

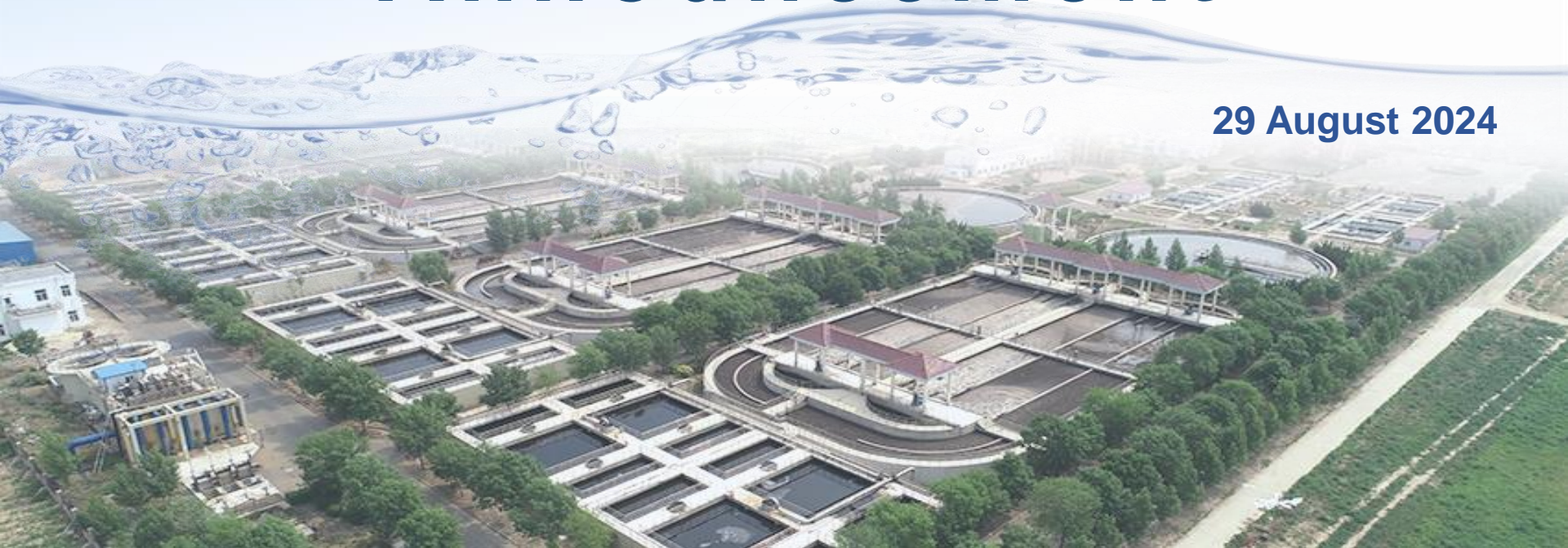


**康達國際環保有限公司**  
Kangda International Environmental Company Limited

(于开曼群岛注册成立的有限公司 股份代号: 6136.HK)

# 2024 Interim Results Announcement

**29 August 2024**



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**Business Review**

2

**Financial  
Performance**

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**Key Events**

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**Development  
Strategies**





1

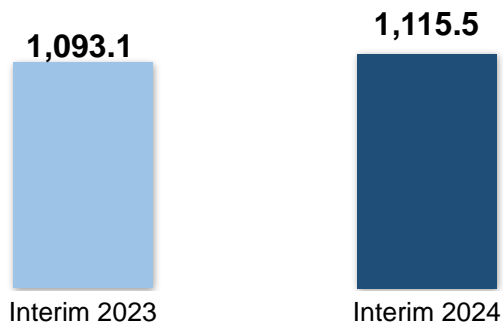
# Business Review



# Interim Results Highlights



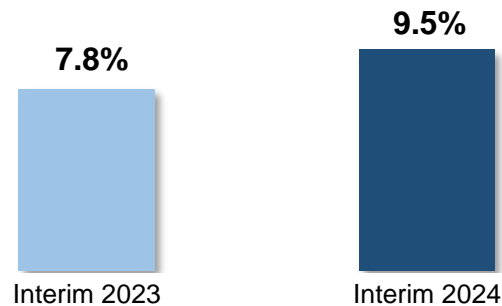
## Revenue



2.0%



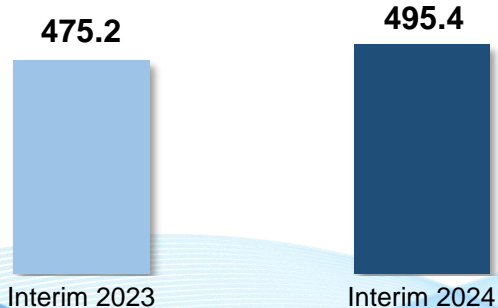
## Net profit margin



1.7 percentage point



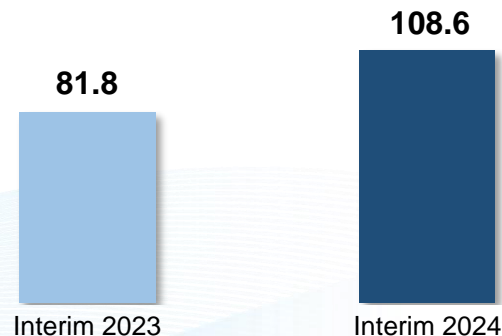
## EBITDA



4.3%



## Net Profit (attributable to parent)



32.8%



Currency unit: RMB million

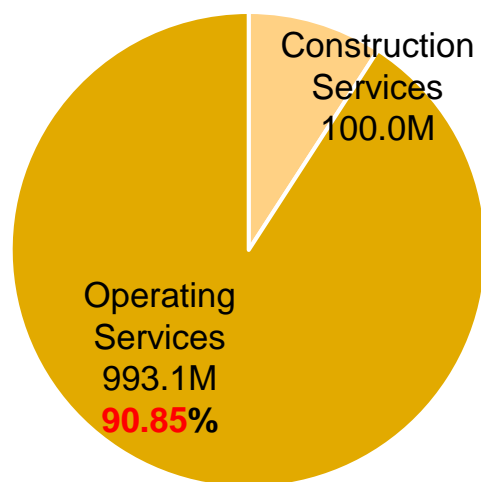




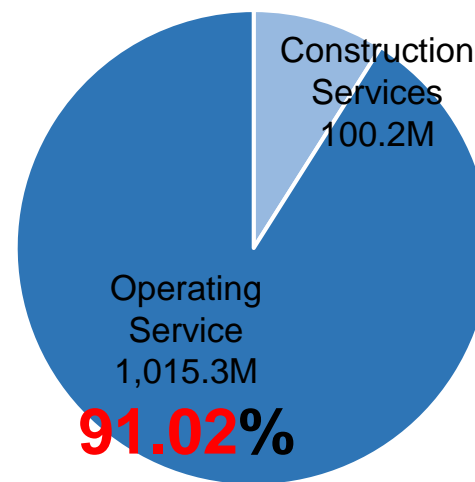
# Highly focus in operating services, revenue grows steadily



(RMB million)	Interim 2023	Interim 2024	Change %
Total Revenue	1,093.1	1,115.5	+2.0%
—Construction services	100.0	100.2	+0.2%
—Operating Services	993.1	1,015.3	+2.2%



Interim 2023



Interim 2024

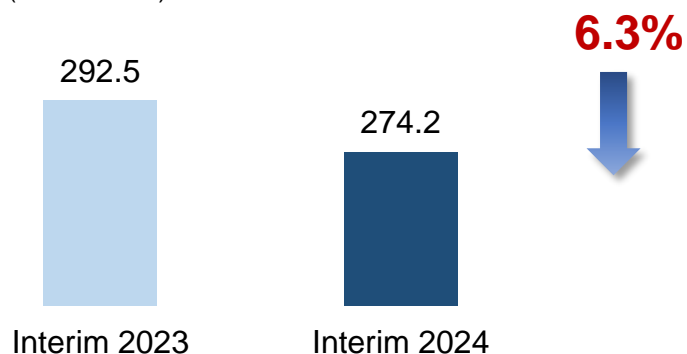
Proportion of revenue from operating services higher than industry average.



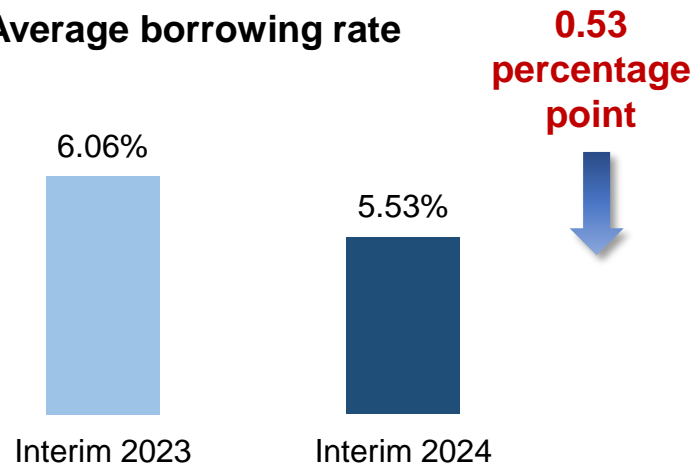
# Decrease in finance cost and cost control boost net profit



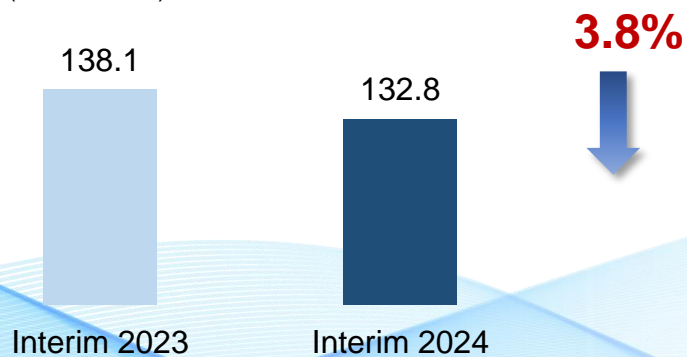
## Finance cost (RMB million)



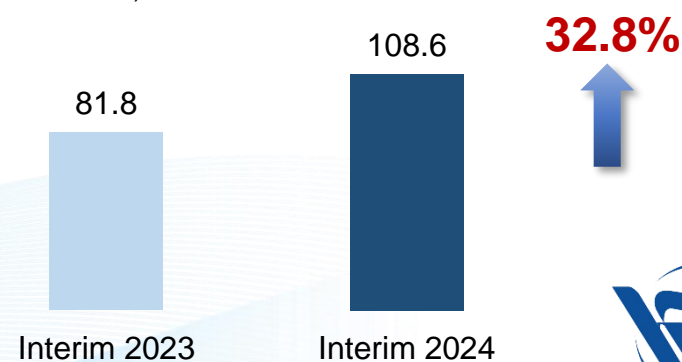
## Average borrowing rate



## Administrative expenses (RMB million)



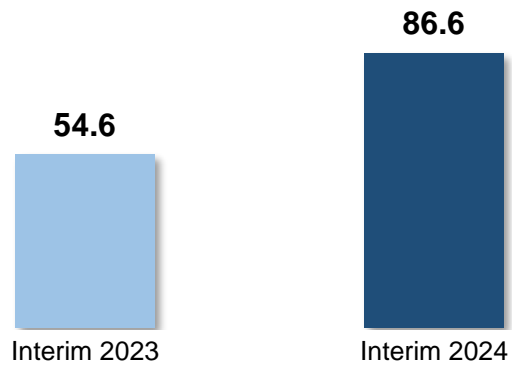
## Net Profit (attributable to parent) (RMB million)



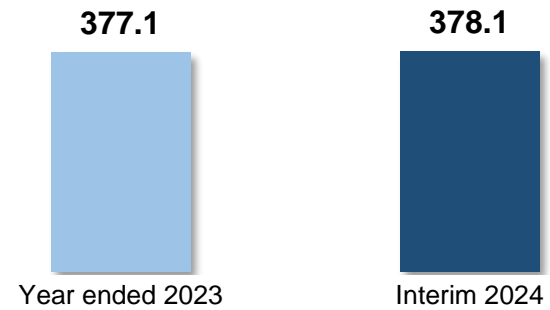
# Strictly control capital expenditure and maintain cash balance



### Capital expenditures



### Cash and cash equivalents and pledged deposits



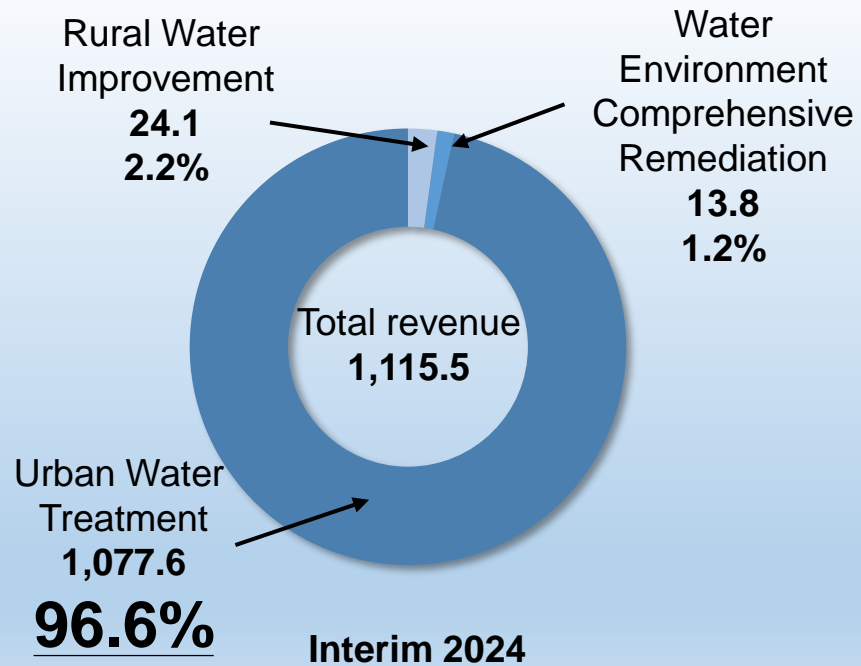
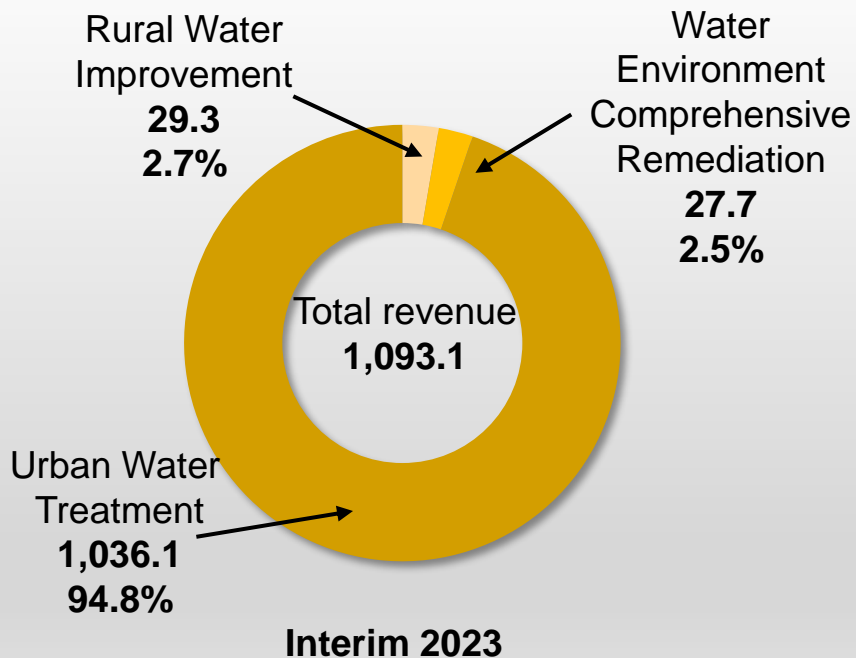
Currency unit: RMB million



# Focus on Urban Water Treatment Operation



(RMB million)



Continue focusing on core business



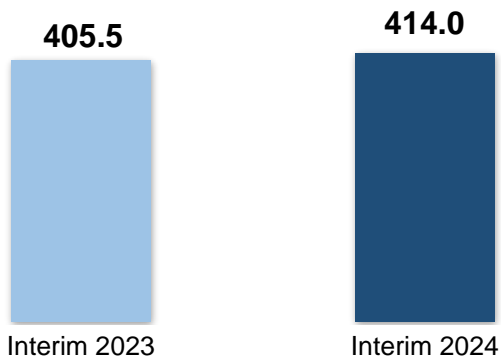


# Operating services business grows steadily



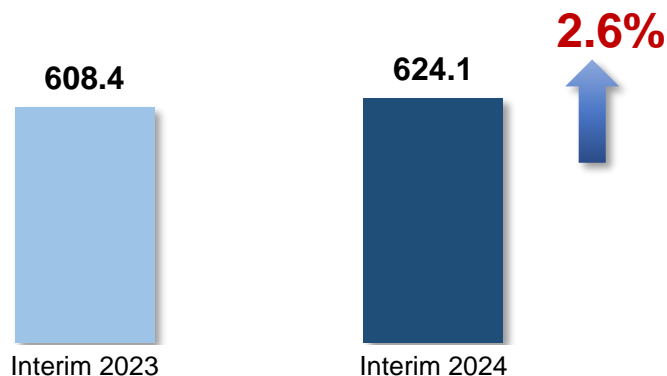
## Operating treatment capacity

(million ton/day)

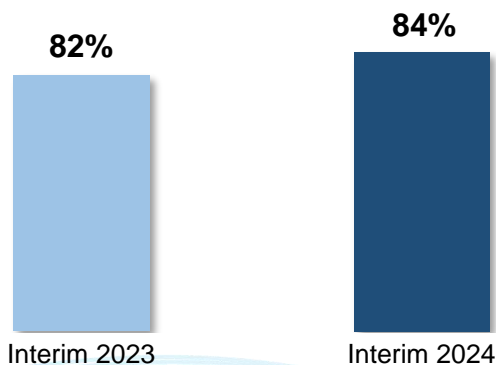


## Actual treatment volume

(million ton)

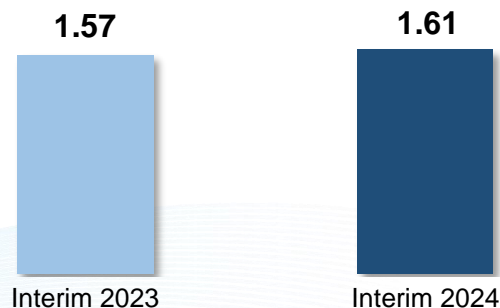


## Utilization rate



## Average treatment tariff

(RMB/ton)



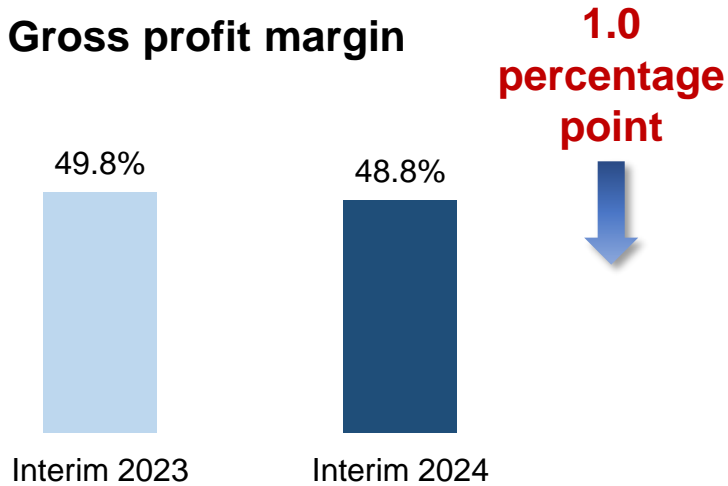
Stable and healthy core business support long term growth of the Group



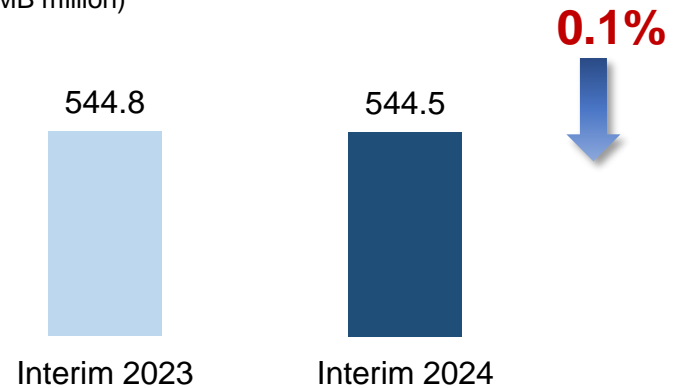
# Rising operating costs and depreciation and amortisation of newly operating projects lead to lower gross profit and GP margin



## Gross profit margin



## Gross profit (RMB million)



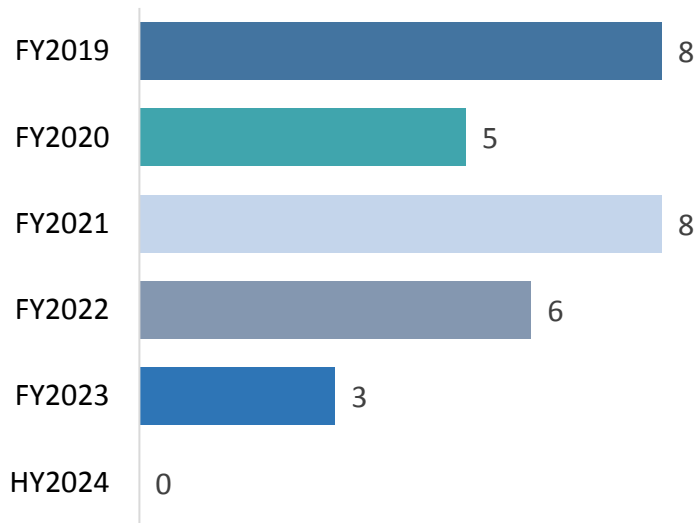
Initiate treatment tariff adjustment to cover increasing costs



# Tariff adjustment lagged behind during pandemic and affect profit

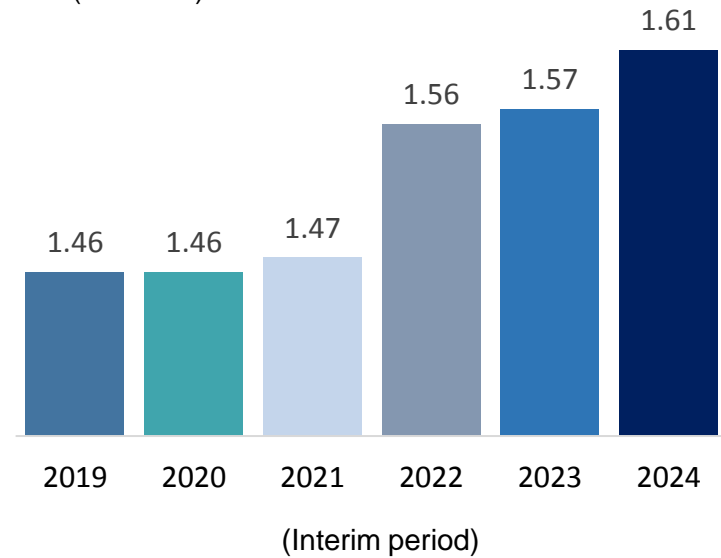


### No. of tariff adjustment



### Average treatment tariff

(RMB/ton)



**Profit will sharply increased if treatment tariff adjustment normalised**



# Number of Urban Water Treatment Projects



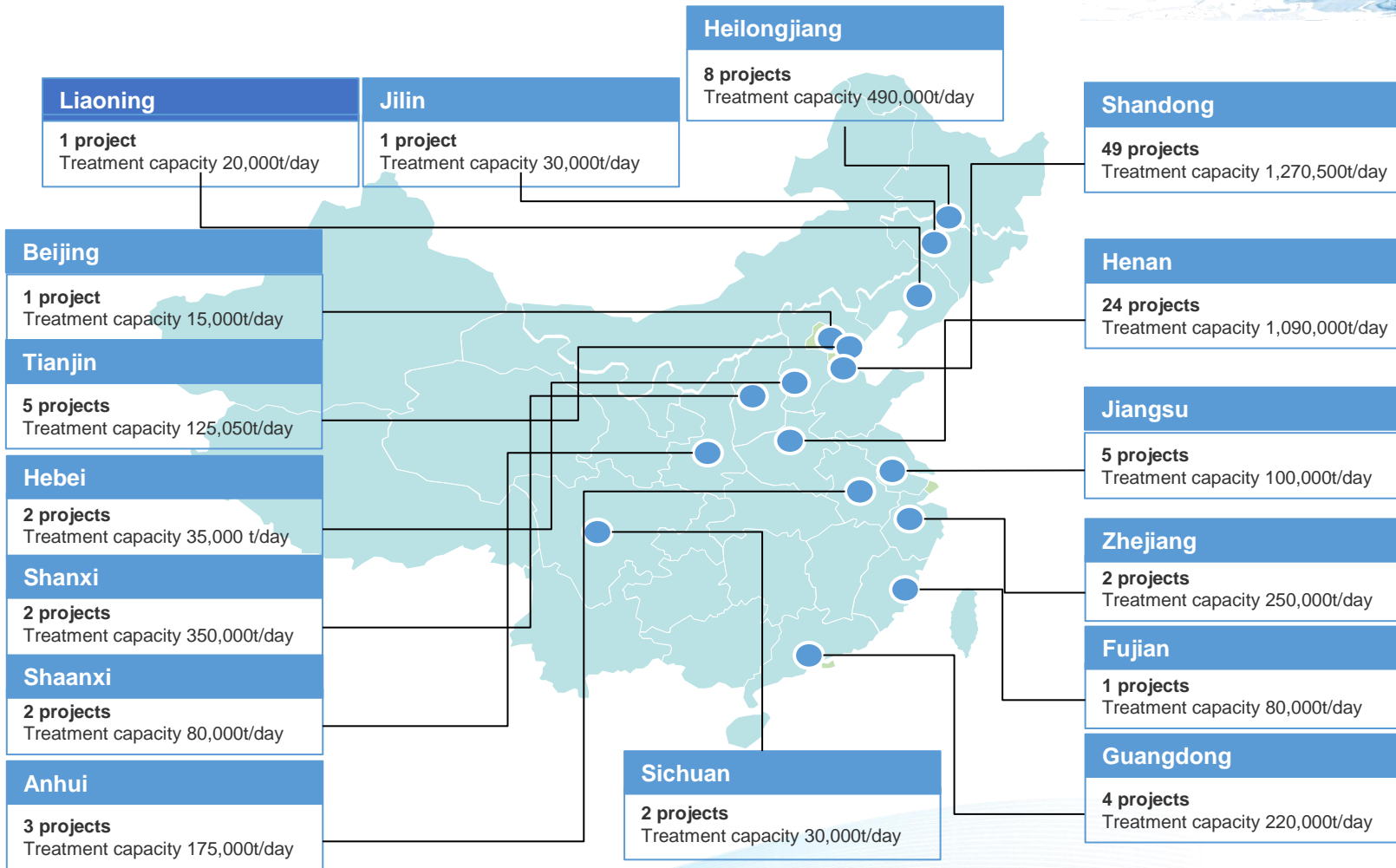
As at 30 June 2024

(Number of projects)	Wastewater Treatment	Water Distribution	Reclaimed Water	Sludge Treatment	Total
In operation	100	-	2	3	105
Not yet commence operation/ Not yet transferred	6	1	-	-	7
Total	106	1	2	3	112

Total treatment capacity: **4.36** million tons/day



# High-quality Asset Portfolio and Concession-based Business Model Bring Sustainable Operating Cash Flow



112 projects on hand , 105 wholly-owned subsidiaries and 7 controlled project companies beneficial to management sharing.







# 2

## Financial Performance



# Financial Review – Pass through difficulties, profitability rebounds



(RMB million)	Interim 2020	Interim 2021	Interim 2022	Interim 2023	Interim 2024
Revenue	1,729.8	1,475.5	1,661.4	1,093.1	1,115.5
Gross profit	639.3	675.4	718.5	544.8	544.5
Gross profit margin	37.0%	45.8%	43.2%	49.8%	48.8%
Net profit (attributable to parent)	225.2	236.8	202.0	81.8	108.6
Net profit margin	13.4%	16.3%	12.2%	7.8%	9.5%

Tight cost control to improve profitability



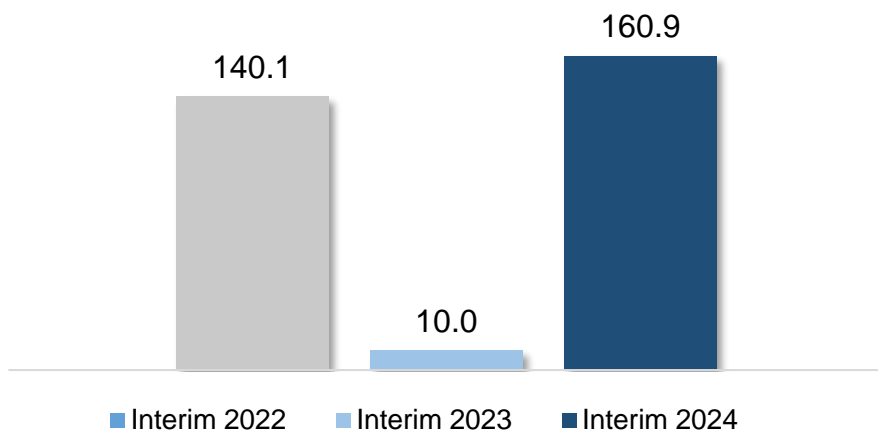
# Financial Review –

## Decrease in finance cost, financial indicator improved



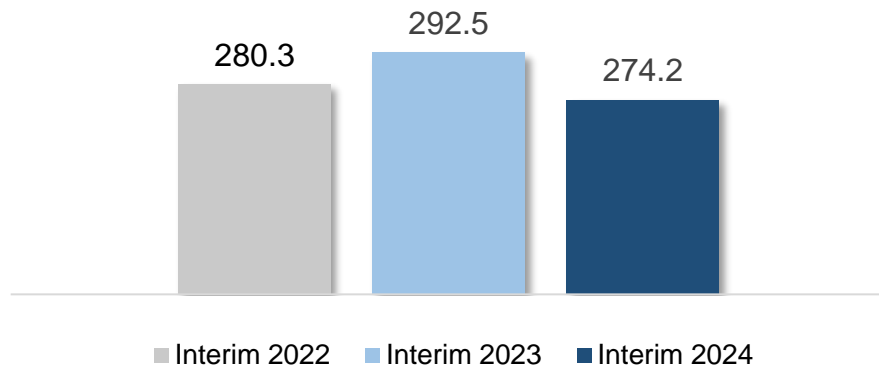
### Cash flow from operating activities

(RMB million)

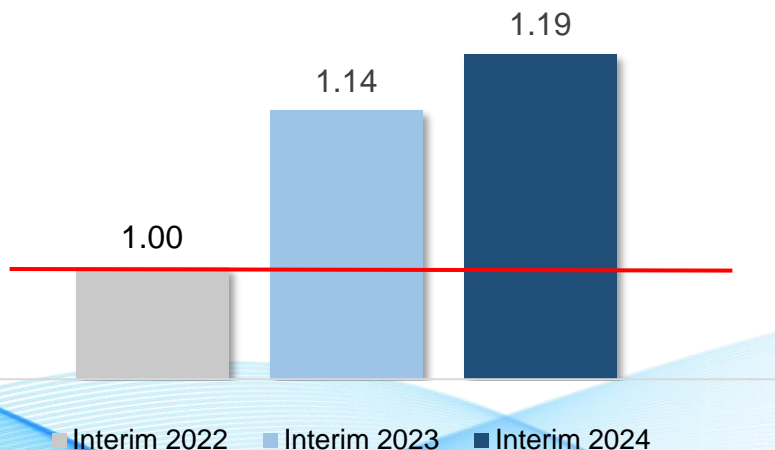


### Finance cost

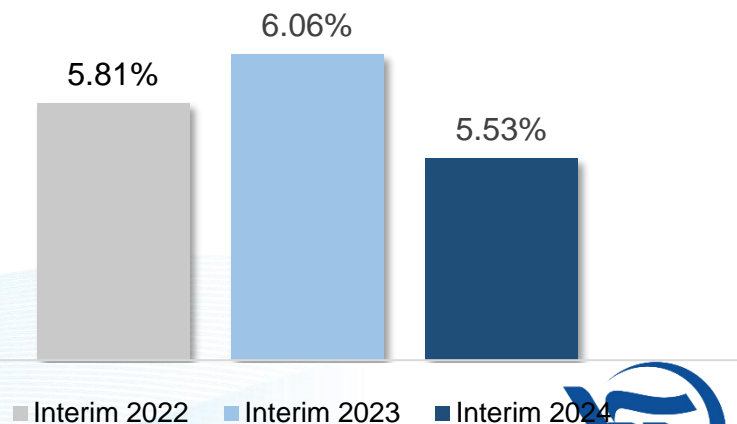
(RMB million)



### Current ratio



### Average interest rate

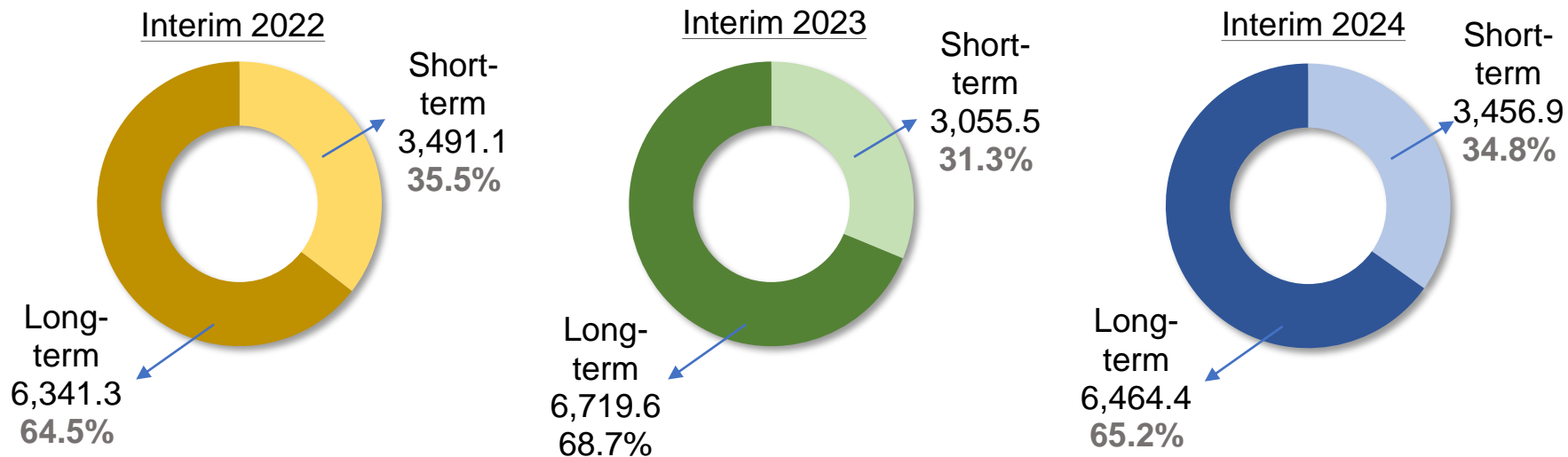


# 平衡长/短期负债结构



## Interest-bearing debts

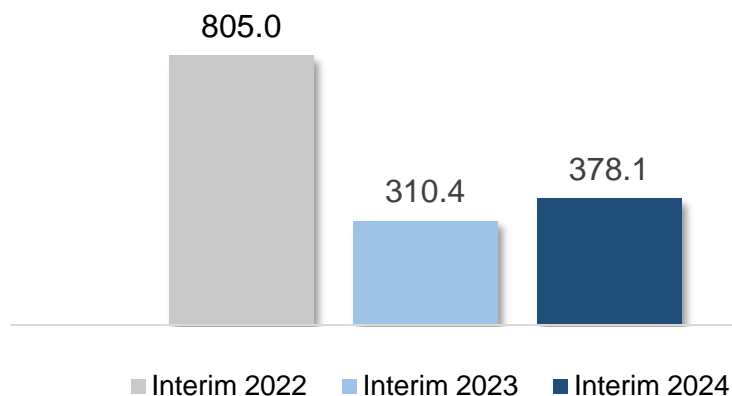
(RMB million)



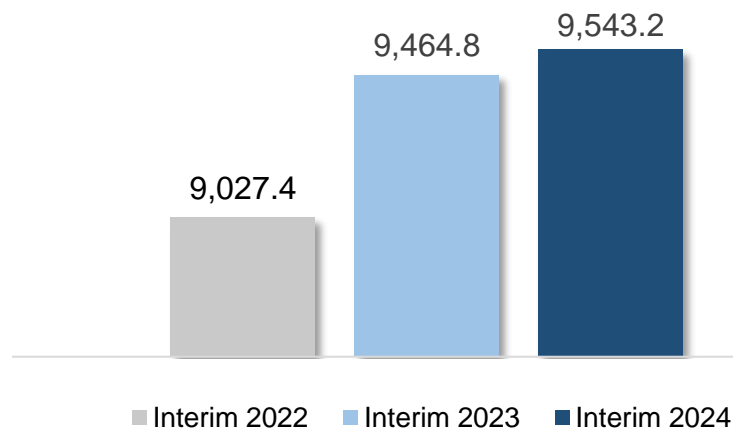
# Balance Sheet Performance



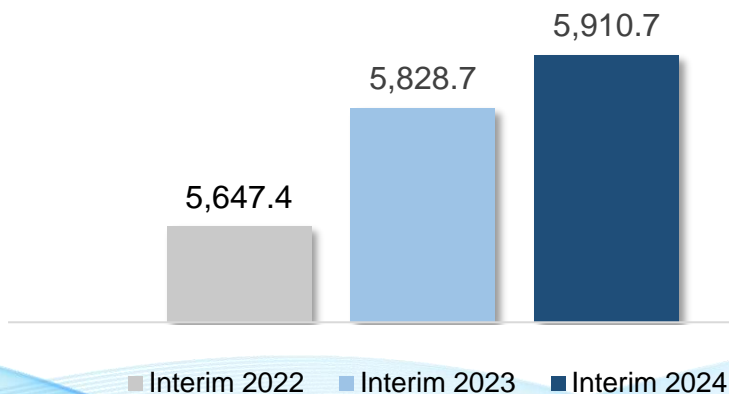
## Cash and cash equivalents and pledged deposits



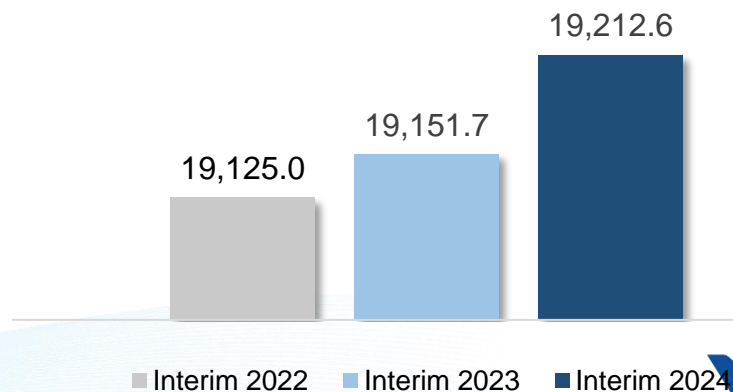
## Net debt



## Total equity



## Total assets



Currency unit: RMB million

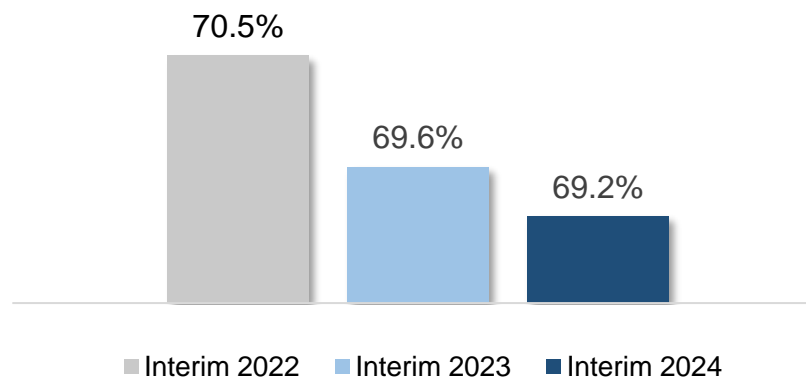




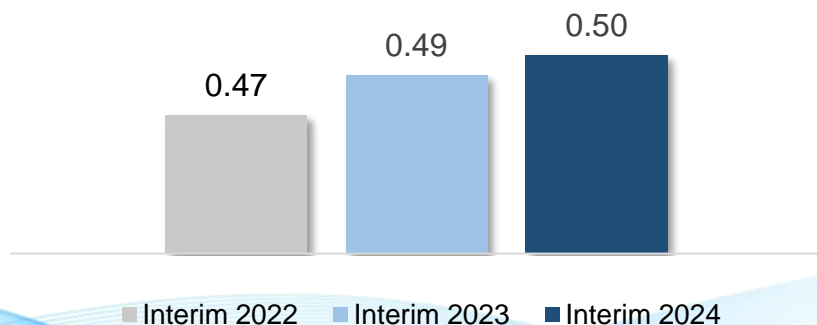
# Continuing improvements on debt ratio



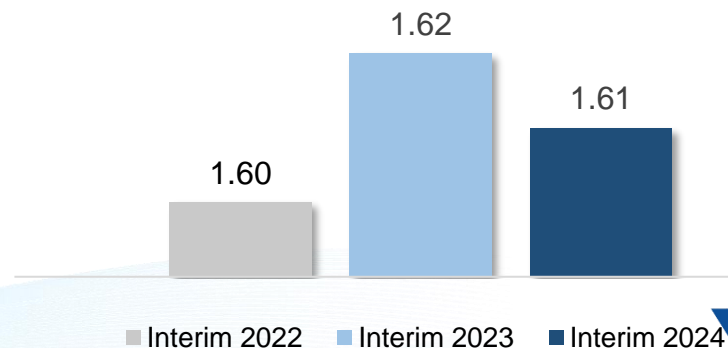
## Total liabilities to total assets



## Net debt to asset ratio



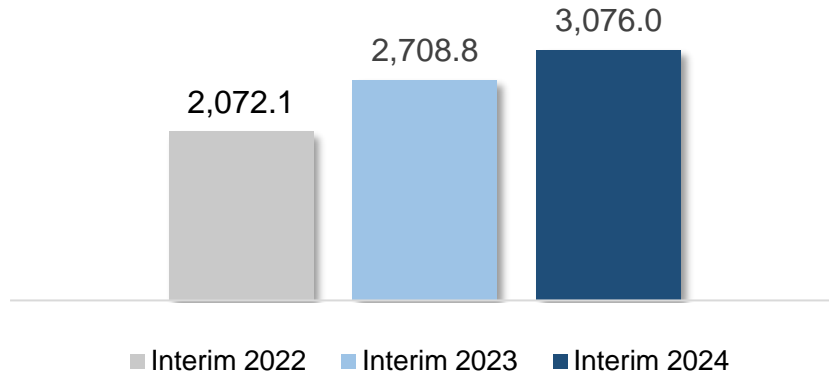
## Net debt to equity ratio



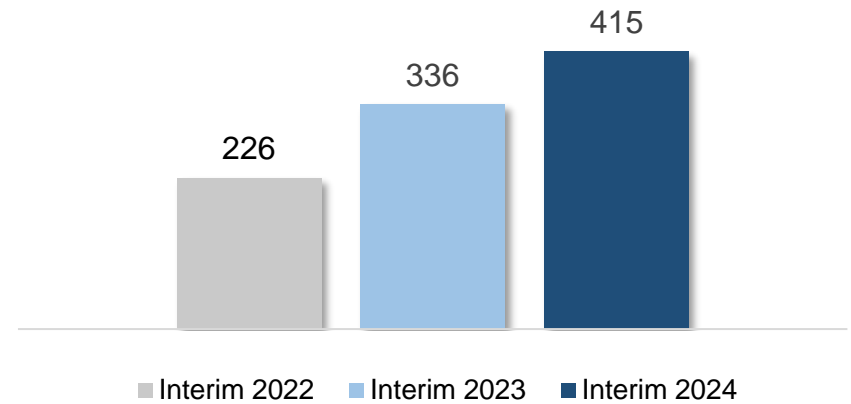
# Condition of receivables



## Trade receivables



## Treatment tariff turnover days



Make every effort to collect and seek diversified solutions

Currency unit: RMB million





# 3

## Key Events





- **Commencement of operation of Dongyin Plant expansion and Jining Plant**
- **Completion of granting share options to the Group's management in May, equivalent to 10% of issued shares**
- **Obtained 20% equity interest in Pingdingshan project, increase profit attributable to parents through wholly-owned project**
- **The People's Bank of China announced reduction of loan prime rate by 10 basic points in July and expected to reduce continuously**
- **The Third Plenary Session of the 20th Central Committee announced reform and optimizing utility pricing mechanism in July**
- **NDRC announced in July to promote regular issuance of REITs**





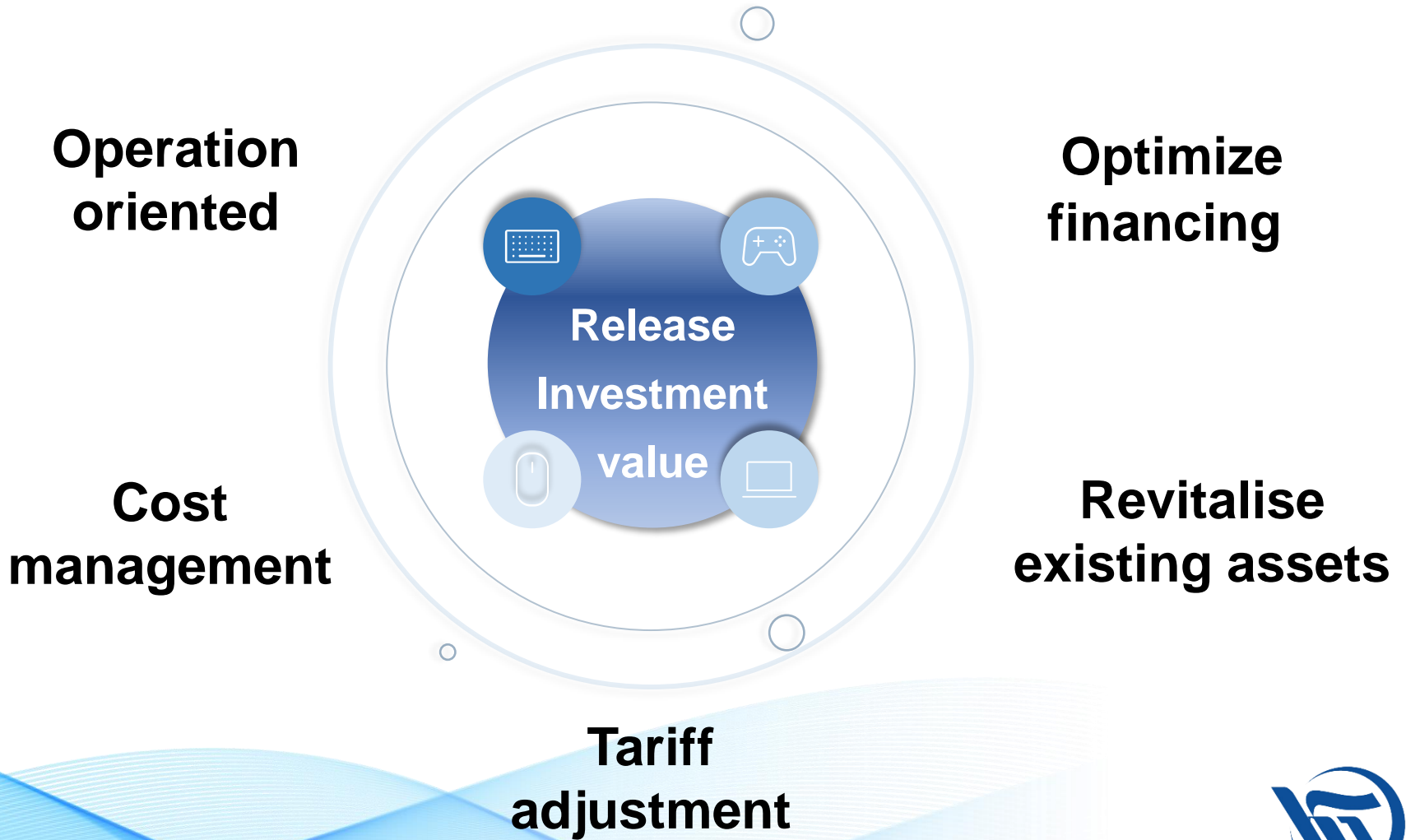
# 4

## Development Strategies





# Development Strategies



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# Thank You

