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SIIC ENVIRONMENT HOLDINGS LTD.

上海實業環境控股有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong Stock Code: 807)

(Singapore Stock Code: BHK)

SIIC Environment 9MFY2023

Revenue Climbs 9.7% YOY to RMB6.349 Billion

Net Profit Attributable to Shareholders Up 2.2% YOY to RMB583 Million

- Revenue in 9MFY2023 amounted to RMB6.349 billion, an increase of 9.7% year-on-year (YOY)
- Gross profit and net profit in 9MFY2023 increased by 14.6% and 9.6% YOY to RMB2.214 billion and RMB925 million respectively
- Construction revenue in 9MFY2023 amounted to RMB2.149 billion, an increase of 5.36% YOY, mainly due to the Group's Xicen Water Purification Plant Project ("**Xicen Project**") in Qingpu, Shanghai, together with other new projects
- The aggregate of operating and maintenance income and financial income from service concession arrangements in 9MFY2023 increased by 11.84% YOY to RMB3.822 billion, mainly due to higher volume and average price in water treatment and water supply
- Net profit attributable to shareholders in 9MFY2023 amounted to RMB583 million, representing a growth of 2.2% YOY

Financial Highlights

RMB'000	9MFY2023	9MFY2022	Change (%)
Revenue	6,348,959	5,787,795	9.7
Gross Profit	2,214,358	1,931,950	14.6
Net Profit	924,519	843,774	9.6
Net Profit Attributable to Shareholders	583,384	571,012	2.2
Earnings per Share (RMB cents)	22.65	22.17	2.2

(Singapore and Hong Kong, 14 November 2023) - **SIIC Environment Holdings Ltd.** (“**SIIC Environment**” or the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”), a leading water treatment and environmental protection company in China, today announced its results for the nine months ended 30 September 2023 (“**9MFY2023**” or the “**Reporting Period**”). The Group’s total revenue increased by 9.7% YOY to RMB6.349 billion, its gross profit and net profit increased by 14.6% and 9.6% YOY to RMB2.214 billion and RMB925 million respectively, and its net profit attributable to shareholders increased by 2.2% YOY to RMB583 million.

In 9MFY2023, the Group’s construction revenue increased by 5.36% YOY to RMB2.149 billion, mainly due to the Group’s “Xicen Project” and other new projects. The aggregate of operation and maintenance income and financial income from service concession arrangements increased by 11.84% YOY to RMB3.822 billion, mainly due to the Group’s benchmark solid waste treatment and power generation project, Shanghai Baoshan Renewable Energy Utilization Centre (“**Baoshan Project**”), which commenced operations in the beginning of 2023, and also higher volume and average price in water treatment and water supply during the Reporting Period.

As at 30 September 2023, the Group’s cash and cash equivalents remained at a healthy level of RMB2.50 billion. During the Reporting Period, net cash of RMB1.647 billion was generated from the Group’s operating activities. Excluding cash used in these projects, cash generated

from operating activities in 9MFY2023 was RMB1.404 billion. The Company is in good financial condition and has a strong balance sheet.

The Group is committed to increasing its market share, scale and efficiency. During the Reporting Period, the Group was awarded the new wastewater treatment plant operation and management project in Weicheng, with a total designed capacity of 50,000 tonnes per day. In addition, one project with a total designed capacity of 30,000 tonnes per day was awarded tariff increase. Three wastewater treatment projects with a total designed capacity of 60,000 tonnes per day were upgraded and expanded.

During the Reporting Period, the Group's wastewater treatment volume increased by 2.4% YOY to 1.892 billion tonnes and its water supply volume increased by 2.4% YOY to 242 million tonnes. In terms of treatment tariffs, the average wastewater treatment tariff climbed from RMB1.74 per tonne to RMB1.77 per tonne, representing a rise of 1.7% YOY. The average water supply tariff climbed from RMB2.48 per tonne to RMB2.57 per tonne, representing an increase of 3.6% YOY.

PROSPECTS

In the third quarter of 2023, the economy of China continued to recover. The “Carbon Peaking” and “Carbon Neutrality” policy framework has continuously improved, helping guide the high-quality development of the industry. On 15 August, China published her first “Blue Book of China’s Ecological Conservation Red Lines (2023)”. With red lines drawn for land and marine ecological conservation for the first time, the country has clear reference for managing and controlling important ecological areas, promoting transformation to green and low-carbon development, and hastening the adoption of green production modes and lifestyles. Regarding water policy, the Ministry of Ecology and Environment of China and Shanghai Municipal Bureau of Ecology and Environment have officially issued the “Notice on the Environmental Protection Works of Enhancing the Treatment of Urban Black and Odorous Water” (關於進一步做好黑臭水體整治環境保護工作的通知) and the “Special Plan for the Ecological Green Integrated Development Demonstration Zone of the Yangtze River Delta (2021-2035)” (長三角生態綠色一體化發展示範區生態環境專項規劃 (2021-2035年)) on 30 August and 21 September, respectively, which aim at expanding the scope of action for environmental protection of treatment of urban black and odorous water, with the goal of achieving full regional supervision and coverage.

The Group has actively deployed high-quality projects and, with favorable policy support, it keeps expanding its wastewater and sludge treatment business. Currently, the construction of the “Xicen Project” in the Yangtze River Delta Integration demonstration zone is well underway and the raft foundation construction of the Project was completed in this mid-October. After the Project is completed, it will be one of the most advanced underground wastewater treatment plants in the country in terms of effluent standard. The Group’s business in the Guangdong-Hong Kong-Macao Greater Bay Area has achieved good progress. The Macau Taipa Wastewater Treatment Plant Operation & Maintenance Project (“**Taipa Project**”) is in stable operation, and the Macau Avenida Marginal do Lam Mau temporary Wastewater Treatment Plant Project (“**Lam Mau Project**”) has completed preliminary design work and commenced construction in this September. At the same time, the Group has vigorously improved the wastewater treatment plants (WWTP) capacities and promoted plant upgrading, reconstruction and expansion, and other related projects. In the third quarter, it signed an upgrade and expansion agreement for its 50,000-tonne Zaozhuang City Shanting District WWTP Project (“**Shanting Project**”), which will give its business stronger growth impetus, as well as raise its sustainable operation capabilities, in turn contribute positively to the Group’s results.

On the solid waste treatment front, Chinese government departments including the National Development and Reform Commission, the Ministry of Ecology and Environment and the Ministry of Housing and Urban-Rural Development together issued the "Actions for Enhancing Environmental Infrastructure Construction (2023-2025) (環境基礎設施建設水平提升行動(2023—2025年))" in July, which targets to markedly strengthen the handling capacity and standard of environmental infrastructure by 2025. The target set for national household waste sorting, collection and transportation capacity is more than 700,000 tonnes per day and for national urban household waste incineration capacity is more than 800,000 tonnes per day. With backing as such, the relevant policy benefits will bring more investment opportunities to the Group's solid waste treatment business. The Group has been actively promoting high-quality development of its WTE business. Its benchmark solid waste project “Baoshan Project” has started commercial operation, implementing better than EU-required emission standards, addressing the problem of secondary pollution from independent treatment of wet waste pollutants, thus has been bringing the Group stable revenue.

Mr. Zhu Dazhi, Chief Executive Officer of SIIC Environment, said, " The Group will actively heed the country's green development goals and requirement of low-carbon transformation, practice the "clear waters and green mountains are as valuable as mountains of gold and silver" concept, and actively help the country achieve her dual-carbon goals. At the same time, it will further strengthen the innovation of green and low-carbon technologies and informatization construction, keep a close eye on high-quality project opportunities, and press on with expanding market share. Also, the Group will maintain steady progress of the Group's various businesses and consolidate its leading position in China's water and environmental protection industries."

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About SIIC Environment Holdings Ltd.

SIIC Environment Holdings Ltd. ("**SIIC Environment**", stock code: BHK.SG, 807.HK) is a top-tier integrated player in China's water and environmental markets. It is engaged in wastewater treatment, water supply, sludge treatment, solid waste incineration and other environmentally related businesses. Headquartered in Singapore and listed on the Main board of SGX-ST, the Company successfully launched on the Main board of HKEX in 2018. The controlling shareholder, SIIC Environment, Shanghai Industrial Holdings Limited ("**SIHL**", HKEX stock code: 363.HK), was established in 1996, with infrastructure, real estate and consumer products as the core business. The important strategic investor of the Company, China Energy Conservation and Environmental Protection Group ("**CECEP**"), is a state-owned enterprise mainly engaged in energy conservation and environmental protection, which was reorganized and established in 2010 with the approval of State council. SIIC Environment has shown tremendous growth and continued to increase its market share in China's environmental sector.

SIIC Environment is an active investor and operator in the environmental protection industry, with an operating history of more than 15 years in China. Currently, it boasts an overall portfolio of about 250 wastewater treatment and water supply projects, 5 solid waste incineration projects and 13 sludge treatment projects across 20 provinces, municipalities, autonomous regions and special administrative region in China, namely Shandong, Guangdong, Hubei, Hunan, Jiangsu, Shanghai, Zhejiang, Jiangxi, Anhui, Fujian, Guangxi, Ningxia, Henan, Liaoning, Inner Mongolia, Shanxi, Sichuan, Jilin, Heilongjiang, and Macau.

Leveraging the Group's distinctive strategic positioning and business model, SIIC Environment will continue to expand its business in water and solid waste treatment and explore opportunities in other environmentally-related markets such as industrial wastewater treatment, seawater desalination, sludge treatment and disposal, soil remediation, renewable energy, water treatment

technology and pollution prevention. The Group is committed to expanding its market share, increasing its scale and efficiency, and consolidating its leading position in China's water and environmental protection industry.

For more information, please visit: www.siicenv.com

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By Order of the Board
SIIC Environment Holdings Ltd.
Mr. Zhu Dazhi
Executive Director

Singapore and Hong Kong, 14 November 2023

As at the date of this announcement, the non-executive Chairman is Mr. Zhou Jun; the executive Directors are Mr. Zhu Dazhi, Mr. Xu Xiaobing, Mr. Jiang Kai and Mr. Yang Xing; and the independent non-executive Directors are Mr. Yeo Guat Kwang, Mr. An Hongjun and Mr. Zhong Ming.

** For identification purpose only*