Month Period

(HK$'000)



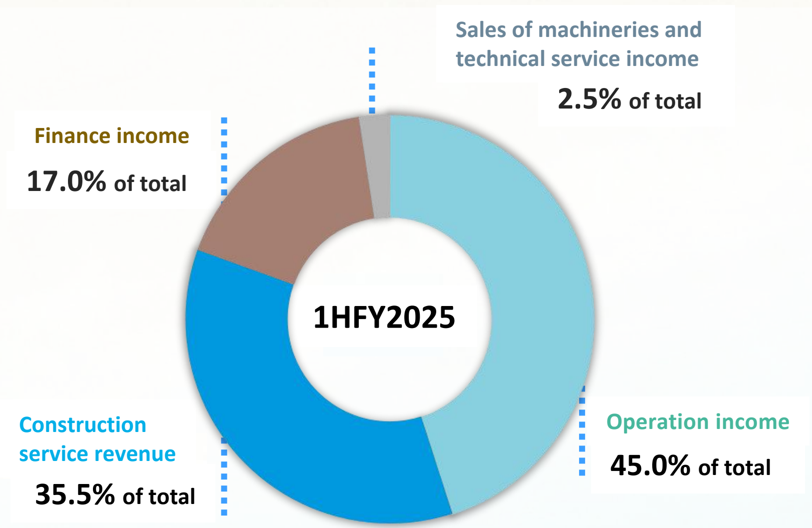
Total revenue in 1HFY2026: HK$2,391,656,000

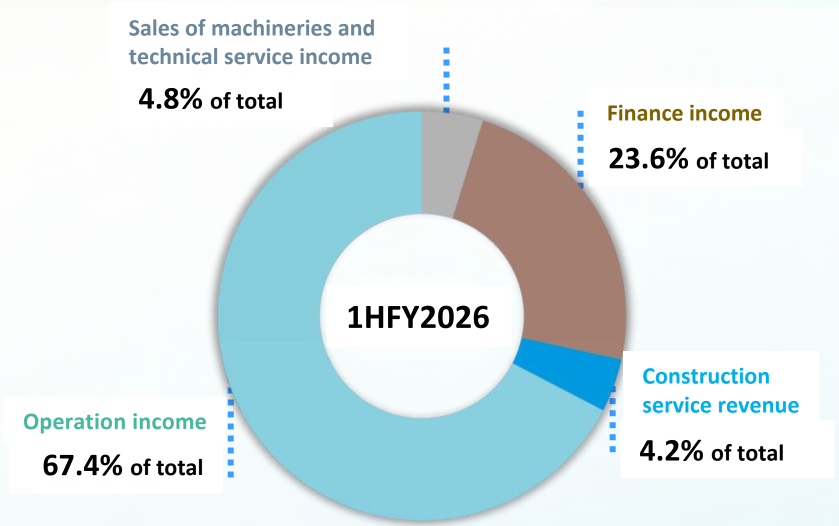
Total revenue in 1HFY2025: HK$3,279,565,000

Financial Review - Revenue Breakdown

光大水務 EVERBRIGHT WATER

Proportion of Revenue in Each Category for the Six-Month Period





In 1HFY2026, as the Group's new projects gradually commenced operation, operation income increasingly accounted for a larger proportion of total revenue, becoming an important driver of the Group's growth.

Financial Review - Distributions to Shareholders

光大水務
EVERBRIGHT WATER

(HK$'000)		Six Months Ended 30 June		Year-on-Year ("YoY") Change (increase/(decrease))
		2026	2025	
Profit Attributable to Equity Holders of the Company		**517,558**	563,760	(8%)
Basic Earnings per Share	(HK cents)	**18.09**	19.71	(8%)
Interim Dividend per Share	(HK cents)	**6.09**	6.09	No change
	(equivalent to Singapore cents)	**1.00**	0.99	1%
Dividend Payout Ratio (%)		**34**	31	3ppt*

The constant and steady dividend payout over the years demonstrates the Company's adherence to its philosophy of "sharing fruitful operating results with its shareholders".

**ppt: percentage point*

Financial Review - Financing and Capital Arrangements

光大水務 EVERBRIGHT WATER

(HK$'000)	As at 30/6/2026	As at 31/12/2025	Change (increase/(decrease))
Short-term Borrowings	**8,761,551**	6,460,611	36%
Long-term Borrowings	**9,266,893**	10,863,124	(15%)
Total Borrowings#	**18,028,444**	17,323,735	4%
Current Ratio (%)	**105**	117	(12ppt)*
Unutilised Banking Facilities	**6,067,440**	5,544,034	9%
Bank Deposit Balance and Cash	**1,853,808**	2,315,393	(20%)
Cash and Banking Facilities Available#	**7,921,248**	7,859,427	1%

- As at 30 June 2026, the Group's bank deposit balance and cash were abundant, with the unutilised banking facilities of approx. HK$6.07 billion, providing solid capital support for the Group's future development.
- As at 30 June 2026, the Group's total borrowings were approx. HK$18.03 billion, with long-term borrowings accounting for 51% of the total.

#Total borrowings = short-term borrowings + long-term borrowings
Cash and banking facilities available = unutilised banking facilities + bank deposit balance and cash
**ppt: percentage point*

03 SUBSEQUENT EVENT

Subsequent Event

光大水務 EVERBRIGHT WATER

In July 2026, Everbright Water announced the completion of issuance of the first tranche of its 2026 medium term notes (the "2026 First Tranche MTNs"). The issuance was fully subscribed for by institutional investors in the national inter-bank bond market of the Chinese Mainland, demonstrating the Group's ability to effectively seize market opportunities with strong execution capabilities amid a complex market environment.

Principal amount	RMB1.5 billion
Maturity period	5 years (with an interest rate adjustment option to be exercised by the Company and a resale option to be exercised by the noteholders at the end of the third interest-bearing year)
Interest rate	1.80%
Subscription rate	1.8 times
Use of proceeds	Repayment of the existing bonds of the Company
Credit rating	The 2026 First Tranche MTNs and Everbright Water (as the issuer of the 2026 First Tranche MTNs) have each been given a credit rating of "AAA"

光大水務
EVERBRIGHT WATER

04

BUSINESS PROSPECTS

Assessing the Landscape - Opportunities Alongside Pressures

光大水務 EVERBRIGHT WATER

Looking ahead to the second half of 2026, the implementation of China's "15th Five-Year Plan" is expected to inject strong policy momentum into its environmental protection sector. Market potential in niche areas will continue to be unleashed, and the sector's long-term development prospects remain promising. Meanwhile, challenges such as more stringent regulatory standards and intensifying market competition remain, while the trend towards industry consolidation continues. Everbright Water will actively leverage its existing advantages to capitalise on growth opportunities arising from shifts in the market landscape.

Three Specialised Growth Segments

Agricultural non-point source pollution control

With the traditional municipal market approaching saturation, substantial growth opportunities remain in pollution and carbon reduction as well as resource utilisation. Leveraging the expertise and track records gained from its Nanxiong Livestock and Poultry Manure Resource Utilisation Project in Guangdong Province, the Group will accelerate the replication of this mature business model to secure a first-mover advantage.

Electronic industrial WWT

Through its extensive experience in serving leading global semi-conductor companies, the Group has built core technological capabilities in electronic WWT. Leveraging its technological expertise, it will explore a transition from capital-intensive investments to technology inputs, and from asset-heavy approach to technological process, enhancing its market competitiveness.

International business expansion

Leveraging the brand strength and resource advantages of its international platform, the Group will deepen cross-segment synergies and expand its presence in emerging Southeast Asian markets, steadfastly pursuing a new pathway of going global built on a "technology + management" model.

Core Initiatives - Targeted Breakthroughs on Priority Tasks

光大水務 EVERBRIGHT WATER

01 Improving operational quality and efficiency

Everbright Water will strengthen accountability for receivables collection and deploy dedicated expert teams to tackle problems relating to trade receivables collection. At the same time, it will accelerate the disposal and revitalisation of existing assets, while safeguarding capital strength and reinforcing the foundations for sustainable growth.

02 Achieving market breakthroughs

The Group will accelerate the conversion of market intelligence into business opportunities, focusing on its advantageous sectors such as agricultural non-point source pollution control and industrial WWT. At the same time, it will closely monitor project developments in key regions within and outside China.

03 Enhancing technology-driven capabilities

The Group will further upgrade its intelligent demonstration centre for water treatment plants, establishing quantifiable benchmarks to facilitate wider replication. It will also establish a closed-loop operational performance evaluation and accelerate the commercialisation of R&D outcomes, thereby unlocking greater innovation momentum.

04 Strengthening procurement governance

The Group will continue to advance targeted reviews of its tendering and procurement processes. Through the use of digital platforms to identify and mitigate potential vulnerabilities, it will refine its procurement management framework and strengthen long-term mechanisms for integrity and compliance.

05 Reinforcing safety and environmental frameworks

Leveraging a comprehensive intelligent safety and environmental management system, the Group will ensure effective closed-loop management and remediation of identified issues. It will maintain its "Dual Zero" targets of zero safety incidents and zero environmental incidents, while deploying digital and intelligent risk prevention measures to safeguard stable operations.

06 Securing capital support

The Group will strengthen the coordination of onshore and offshore capital and optimise cash flow management throughout the full business cycle. By seizing market opportunities in the bond market and making effective use of offshore debt quotas, the Group will optimise its financing costs, enhance capital reserves and reinforce the foundations for its sound and solid operations.

07 Strengthening talent pipeline

Guided by a performance-oriented approach, the Group will precisely fill talent gaps in critical areas, building a strong talent pipeline to sustain the long-term growth of the business.

光大水務
EVERBRIGHT WATER

DEDICATED TO CLEAN WATER