



16 August 2023

1H2023 Results Corporate Presentation



浙能锦江环境
ZHENENG JINJIANG ENVIRONMENT

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Company Overview

About Zheneng Jinjiang Environment

- First mover and leader in PRC's Waste-To-Energy (WTE) industry, as well as one of the first WTE operators in the PRC
- Established PRC's first WTE plant using Circulating Fluidised Bed (CFB) incineration technology in 1998 and built a track record spanning over 20 years
- Listed on the mainboard of the Singapore Exchange on 3 August 2016

WTE BUSINESS (Main revenue contributor)

- Treatment of municipal solid waste and generation of steam and electricity

3 main revenue streams:

- 1) **Waste treatment fees** (Domestic waste treatment is priced by entering into agreements with local governments, while other urban solid wastes such as industrial waste and sludge that are co-processed are priced by negotiating with suppliers)
 - 2) **Sales of electricity** (tariffs decided by central and local governments)
 - 3) **Sales of steam** (fee decided by local government or company)
- Operational facilities are ~65% Build-Own-Operate (BOO) model; ~35% Build-Operate-Transfer (BOT) model

Extensive Network in China and Overseas

CHINA



OVERSEAS

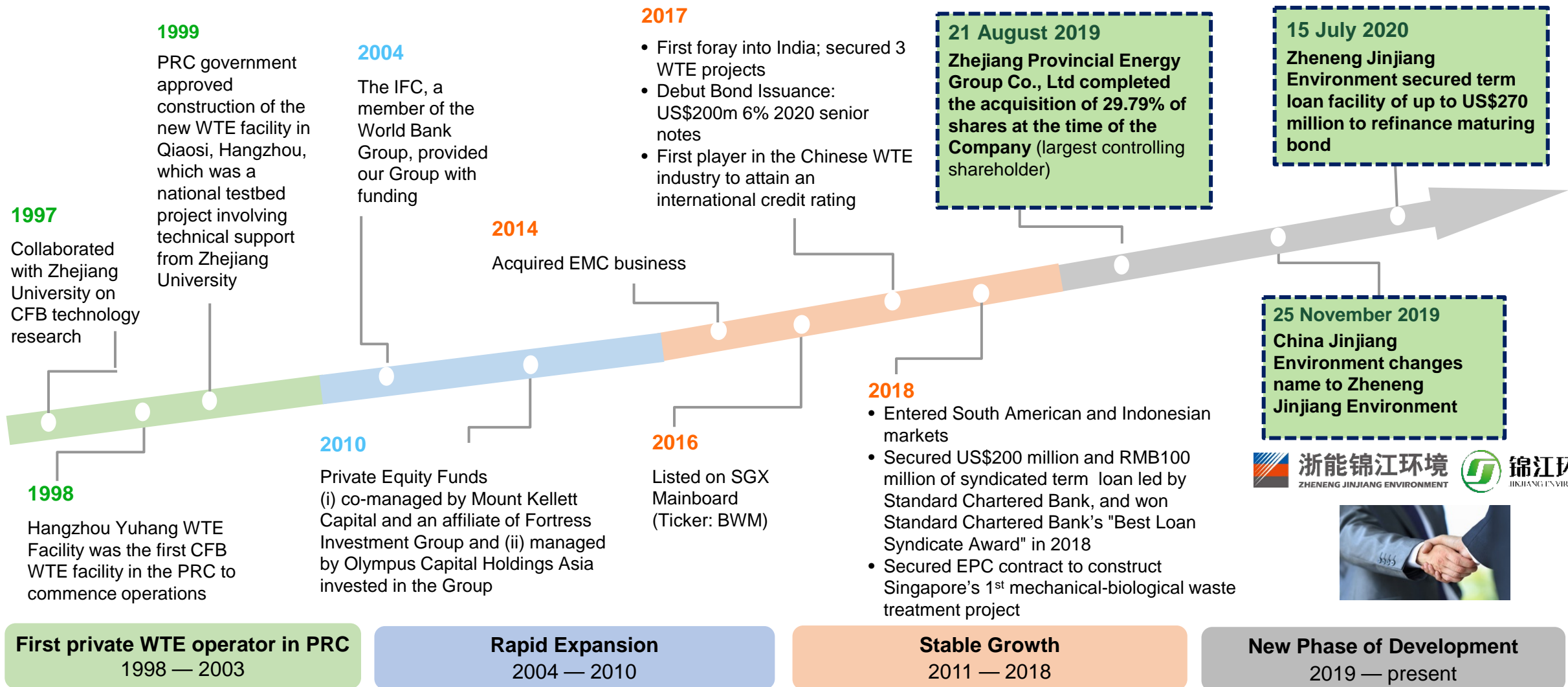


When fully completed, total waste treatment capacity to reach
62,220 tonnes/day

*As at 30 June 2023, 17 of the 26 WTE facilities operated in a BOO business model

Important Milestones

Established In 1998, with leading Waste-to-Energy (WTE) treatment capacity in the PRC



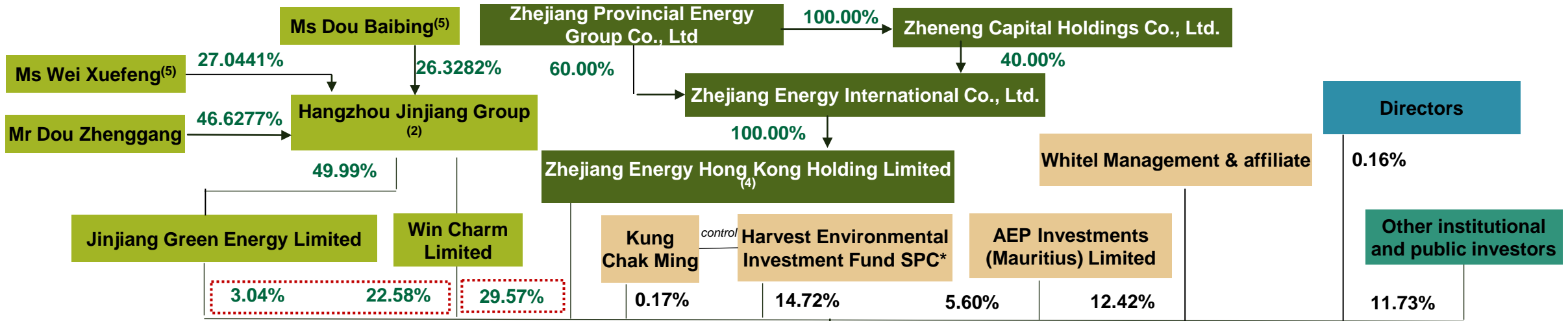
About Zhejiang Provincial Energy Group Co., Ltd (Zheneng Group)



- State-owned provincial energy enterprise involved mainly in energy-related businesses and ranked 188th on the list of Top 500 Chinese Companies in 2022
- Strong capabilities across the entire energy production value chain, with resources and strong financial expertise
- Manages more than 400 companies collectively
- In 2022, Zheneng Group achieved the following:
 - Electricity generation: 177.6 billion KWh
 - Thermal coal supply: 61.07 million tonnes
 - Natural gas supply: 15 billion m³
 - Heat supply: 120 million GJ
 - Refined oil product sale: 924 thousand tonnes

Strong Shareholding Structure

Strong Shareholder Background Provides Firm Support For Company's Development (1)



*acting on behalf of and for the account of Harvest Environmental Investment



(Incorporated in the Cayman Islands)

(1) Based on 1,454,024,700 shares as at 30 June 2023

(2) Through wholly-owned subsidiary

(3) Based on SGX's announcement on 3 August 2016

(4) A wholly-owned subsidiary of Zhejiang Energy International Limited

(5) Through entity controlled by such person

Hangzhou Jinjiang Group	Zhejiang Energy Hong Kong Holding Limited	Harvest Environmental Investment Fund SP	AEP Investments (Mauritius) Limited	Whitel Management Company Limited	Other Institutional Investors (3)
<ul style="list-style-type: none"> The Jinjiang Group is China's top 500 private enterprise, engaging in environmental protection & energy, non-ferrous metal and chemicals business Jinjiang Green Energy is an affiliate of the Hangzhou Jinjiang Group 	<ul style="list-style-type: none"> Zheneng Group is a state-owned provincial energy enterprise Zhejiang Energy International Limited and Zheneng Capital Holdings Co., Ltd. are controlled by Zhejiang Provincial Energy Group Co., Ltd. 	<ul style="list-style-type: none"> A discretionary managed fund managed by Harvest Global Capital Investments Cayman, a wholly owned subsidiary of Harvest Global Capital Investments 	<ul style="list-style-type: none"> A fund wholly owned and managed by Olympus Capital Olympus Capital is US-based private equity, founded in 1997 	<ul style="list-style-type: none"> An affiliate of Hopu Investments 	<ul style="list-style-type: none"> Company's shares are subscribed by many renowned institutional investors during IPO, including Great Eastern Life (Malaysia), Hailiang International and UOB AM

Strong Management Team

Key Management Team Members Have More Than 20 Years Of Industry Experience



WEI Dongliang

Executive Chairman, Executive Director,
and member of the Nominating Committee
Date joined: 2019

- Responsible for overall strategic planning and management
- More than 20 years of corporate leadership and senior management experience in the energy industry
- Served as the General Manager of Zheneng Capital Holdings Co., Ltd. and Zheneng Equity Investment Fund Management Co., Ltd
- Vice Chairman of Qianjiang Water Resources Development Co., a Chinese A-share listed company, and the Director of China Zheshang Bank since 2015



WANG Wuzhong

Deputy GM
Date joined: 1992

- Responsible for environmental safety, daily operations, R&D and overall strategy
- Over 30 years of experience
- Professor-level senior engineer
- Member of the Technical Committee of City and Environment Sanitation Standardization of the Ministry of Housing and Urban-Rural Development
- Member of the Expert Committee of China Electric Power Federation
- Deputy Director, Environmental Protection Equipment and Technology Promotion Center, China Equipment Management Association



WANG Ruihong
Executive Director, Deputy GM

Date joined: 1999

- Responsible for the implementation of overall business management, brand strategy and legal compliance
- More than 30 years of experience
- Zhejiang Provincial Department of Finance certified accountant qualification
- Senior Professional Manager of Environmental Protection
- Advanced economist certification



JIN Ruizhi
Executive Director, CFO

Date joined: 2019

- Responsible for overall financial functions, including corporate finance and group finance management
- Over 30 years of experience in accounting and financial management in the energy industry
- Held roles in the power and petroleum divisions of Zheneng Group
- Accountant certification
- Advanced economist certification



QI Liang
Chief Engineer

Date joined: 2019

- Responsible for all engineering related matters
- More than 20 years' experience in production, technology and infrastructure management in the power industry
- Formerly Deputy general manager of Cixi Zhongke Zhongmao Environmental Protection and Thermal Power Co., Ltd. and Deputy Director and Director of Engineering Department of Zhejiang Zhenhai Power Generation Co., Ltd
- Intermediate Engineer



1H2023 Financial Overview

1H2023 Key Financial Overview



Revenue of RMB1,992.2 million for the 1H2023, up by 8.3% year-on-year



Core waste-to-energy business grew 13.3% year-on-year to RMB1,716.8 million



Profit before tax doubled year-on-year to RMB365.0 million; Profit before tax excluding foreign exchange effect increased 35.9% year-on-year

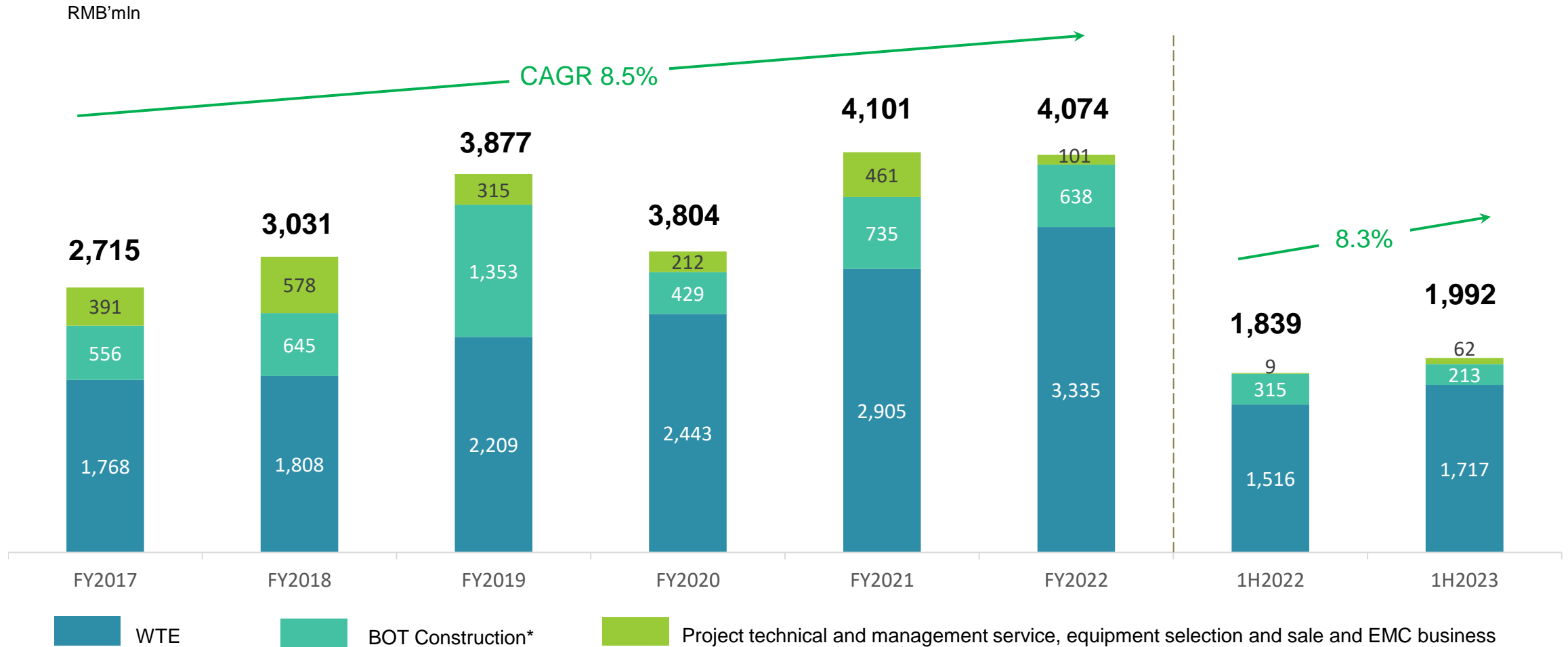
Results Overview

Financial Highlights (RMB'million)	1H2023	1H2022	Change (%)
Total revenue	1,992.2	1,839.3	8.3
▪ Waste-to-Energy business	1,716.8	1,515.9	13.3
▪ Waste-to-Energy: BOT construction	213.3	314.9	(32.3)
▪ Project technical and management service, equipment selection and sale and EMC business	62.1	8.5	629.5
Gross profit	584.5	515.0	13.5
Profit before tax	365.0	173.2	110.7
Profit attributable to equity holders of the Company	266.3	93.5	184.9
Basic and Diluted EPS (RMB cents)	18.32	6.43	184.9

- 1H2023 **revenue** increase was driven by growth in core WTE business due to (i) increase in waste treated due to commencement of operations of new and expansion projects, and the technical transformation and optimization of the power plant management, which resulted increase in revenue from waste treatment and sales of electricity, and (ii) increase in steam supplied and the expansion of existing power plant steam supply business, which resulted the increase in sales of steam
- 1H2023 **gross profit margin** expanded by 1.3 percentage points mainly due to higher efficiency and output following the technical improvements in power plant management and expansion of steam supply business
- 1H2023 **profit before tax** doubled due to higher gross profit, higher tax refund, higher gain on sales of scrap materials, and lower foreign exchange losses

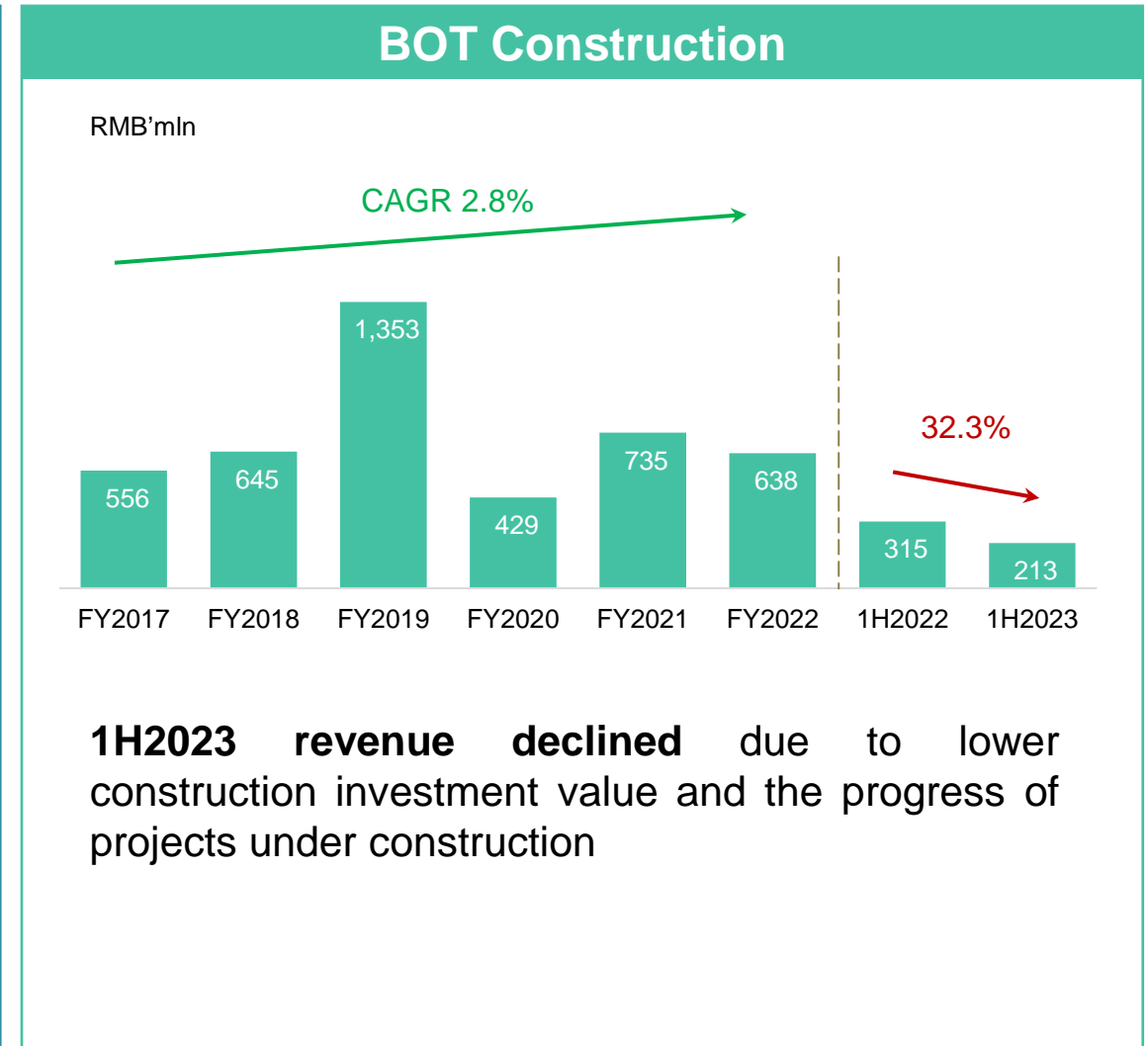
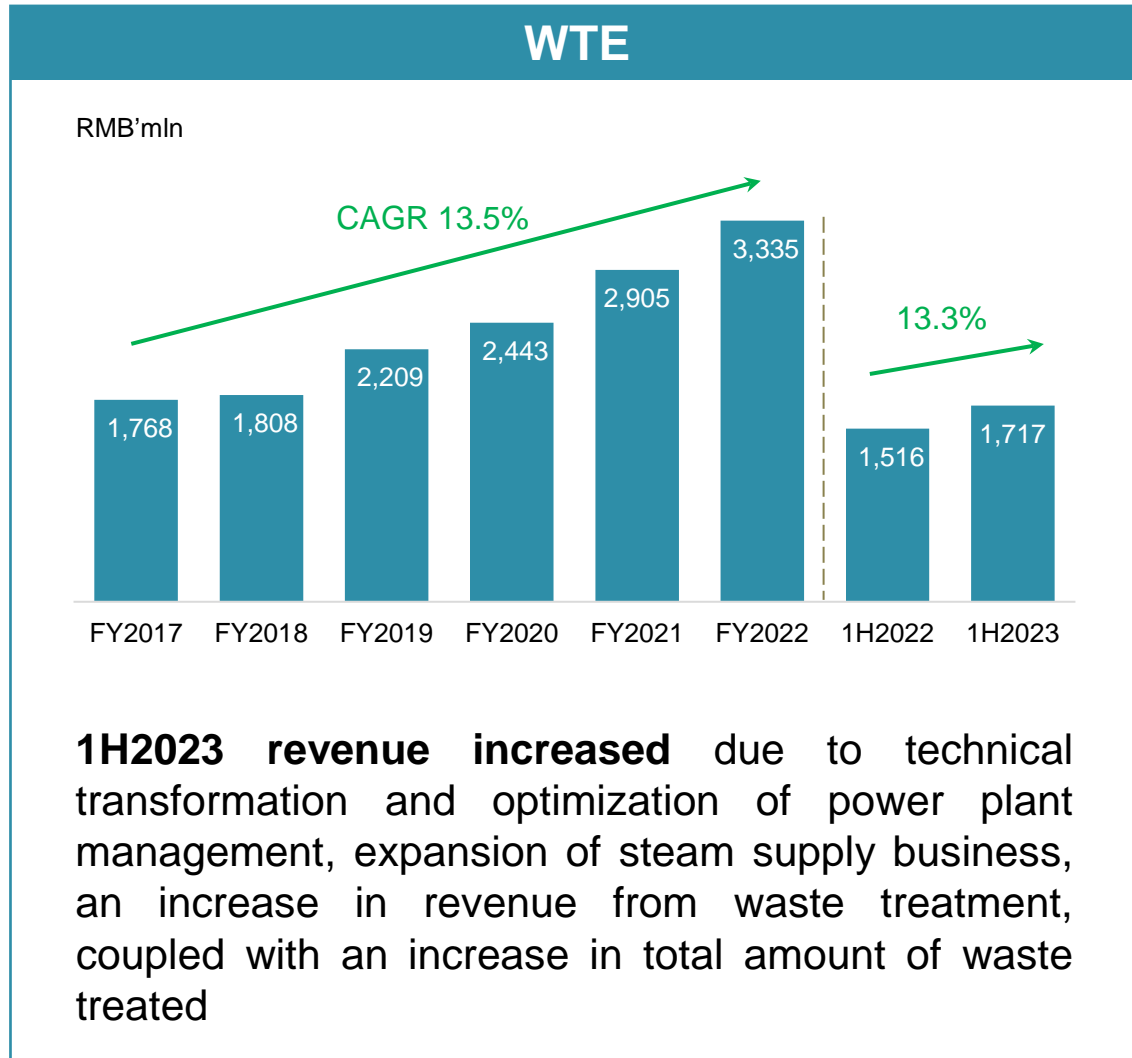
Revenue Overview

WTE Business continued to be the main contributor to the Group's revenue

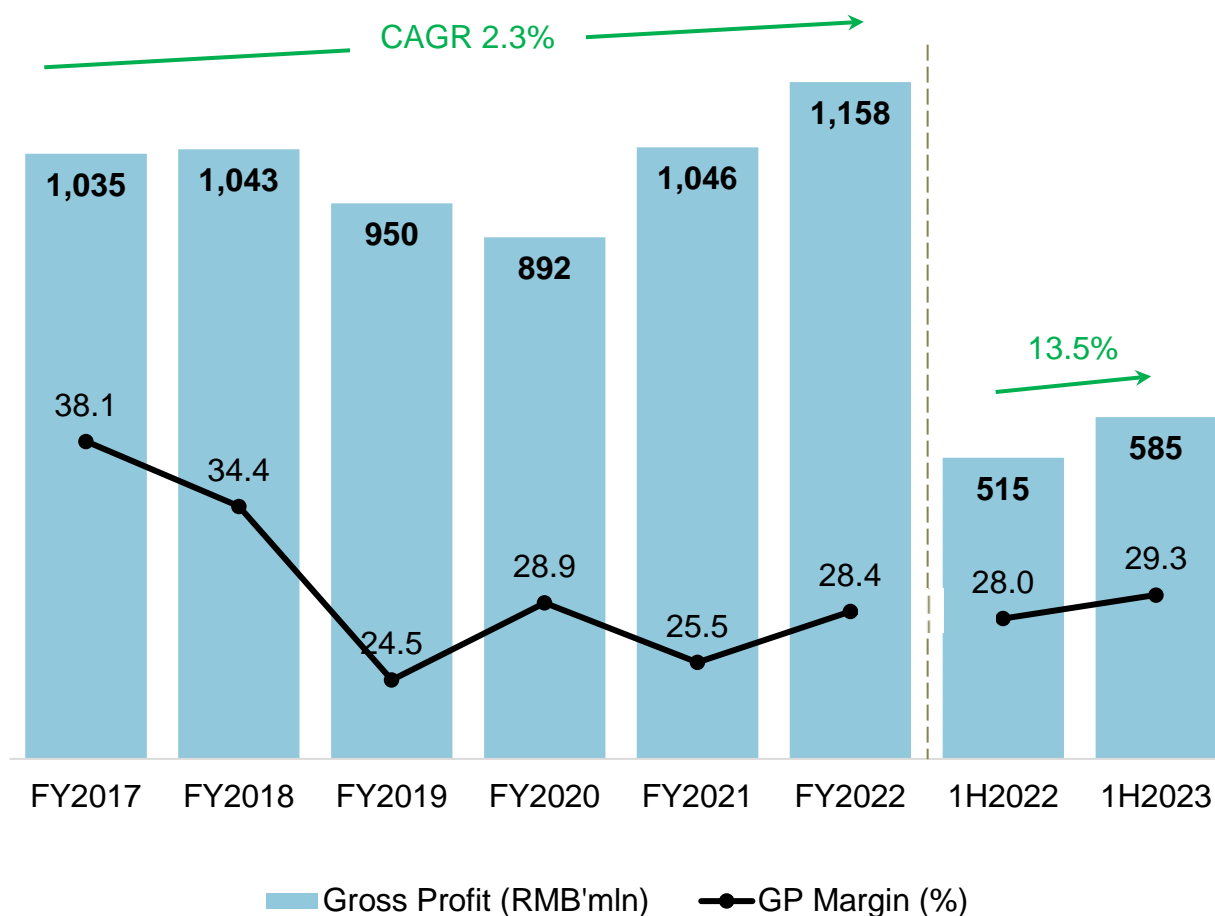


*Includes BOT construction income and financial income under service concession agreements

Revenue Breakdown by Business Segment



Gross Profit & Gross Profit Margin



Segmental GP (RMB'mln)	1H2023	1H2022	Change
WTE	530.6	450.8	17.7%
BOT Construction*	48.1	61.4	(21.6%)
Project technical and management service, equipment selection and sale and EMC business	5.9	2.8	110.7%

Segmental GP Margin (%)	1H2023	1H2022	Change
WTE	30.9	29.7	1.17 pts
BOT Construction**	13.6	13.6	-
Project technical and management service, equipment selection and sale and EMC business	9.5	33.1	(23.6 pts)

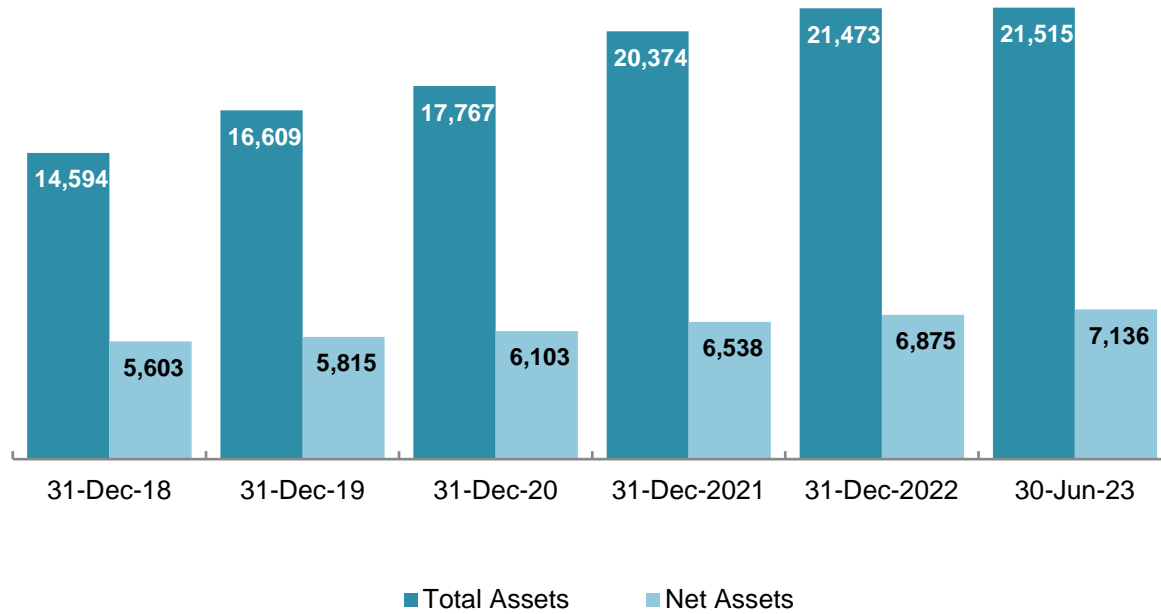
*Includes BOT construction income and financial income under service concession agreements

**Includes income from BOT construction (excluding financial income under service concession agreements)

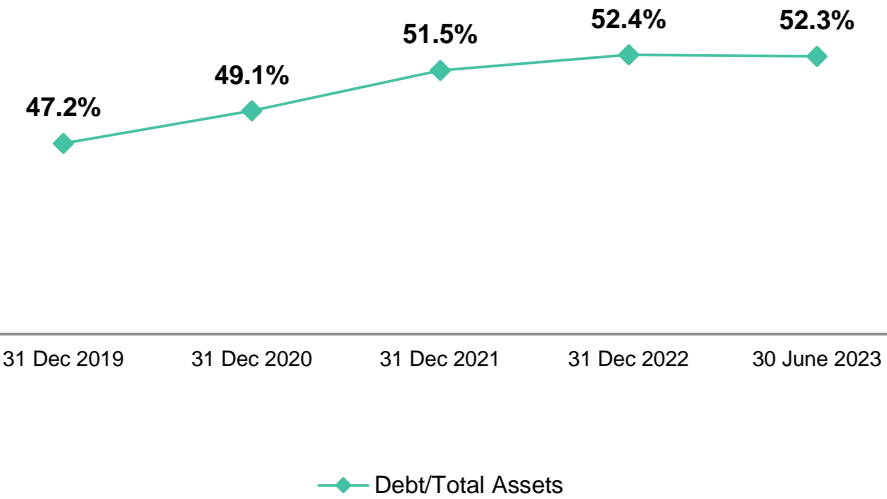
Capital Structure

Total Assets & Net Assets

RMB'mln

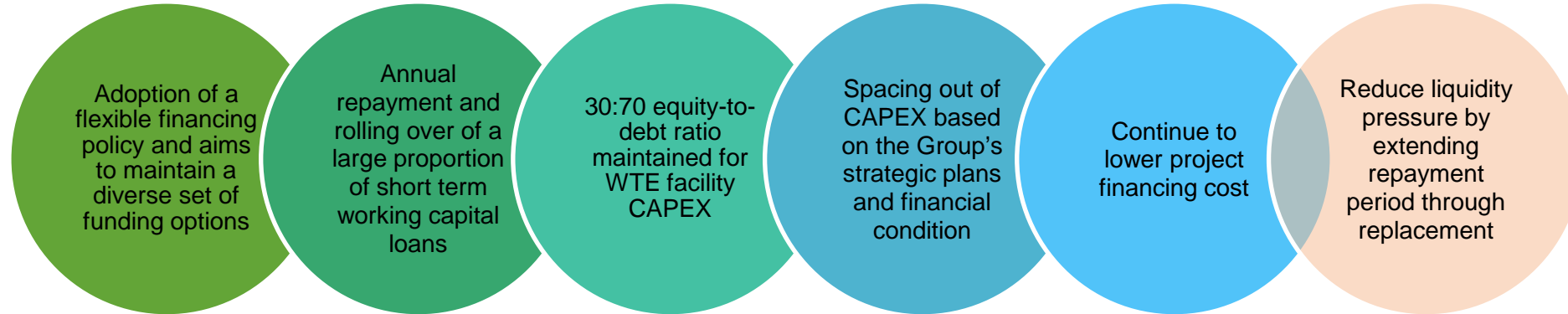


Interest-bearing Debt/Total Assets



Prudent Capital Management

Our Capital Management Policy



Private placement of 214 million new shares to raise S\$107 million



3-yr fixed-term syndicated loan of US\$200 million and RMB100 million led by Standard Chartered



Completed upgrading project, achieving operational improvements which will improve cash flow



Secured term loan facility of up to US\$270 million to refinance maturing bond



- Drawdown and re-financed RMB540 million from the new credit line of RMB900 million from Zheneng Finance
- Repaid the syndicated term loan facility obtained in 2018
- Obtained the approval to establish an asset-backed securities scheme in the PRC, with an aggregate principal amount up to RMB1,000,000,000
- Early repayment of the syndicated term loan facility obtained in 2020

Continue to actively seek an even greater degree of support from the largest controlling shareholder leveraging upon its strong credit status to broaden the financing channels of the Group, increase the line of credit, to solidify the Group's leading industry position

Introduce strategic investors or REITs at the project level to optimise capital structure

Pace out commencement of projects to reduce balance sheet burden

Reassess and execute overseas expansion plans in an orderly manner

2018.4

2018.6

2019

2020

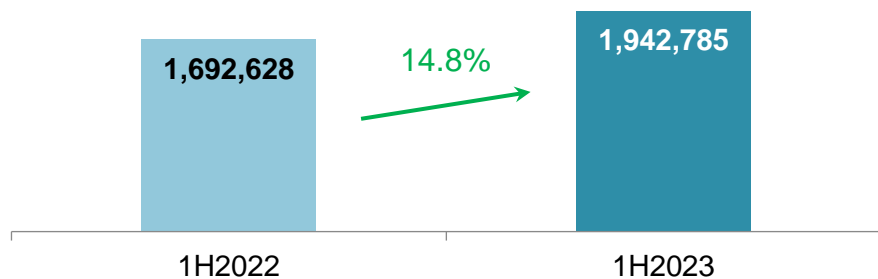
2021 and beyond



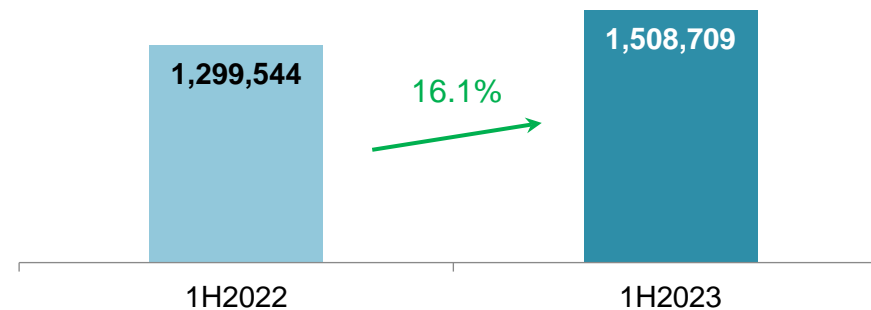
1H2023 Operational Highlights

1H2023 Operational Analysis

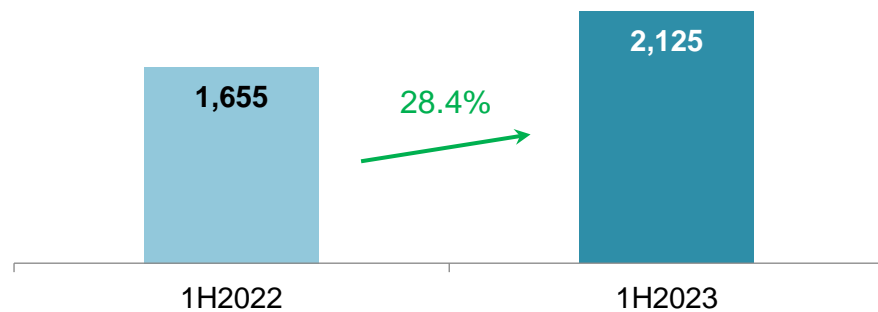
Electricity Generated ('000 KWh)



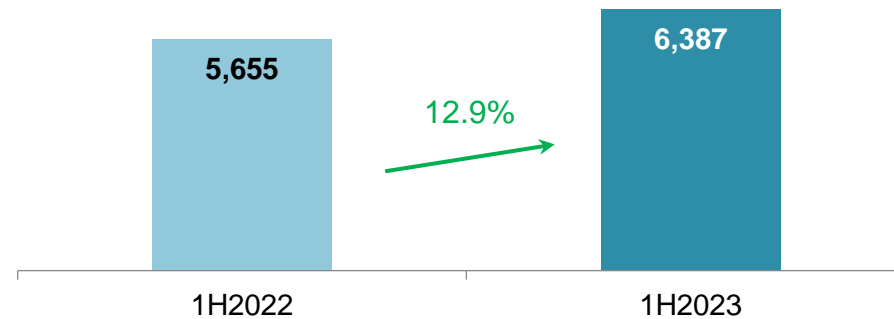
On-grid Electricity Supplied ('000 KWh)



Steam Supplied ('000 tonnes)



Waste Treated ('000 tonnes)



Extensive Portfolio in the PRC with Growing Overseas Footprint



Zheneng Jinjiang Environment	
Total Capacity	62,220 tonnes/day



China Projects*		
No.	Status	Capacity (tonnes/day)
37	Operational	42,705
2	Construction & Expansion	1,600
18	In the Preparatory Stage	14,250
Total		58,555

**Including WTE projects, Resource Recycling projects and Kitchen Waste Treatment projects*

India		
No.	Status	Capacity (tonnes/day)
1	In the Preparatory Stage	1,500
1	Construction	1,165
Total		2,665



Indonesia Project		
No.	Status	Capacity (tonnes/day)
1	In the Preparatory Stage	1,000
Total		1,000



China – Our Extensive Footprint

Treatment Capacity (tonnes/day)

● In Operation ● Under Construction or Expansion ● Under Preparation

Hebei

Tangshan Jiasheng	BOO, 1000
Leting Jinhuan	BOO, 500
Shijiazhuang Jiasheng	BOO, 1,600
Shijiazhuang Jiasheng	BOO, 800
Tangshan Guye	BOO, 1,600
Shijiazhuang Jiasheng Wuji Resource Recycling	BOO, 1,000
Shijiazhuang Gaocheng Resource Recycling	BOO, 2,000
Tangshan Qianxi Resource Recycling	300
Luannan Resource Recycling	BOT, 600
Gaobeidian Resource Recycling	BOO, 600
Baoding Jinhua	1,200

Shaanxi

Yulin Green Energy	TBC, 1,300
Yan'an	BOT, 1,300

Ningxia

Yinchuan Zhongke	BOT, 2,000
Zhongwei Green Energy (Phase 2)	BOT, 500
Zhongwei Green Energy (Phase 1)	BOT, 500
Zhongwei Kitchen Waste	100

Shanxi

Shanxi Taigu	BOT, 400
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Henan

Zhengzhou Xingjin	BOO, 2,840
Linzhou Jiasheng (Phase 1)	BOT, 500
Linzhou Jiasheng (Phase 2)	BOT, 500
Zhengzhou Xingjin	1,000
Linzhou Kitchen Waste	45

Hubei

Wuhan Jinjiang	BOO, 2,600
Hankou Jinjiang	BOO, 2,600
Wuchang Kitchen Waste Treatment	500
Wuhan Resource Recycling	BOO, 1,000
Wuhan Jinjiang Reconstruction	

Inner Mongolia

Hohhot New Energy	BOO, 1,750
Bayannao'er Jingpengyun	BOT, 700

Heilongjiang

Suihua Green Energy	BOO, 800
Qitaihe Green Energy	BOO, 1,000
Suihua Green Energy Lanxi Resource Recycling	BOT, 240

Jilin

Jilin Xinxiang	BOO, 2,700
Songyuan Xinxiang	BOT, 1,050
Baishan Green New Energy	BOO, 600
Songyuan Kitchen Waste Treatment	150
Songyuan Xinxiang New Energy Resource Recycling	BOO, 300

Tianjin

Tianjin Sunrise	BO, 1,100
Tianjin Sunrise Upgrading	

Shandong

Zibo Green Energy	BOO, 1,600
Gaomi Lilangmingde	BOT, 800
Zibo Green New Energy	BOO, 4,000
Zibo Gaoqing Resource Recycling	500
Zibo Green Energy Resource Recycling	400

Jiangsu

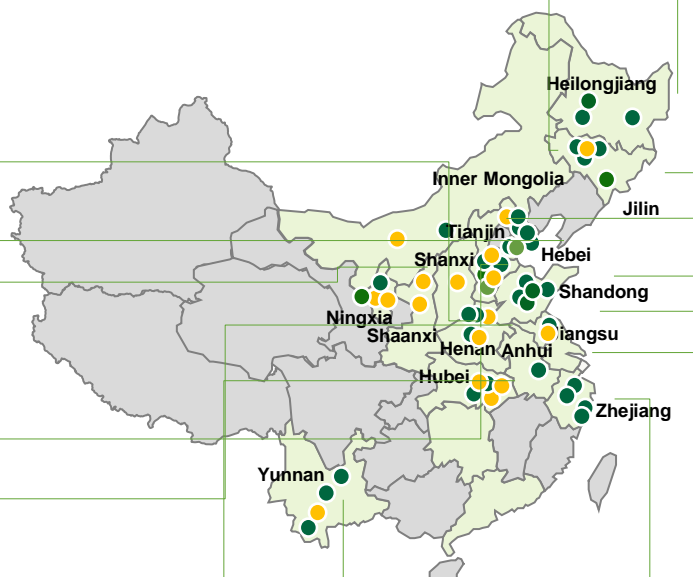
Lianyungang Sunrise	BOO, 2,200
Lianyungang Sunrise Upgrading	750

Anhui

Wuhu Jinjiang	BOO, 3,000
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Zhejiang

Xiaoshan Jinjiang	BOO, 1,900
Zhejiang Zhuji Bafang	BOO, 1,050
Wenling Green Energy	BOT, 1,600
Wenling Organic Waste Project	BOT, 220



Yunnan

Yunnan Wuhua	BOT, 2,250
Yunnan Green Energy	BOT, 1,750
Jinghong Jiasheng (Phase 1)	BOT, 750
Jinghong Jiasheng (Phase 2)	BOT, 450



Growth Strategy

In the future, we will ...

1

Maintain leading market position

- Expanding waste treatment capacity of existing facilities and pursue capacity increment
- Seeking organic growth through new project opportunities
- Seeking inorganic growth through M&A opportunities

4

Expand Internationally

- Seeking project opportunities from the “Belt and Road Initiative”
- Specific focus on Southeast Asia such as Indonesia
- Enhancing our brand image and international recognition



2

Continuously improve technical capabilities

- Adopting new technologies to increase waste power generation capacity by tonnes
- Enhancing operating efficiency and reduce emissions at our WTE facilities
- Furthering development and promotion of AI technology to build intelligent factories

3

Enhance the diversity of our WTE ecosystem

- Expanding our WTE business to related synergistic areas such as sludge treatment, kitchen waste treatment
- Promoting the expansion of collaborative businesses, actively exploring technical routes and project development for solid waste treatment such as slag and construction waste

1. Maintain Leading Market Position

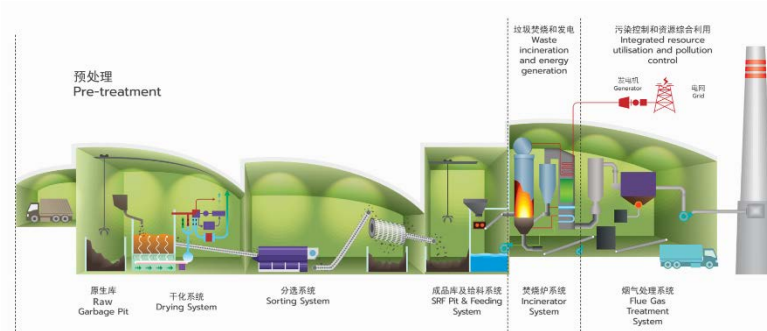
3 Main Strategy Pillars For Capacity Expansion And Growth

Improve the operational quality of existing facilities



Develop competitive advantage in storage resource capacity to tap growth opportunities

**Focus on key areas
Develop high quality projects**



- Focus on key areas, relying on existing assets, develop incremental projects
- Focus on the development of Reconstruction and Expansion of Wuhan Jinjiang WTE Facility, Palembang Project in Indonesia and other high-quality projects
- Strengthen the Company's industrial chain based on the recycling and synergy

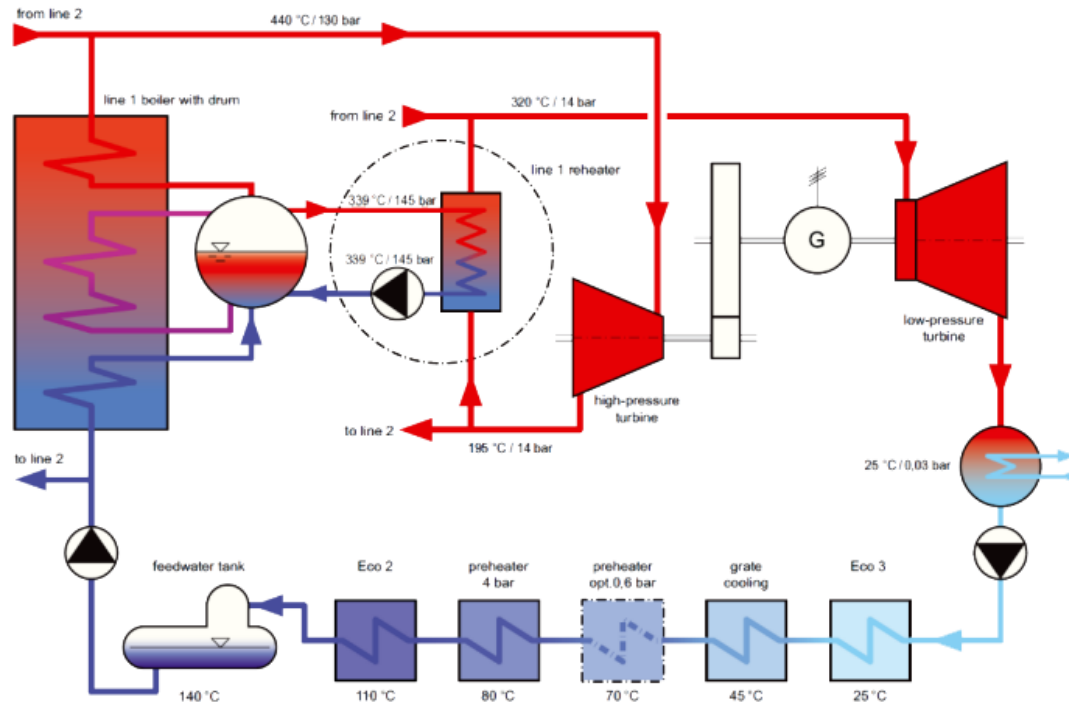
Acquire projects with growth potential

- Management restructuring
- Operational system improvement
- Technical upgrading



2. Continuously Improve Technical Capabilities

- The high-parameter technical solutions are adopted to construct reconstruction and expansion projects to enhance the power generation capacity
- Implement a “four-step” strategy for the integration of digitalization and artificial intelligence to drive digital reform
- Improve operational efficiency and reduce emissions at our WTE facilities



High-parameter Technical Solutions

Enterprise-level Business Brain

- ★ Leverage data to empower innovation
- ★ Develop an enterprise business cockpit

Facility-level Intelligent Management

- Establish production data and process management mechanism
- Achieve autonomous driving within the power plant

Equipment-level Digital Twin

- Equipment lifecycle management, predictive maintenance, and intelligent inspection

★ Production-level Autonomous Driving

- Innovation of conventional production model
- Transitioning towards digitalised production

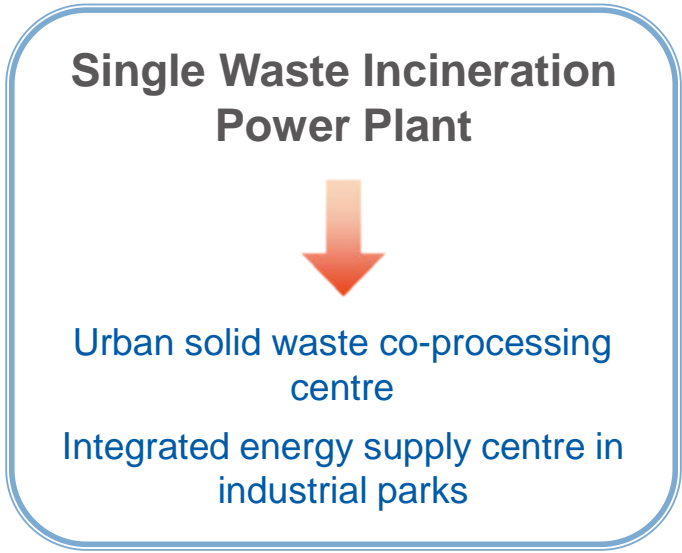
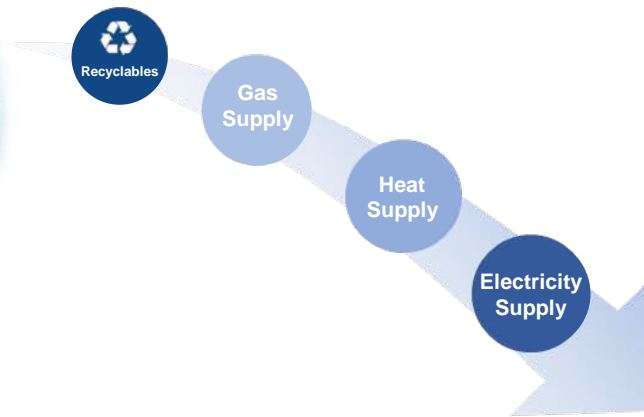
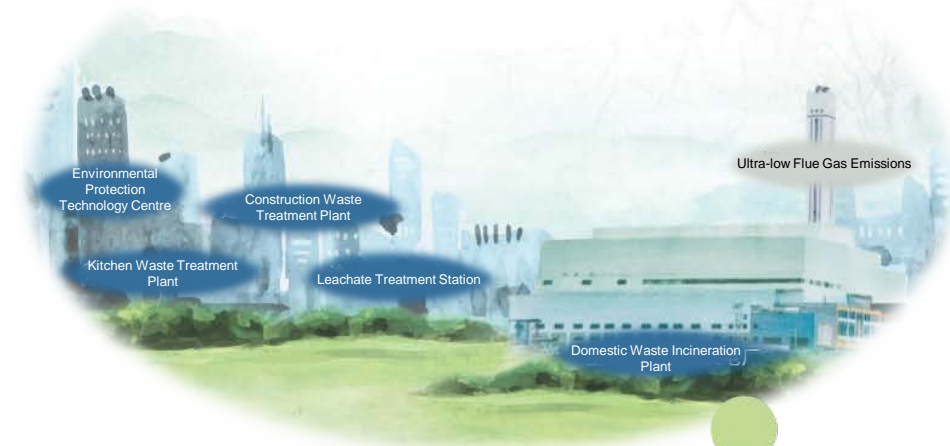


IMPROVE integration levels

“Four-step” Strategy

3. Enhance the Diversity of our WTE Ecosystem

Urban Ecological Complex

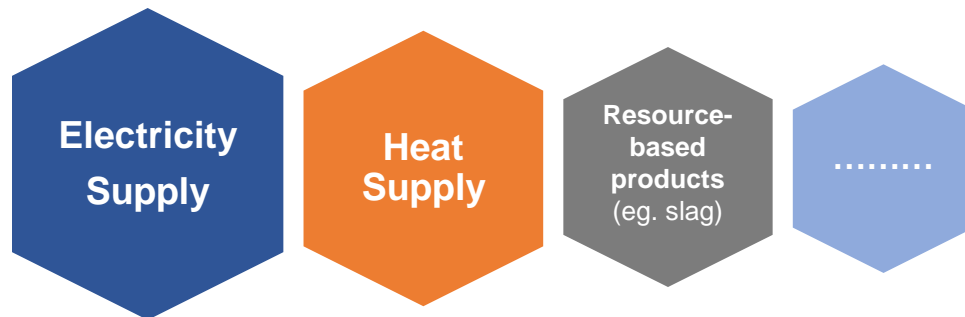


Case Study: The Reconstruction and Expansion of Wuhan Jinjiang WTE Facility



- Rich land reserve, with Phase I occupies around 90 acres and **additional 148.5 acres in Phase III**
- Currently in charge of managing disposal of domestic waste within the Jiangnan District in Wuhan City, covering Jiangxia District, Wuchang District, Hongshan District, and Donghu Development Zone

- Investment of RMB2.8 billion to develop an ecological complex project, with **daily capacity of 5,500 tonnes**
- **Integration** of solid waste treatment for kitchen waste, sludge, digestate, and industrial waste
- Adoption of **high-parameter technical solutions** and **digital technology** to enhance processing capacity
- Optimisation of work flow to reduce investment costs per tonne



Product diversification to mitigate the impact of the national subsidy rebate

4. Expand Internationally

- Seeking project opportunities from the 'Belt and Road Initiative'
- Improve brand image and international reputation to be a world-class WTE management company

- Riding on the "Belt and Road Initiative", to strive to internationalise its WTE business and establish demonstration projects in its investment countries
- Prioritise its expansion in Asian countries (e.g. Indonesia, Vietnam, Malaysia and Singapore) & other developing countries
- Asian countries and other developing countries have waste characteristics similar to China (low calorific value) giving our differential-density CFB technology an advantage
- We have developed relevant capabilities and have proven that we can make our technology adaptable for the processing and management of other types of waste

- Focusing on Southeast Asia such as Indonesia

ZJE's plans in India's WTE market

- Acquired Ecogreen Energy to bid for WTE projects in India
- In 2022, Ecogreen Energy's annual waste transportation volume is about 1.43 million tonnes
- In 2021, Ecogreen Energy was awarded the "Beautiful City" award by the government of Haryana State of India for its contributions to the city cleaning campaign, especially during the pandemic period
- Some Chinese enterprises have been facing challenges for their businesses in India and that led to a more cautious approach being adopted by lenders and insurance companies when reviewing project financing in India. The Company has also been facing difficulties with the financing and management of its power plant projects in India and is currently reviewing the commercial feasibility of continuing with its India investments and evaluating available options

Debut in Indonesia

- Secured a concession to construct and operate a WTE facility with a capacity of 1,000 tonnes/day in Palembang
- Significant market potential for waste treatment being the 9th most populous city in Indonesia



Thank You



浙能锦江环境
ZHENENG JINJIANG ENVIRONMENT