



BJ Ent Urban (HK\$0.80 - N-R)

Cleaning has never been so much fun

Hygiene services and hazardous waste treatment

Beijing Enterprises Urban Resources ("BEUR") provides hygiene services to local governments, as well as running hazardous waste treatment projects. BEUR targets to consolidate the fragmented hygiene-service market with higher mechanisation and digitalisation. Strong project wins YTD provide visibility to revenue growth in 2020 and 2021. On the other end of the spectrum, BEUR is running several hazardous waste treatment ("HWT") projects, which are monopolistic by nature due to high entry barriers.

Hygiene services + hazardous waste treatment

BEUR provides environmental hygiene services and HWT services in China. It had its IPO in January 2020, raising net proceeds of HK\$603m. Future earnings growth will be driven by the organic project wins from hygiene services and the completion of HWT projects.

Innovating hygiene services in China

According to Frost & Sullivan, China's hygiene-service market is expected to increase from Rmb262bn in 2018 to Rmb517bn in 2023. At the same time, local governments are increasing their outsourcing, creating potential opportunities for companies such as BEUR. BEUR differentiates itself with high mechanisation and digitalisation to increase efficiencies and service quality. Existing contracts by end-2019 can generate HK\$2.3bn of annual revenue, over a contracted area of 150m sqm (about 21,055 football pitches). For 2020, management targets to win service contracts equivalent to HK\$1-1.2bn of annual revenue, which means top-line growth of at least 30% for this segment in 2020.

Hazardous waste - High entry barriers

At the other end of the spectrum, BEUR is operating a fleet of HWT projects, with high technological and administrative entry barriers. Due to shortage of capacity in the medium term, treatment fees (which is market-driven) are likely to remain robust and that should support margins and returns. BEUR will compete for another four HWT projects within 2020, possibly boosting operational capacity by another 20%.

Visible growth for 2020/2021

BEUR's strategy is straight-forward. Hygiene services and HWT are obviously more important than before Covid-19, thus the company is confident in renewing most of its hygiene-service contracts and is aiming at bigger contracts with longer durations in the future. The company generated HK\$636m of operating cashflow in 2019. It has budgeted capex of HK\$1-1.2bn for 2020, with 30%/70% going into hygiene services/HWT. No dividend policy is in place at the moment. BEUR is trading at 10.8x 2019 PE, versus 31.4x 2020 consensus PE and 5.5x 2020 consensus PB of A-share comparables in the hygiene-service sector.

Financials

Year to 31 March	16A	17A	18A	19A
Revenue (HK\$m)	25	912	1,864	2,711
Core profit (HK\$m)	8	39	142	267
Core EPS (HK/share)*	0.002	0.011	0.040	0.074
EPS growth (% YoY)		396%	265%	88%
PE (x)	nm	nm	20.3	10.8
Core ROE (%)		5.2%	12.0%	15.7%
PB (x)	nm	nm	1.85	1.59
Net gearing (%)	-23%	6%	29%	15%

Source: Company

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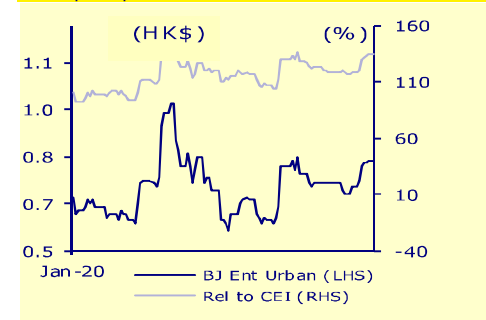
Key company data 3718 HK N-R

Share capital		
12M high/low		HK\$0.97/0.59
3M avg daily vol		US\$1.4m
Major shareholders	Beijing Enterprises Water 28.04%	
Estimated free float		
Performance (%)	1W	1M
Absolute	11.1	5.3
Relative to index	13.3	5.2
Absolute (US\$)	11.1	5.3

Source: CLSA

Resilient amid Covid-19 backdrop

Share-price performance



Source: Bloomberg, CLSA

Cleaning is fun!

Mechanised road cleaning



Source: BEUR

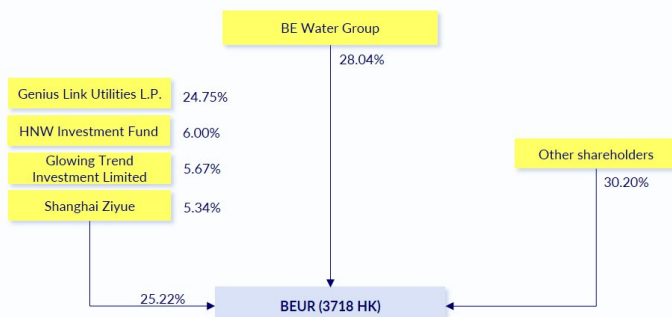


10 things you need to know

1. Company profile and history

- ❑ BEUR is an integrated waste management solution provider, providing environmental hygiene services and hazardous waste treatment services in China.
- ❑ BEUR's business started from Guangxi in 2013, engaging in operation of garbage transportation stations and transportation of household waste.
- ❑ In 2015, BEUR's environmental hygiene business started to expand nationwide. In Dec 2016, BEUR further expanded into hazardous waste treatment industry.
- ❑ By end-2019, BEUR had 97 environmental hygiene service projects and 444,100t/a of hazardous waste treatment capacity in operation.

3. Ownership structure



Note: Shareholding as of 27 March 2020

5. Capital-raising history

- ❑ BEUR went IPO on the Main Board of Hong Kong Stock Exchange in Jan 2020. BEUR issued 900m shares at HK\$0.69/share with a net proceed of HK\$603.4m after deducting listing expense.

7. Cashflow

- ❑ BEUR's operating cashflow was HK\$636m in 2019, the first time of turning positive since 2016.
- ❑ Capex increased from HK\$104m in 2016 to HK\$958m in 2019 amid its rapid business expansion.
- ❑ Free cashflow remained negative at -HK\$322m in 2019.

9. Key strengths

- ❑ BEUR benefits from strong support from BE Water and BE Holding with their brand recognition, financial strength and nationwide customer base.
- ❑ BEUR enjoys technical advantages in hazardous waste treatment. It is qualified to treat 38 categories of hazardous waste among all 46 major categories under the National Catalog.
- ❑ BEUR's ability to offer one-stop solution in treating both municipal solid waste and industrial waste gives it a market-leading position and possible business opportunities.

2. How does the company make money?

- ❑ For BEUR's environmental hygiene business, the company mainly gets paid from local government agencies for providing environmental hygiene services. Since 2019, BEUR also gets paid from enterprises for providing property management services.
- ❑ For BEUR's hazardous waste treatment business, it mainly gets paid from industrial companies for collection, transportation, storage and disposal of hazardous wastes.

4. Management/board composition/auditor

- ❑ BEUR's board consists of nine members, with three executive directors, three non-executive directors and three independent non-executive directors.
- ❑ BEUR's audit committee is comprised of three members. All of them are independent non-executive directors.
- ❑ EY was the external auditor for BEUR's IPO and 2019 annual audit.

6. Dividend history

- ❑ BEUR hasn't distributed any dividend so far.
- ❑ The board may consider declaring dividends in the future after taking into account BEUR's results of operations, financial condition as well as cash requirements and availability. There is no pre-determined payout ratio.

8. Key things to note in the accounts

- ❑ As at Jun 2019, BEUR had seven operating concession arrangements (out of 118 projects) with certain governmental authorities which are under the scope of IFRIC-12. For the six months ended 30 Jun 2019, revenue from these operating concession arrangements amounted to HK\$56.5m, accounting for c.4% of total revenue for the period.
- ❑ In Jun 2018, BEUR disposed of Gansu Huayi, one of its subsidiaries engaging in waste electrical and electronic equipment treatment. The operating results for Gansu Huayi is thus booked as profits from discontinued operation in BEUR's financial statements.

10. Key risks

- ❑ BEUR's business is dependent on the central government's environmental protection policies, which may be subject to changes.
- ❑ BEUR's business requires large amount of capex, yet only start to generate cash inflows when commercial operations begin. Thus there is a risk of mismatch between cash inflow and outflow.
- ❑ The sectors in which BEUR operates in are highly competitive, which may adversely affect BEUR's business and financial condition.

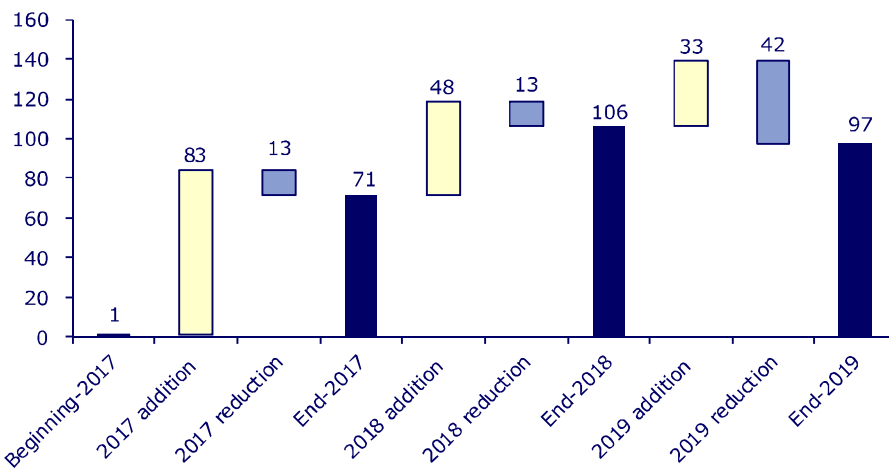


Environmental hygiene services

- BEUR's environmental hygiene services include comprehensive road cleaning, garbage sorting, garbage collection and transportation, garbage transportation station management, public toilet management, manure collection and transportation, greenway maintenance, river cleaning services and property management services.
- As at end-2019, BEUR operated 97 environmental hygiene projects in 23 provinces, municipalities and autonomous regions, with a total contracted area of c.150m sqm (that approximates the area of 21,055 standard football pitches), creating an average revenue of HK\$10.7 per sqm.

Figure 1

Movements in BEUR's environmental hygiene projects



Source: BEUR

Figure 2

Distribution of BEUR's environmental hygiene projects as of 30 Jun 2019

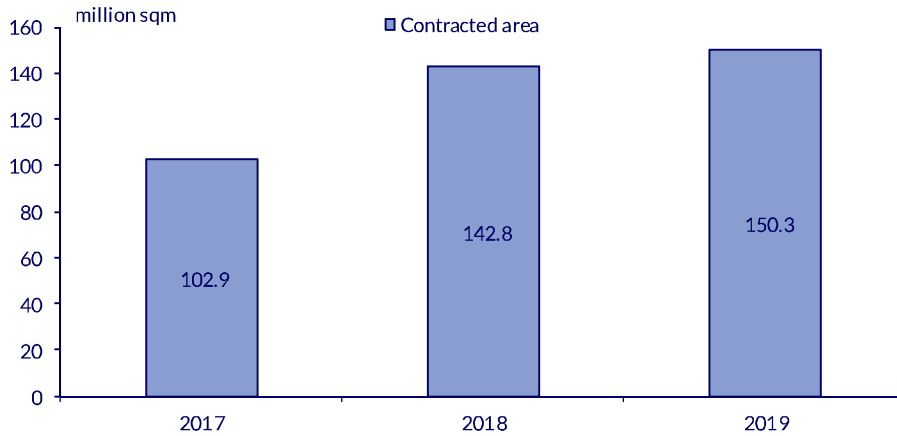


Source: BEUR



Figure 3

Contracted area of hygiene service contracts of BEUR

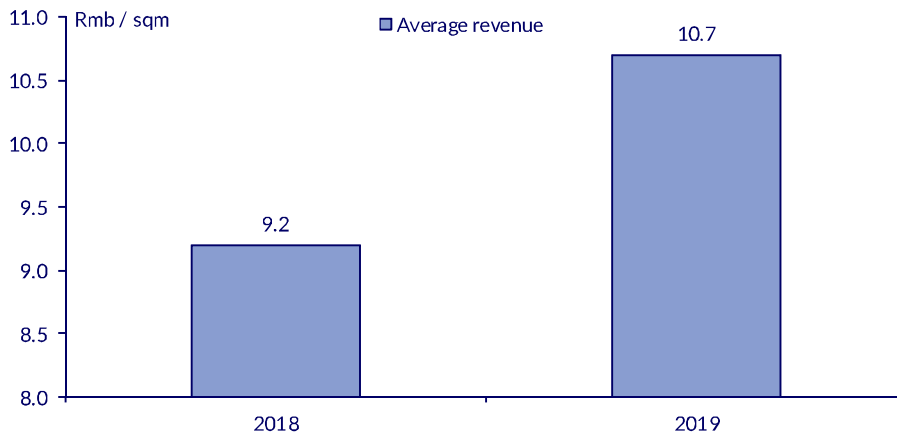


Source: BEUR

□ BEUR disclosed that average revenue for hygiene services was HK\$10.7 per sqm in 2019, up 16% YoY. However, if we go into details, there are many contract terms specific to each project.

Figure 4

Average revenue per sqm



Source: BEUR

Figure 5

BEUR's sanitation vehicle fleet



Source: BEUR



Project wins translate to revenue growth

- ❑ In 2019, BEUR won hygiene-service projects with annual contract service revenue of Rmb776m.
- ❑ For all the hygiene-service projects accumulated till end of 2019, annual contract service revenue would be HK\$2.3bn.
- ❑ In its 2019 results group call, BEUR said they target to win hygiene-service contracts with annual service revenue of Rmb1bn to Rmb1.2bn.
- ❑ So far in 2020, based on voluntary announcements in Hong Kong Stock Exchange, BEUR has won six projects, with a total contracted value of Rmb7,811m, corresponding to annual revenue of Rmb662m.
- ❑ The new project wins could be rapidly translated into additional revenue, usually within one to two months after winning the bid.
- ❑ According to the company, one-third of the hygiene-service contracts have a duration of over eight years, with another one-third having a duration of four to eight years. For the remaining one-third of contracts, service terms are one to three years. Most importantly, the company said that most of the contracts have the “3+3+2” renewal terms. That means as long as the services delivered in the first three years are satisfactory, the contracts can be renewed for another “3+2” years.

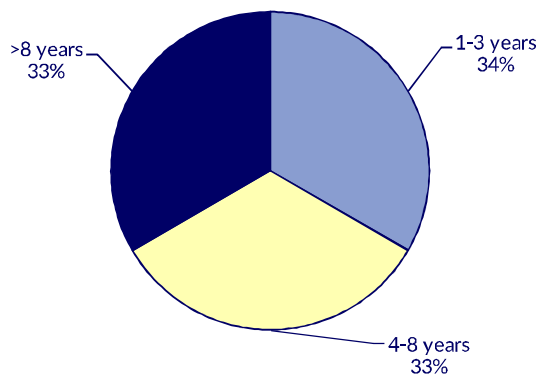
Figure 6

Hygiene-service project win so far in 2020				
Date	Region	Contract amount (Rmbm)	Annual revenue (Rmbm)	
27-Jan 20	Shenzhen	7,312	487	
12-Feb 20	Shandong	154	51	
17-Mar 20	Shanxi	162	54	
26-Apr 20	Shandong	48	24	
9-May 20	Shaanxi	114	38	
14-May-20	Guangdong	20	7	
	Total	7,811	662	

Source: BEUR

Figure 7

Duration of its hygiene service contracts



Source: BEUR



Mechanised cleaning

- BEUR combines high-pressure flushing and sweeping for mechanised cleaning of roads with its extensive use of mechanised cleaning vehicles.

Figure 8

BEUR's comprehensive road cleaning service



Source: BEUR

Figure 9

BEUR's mechanised road cleaning



Source: BEUR



Figure 10

BEUR's mechanised road cleaning

Source: BEUR

Garbage collection and transportation

- BEUR has built a professional team to take charge of its garbage collection and transportation service. The company collects household garbage from dumpsters and transport them to designated garbage transportation stations on a daily basis with its fully enclosed vehicles.

Figure 11

Garbage collection and transportation

Source: BEUR

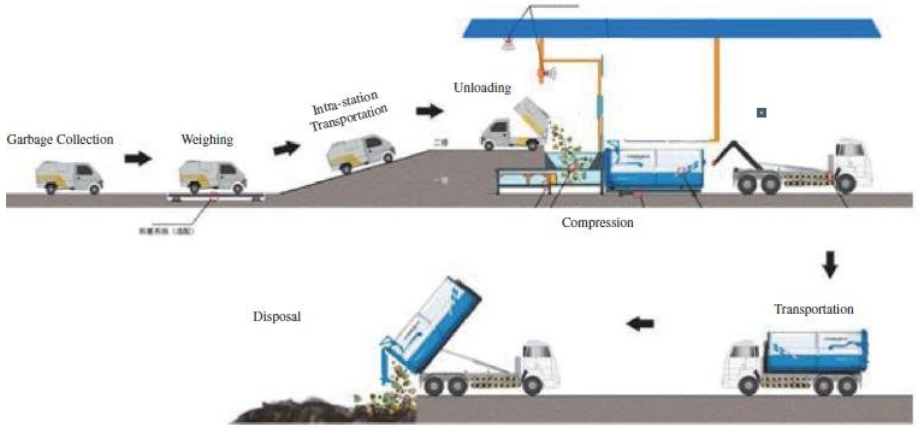


Garbage transportation station management

- Its garbage transportation management has been designed to ensure the effectiveness and efficiency of our environmental hygiene services.

Figure 12

Garbage transportation station management



Source: BEUR

Greenway maintenance

- Its greenway maintenance mainly includes watering, fertilisation, weeding, pruning, pest prevention and cleaning of greenways.

Figure 13

Greenway maintenance



Source: BEUR

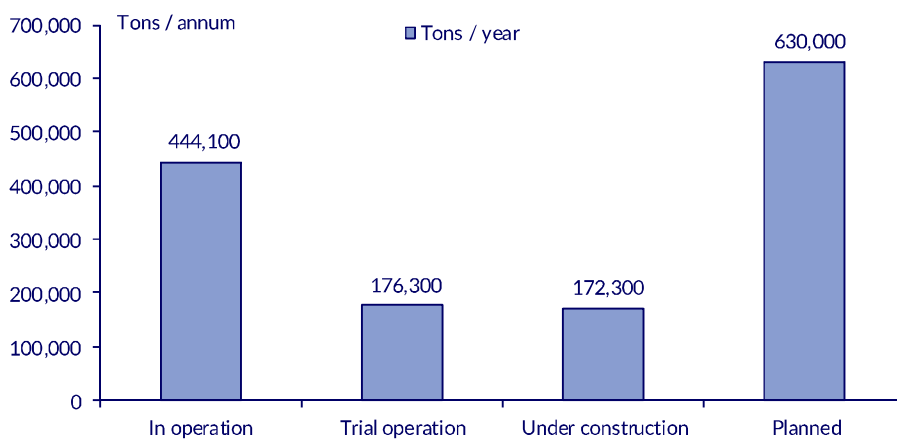


Hazardous waste treatment

- ❑ Under BEUR’s hazardous waste treatment business, the company processes and safely disposes of hazardous waste for industrial companies and medical institutions and charge them waste treatment fees. Its business mainly covers collection, transportation, storage and disposal of wastes such as medical waste and industrial solid waste.
- ❑ BEUR is qualified to process 38 categories of hazardous waste among all 46 major categories under the National Catalog.
- ❑ **Projects in operation:** As of end-2019, BEUR had six hazardous waste treatment projects in operation and two hazardous waste treatment projects in trial operation. Treatment facilities of BEUR’s projects that engaged in hazard-free waste disposal and recycling & reuse amounted to 370,396 and 250,000 tonnes per year respectively.
- ❑ **Projects in trial operation:** Two projects with a total capacity of 176,300 tonnes/annum are in trial operation, which will enter formal operation soon.
- ❑ **Projects under construction:** Five projects were under construction as of Dec-2019, with a total capacity of 172,300 tonnes/year. Among that, four projects with total capacity of 123,300 tonnes/year of harmless treatment capacity will enter trial operation before end-2020.
- ❑ **Projects in preparatory phase:** Future growth will likely come from projects in preparatory phase. As of now, there are four projects with total capacity of 630,000 tonnes/year that could be come on stream before end-2021 and end-2022, if progress is smooth.

Figure 14

BEUR: HWT projects scale



Source: BEUR; Note: As of Dec 2019



Figure 15

BEUR's hazardous waste transporting vehicles

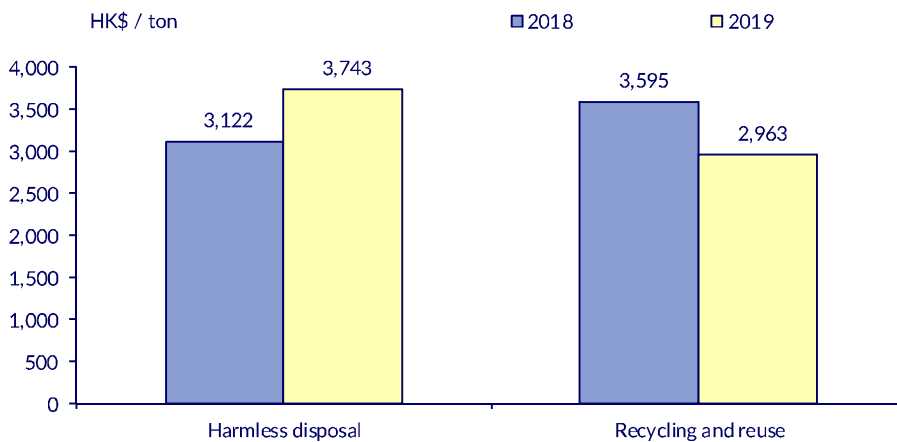


Source: BEUR

- The ASP of its HWT harmless disposal projects went up 20% YoY to HK\$3,743/t in 2019. For HWT recycling, the ASP dropped by 18% YoY, due to decrease in the market price of methanol during the period.

Figure 16

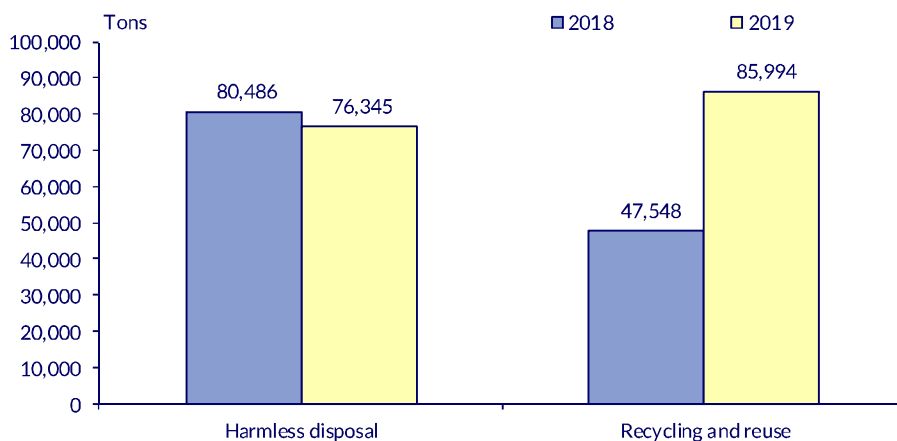
BEUR: Hazardous waste treatment ASP



Source: BEUR

Figure 17

BEUR: Hazardous waste treatment volume



Source: BEUR

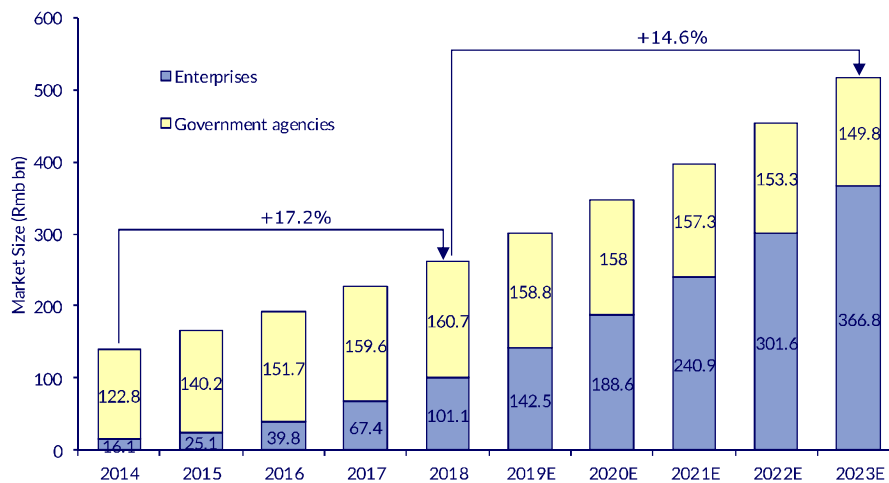


Environmental hygiene industry in China

- China's environmental hygiene service market is classified into two sectors, namely the government agency sector and the enterprise sector. In the government agency sector, local government agencies undertake the responsibility to provide environmental hygiene services. While for the enterprise sector, the relevant services are outsourced to enterprises.
- Historically, environmental hygiene services were primarily provided by the government agencies. From 2013, with the government's supporting policies to encourage private investment in public services, the share of enterprise sector started to grow.
- The size of China's environmental hygiene service market increased from Rmb139bn in 2014 to Rmb262bn in 2018 at a Cagr of 17.2%. According to Frost & Sullivan's forecast, the market size is expected to further increase to Rmb517bn in 2023, at a Cagr of 14.6% from 2018. The share of enterprise sector is expected to rise from 39% in 2018 to 71% in 2023.

Figure 18

Market size of environmental hygiene services



Source: Frost & Sullivan, BEUR

- The environmental hygiene service market for enterprises is highly fragmented with c.4,000 market participants in 2018. The top five players only have c.11% market share in aggregate. BEUR ranked fourth among all environmental hygiene service providers in the enterprise sector in terms of revenue in 2018, with a market share of c.1.6% in the enterprise sector.

Figure 19

Competitive landscape of China's environmental hygiene service market

Ranking	Company	Revenue (Rmb bn)	Market share	No of provinces covered	Primary operating provinces
1	Company A	3.9	3.8%	22	Nationwide
2	Company B	2.7	2.7%	22	Nationwide
3	Company C	2.0	2.0%	13	Guangdong
4	BEUR	1.6	1.6%	22	Nationwide
5	Company D	1.3	1.3%	8	Guangdong
Top 5		11.5	11.4%		
Others		89.6	88.6%		
Total		101.1	100.0%		

Source: Frost & Sullivan, BEUR

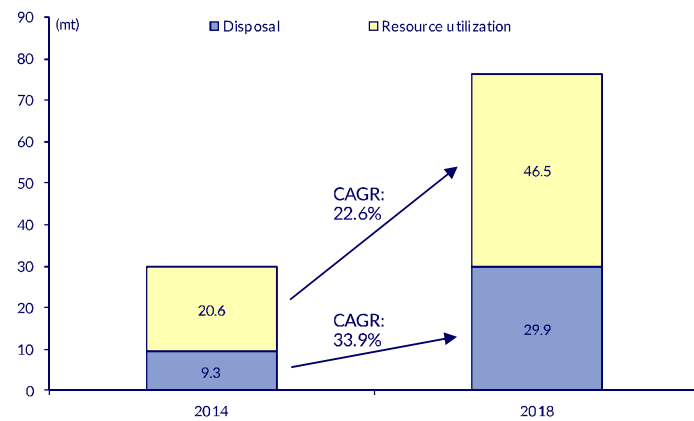


Hazardous waste treatment industry in China

- There are two major final treatment methods of hazardous waste in China, namely resource utilisation and disposal. From 2014 to 2018, the treatment volume of hazardous waste through resource utilisation grew from 20.6mt to 46.5mt, representing a Cagr of 22.6%. The disposal volume of hazardous waste in China increased from 9.3mt to 29.9mt, representing a Cagr of 33.9%.
- The output of hazardous waste in China increased from 36.3mt in 2014 to 79.8mt in 2018 at a Cagr of 21.8%. According to Frost & Sullivan’s forecast, the total output of hazardous waste in China will increase to 150.7mt in 2023, representing a Cagr of 13.6% from 2018.

Figure 20

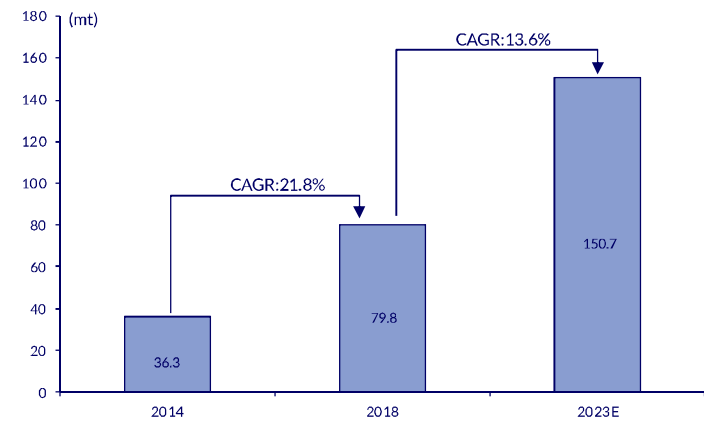
Hazardous waste treatment volume in China



Source: Frost & Sullivan, BEUR

Figure 21

Hazardous waste output in China

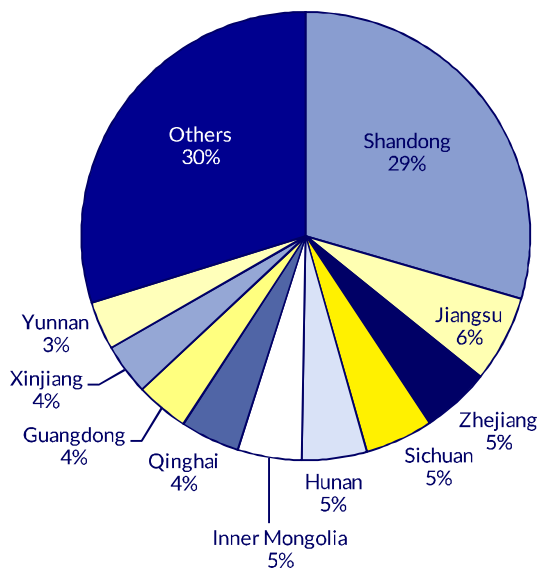


Source: Frost & Sullivan, BEUR

- The output of hazardous waste in China is unevenly distributed. In 2017, 29.5% of the hazardous waste output was from Shandong, followed by 6.3% from Jiangsu, and 4.9%/4.9%/4.7% from Zhejiang/Sichuan/Hunan. However, the total designed treatment capacity for hazardous waste in these provinces were comparably low, creating a shortage of treatment capacity in these provinces.

Figure 22

Distribution of China's hazardous waste treatment capacity



Source: Frost & Sullivan, BEUR



- The hazardous waste treatment market in China is highly fragmented, with approximately 1,000 industry participants in 2018. The top 10 players only account for c.10% of total treatment capacity and c.14% of total treatment volume in aggregate. In 2018, BEUR ranked sixth and ninth among all hazardous waste treatment companies in terms of treatment capacity and treatment volume respectively.

Figure 23

Competitive landscape of China's hazardous waste treatment market				
Ranking	Company	Total designed treatment capacity ('000 tons per year)	Market share	Qualified treatment categories
1	Company E	1,101.5	3.0%	44
2	Company F	399.7	1.1%	45
3	Company G	396.5	1.1%	42
4	Company H	313.1	0.9%	41
5	Company I	269.6	0.7%	36
6	BEUR	253.1	0.7%	38
7	Company J	235.0	0.6%	26
8	Company K	204.8	0.6%	26
9	Company L	191.0	0.5%	43
10	Company M	182.5	0.5%	22
Top 10 Subtotal		3,546.8	9.7%	
Others		32,825.5	90.3%	
Total		36,372.3	100.0%	

Source: Frost & Sullivan, BEUR

Figure 24

Ranking based on actual treatment volume of hazardous waste			
Ranking	Company	Actual treatment volume in 2018 ('000 tons)	Market share
1	Company E	574.4	4.4%
2	Company F	252.4	1.9%
3	Company J	165.2	1.3%
4	Company H	151.6	1.2%
5	Company I	148.3	1.1%
6	Company G	132.8	1.0%
7	China Everbright Greentech (1257 HK)	127.1	1.0%
8	Company M	105.9	0.8%
9	BEUR	80.5	0.6%
10	Company U	77.3	0.6%
Top 10 Subtotal		1,815.5	13.9%
Others		11,349.8	86.1%
Total		13,165.3	100.0%

Source: Frost & Sullivan, BEUR, China Everbright Greentech



Key financials

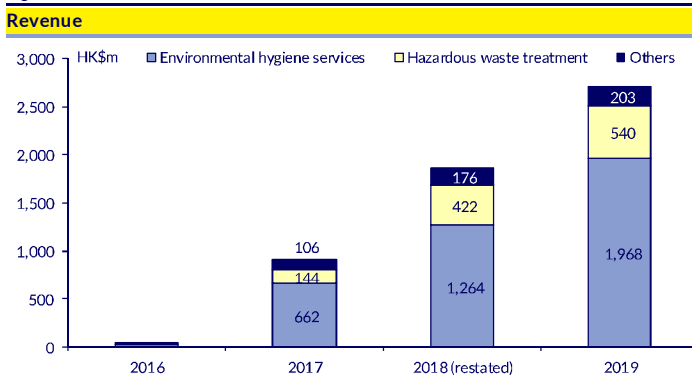
- BEUR's revenue increased from HK\$1.9bn in 2018 to HK\$2.7bn in 2019, up 46% YoY, mainly driven by an increase in revenue from the environmental hygiene services segment.
- BEUR's gross profit in 2019 was HK\$784m, up 41% from HK\$555m in 2018, representing an overall GP margin of 29%. GP margin of the hazardous waste treatment business was 46.5%, higher than the 24.5% of environmental hygiene services.
- BEUR's core profit in 2019 increased 88% YoY to HK\$267m, from HK\$142m in 2018. Core ROE was 16% in 2019.
- Net gearing in 2019 dropped to 15% versus 29% in 2018, mainly due to an increase in cash balance.
- BEUR went IPO on the Main Board of Hong Kong Stock Exchange in Jan 2020. BEUR issued 900m shares at HK\$0.69/share with net proceeds of HK\$603.4m after deducting listing expense.

Figure 25

Usage of IPO proceeds		
Usage	Percentage	Value (HK\$m)
Purchasing equipment and facilities for hazardous waste treatment projects	36.4%	216
Construction hazardous waste treatment projects	15.2%	90
Purchasing sanitation vehicles	16.5%	98
Repayment of borrowings	25.3%	150
Procurement of general working capital	6.6%	39
Total	100.0%	593

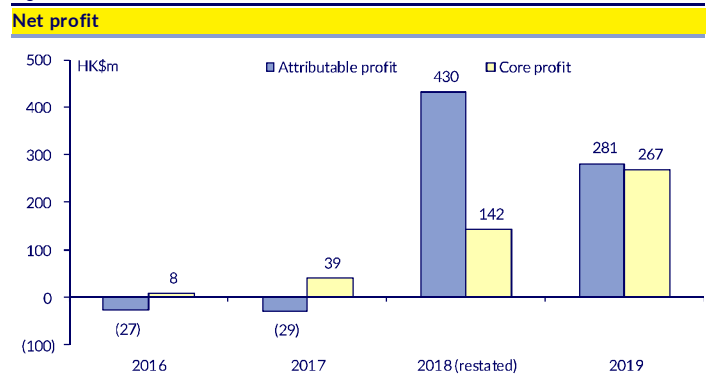
Source: BEUR

Figure 26



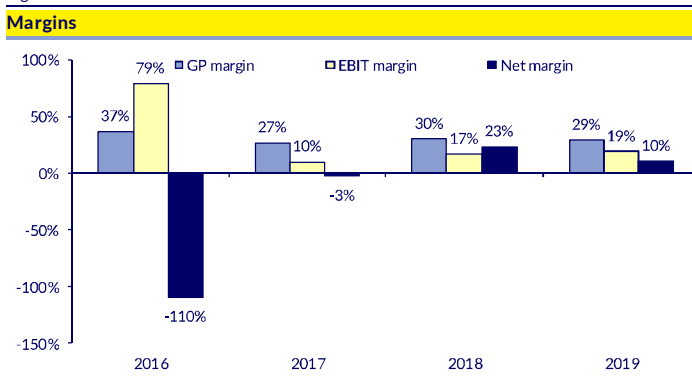
Source: BEUR

Figure 27



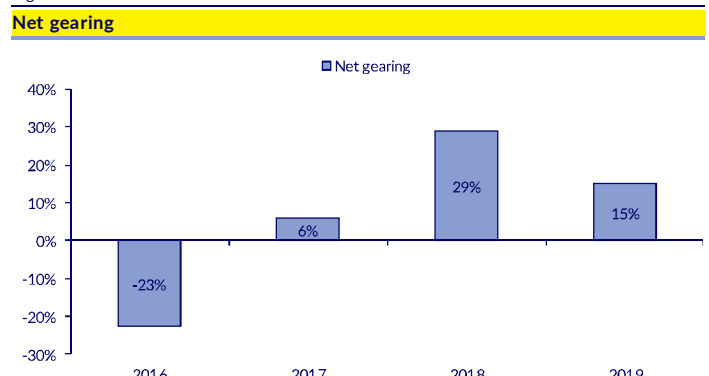
Source: BEUR, CLSA. Note: we calculate the "core profit" and margins based on the actual numbers reported by the company.

Figure 28



Source: BEUR, CLSA

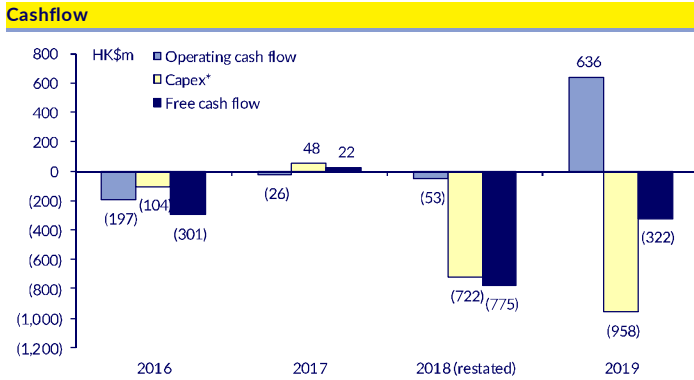
Figure 29



Source: BEUR, CLSA

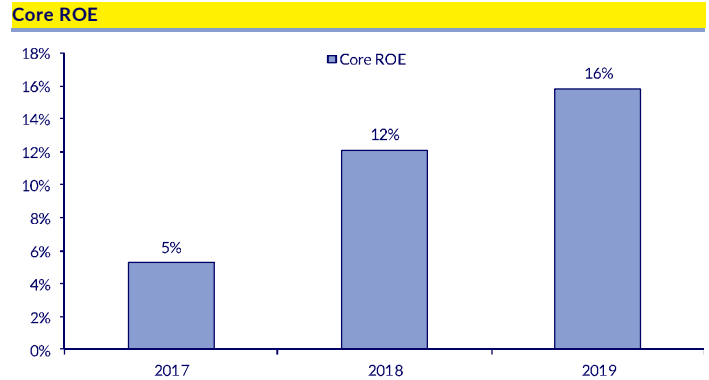


Figure 30



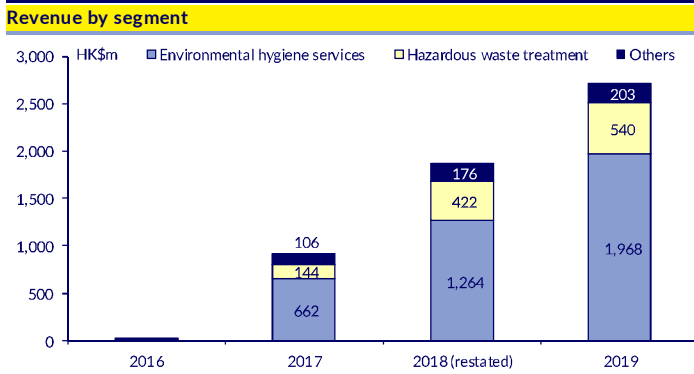
Note: *Positive capex in 2017 was mainly due to cash from acquired company. Source: BEUR

Figure 31



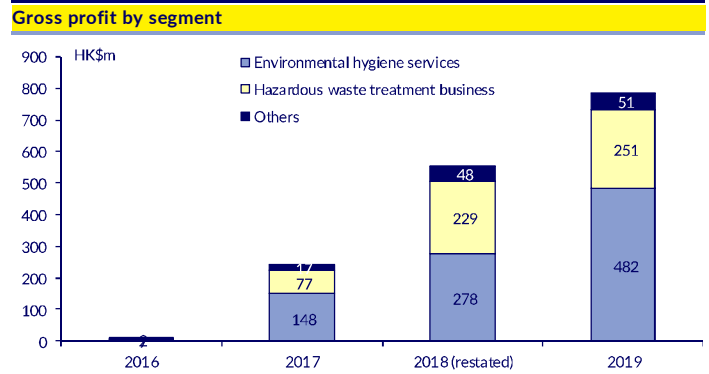
Source: BEUR, CLSA. Note: Core ROE is estimated based on estimated core profit, which we calculate based on the actual numbers reported by the company.

Figure 32



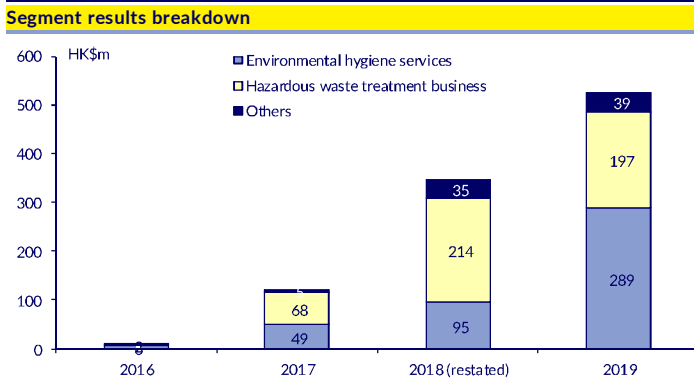
Source: BEUR

Figure 33



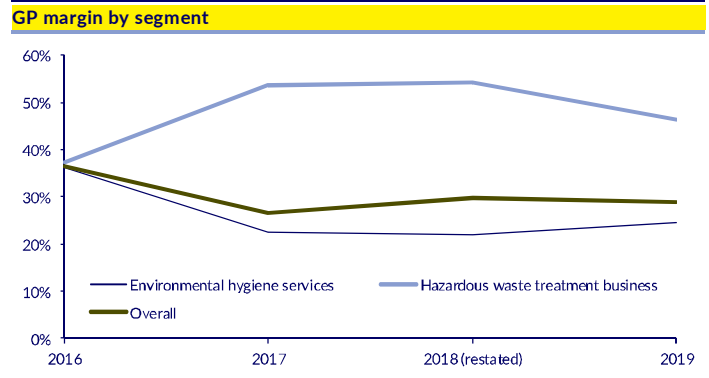
Source: BEUR

Figure 34



Source: BEUR

Figure 35



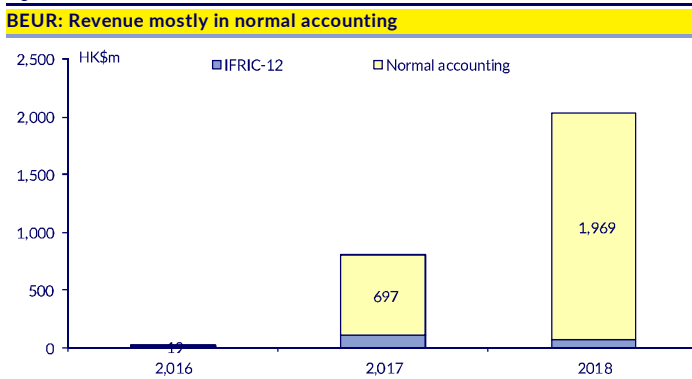
Source: BEUR, CLSA



Financials is easy to comprehend

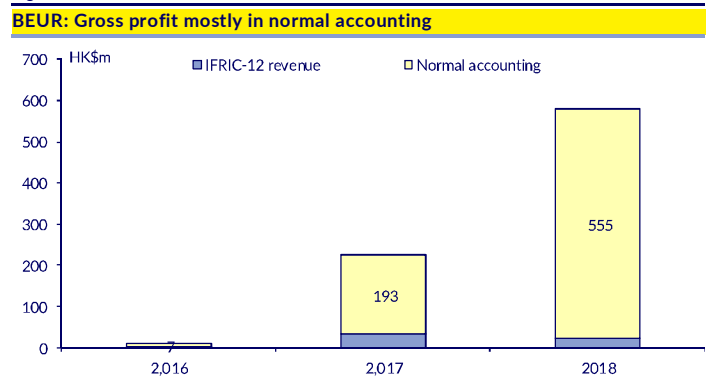
- ❑ Anyone who cover the environmental companies listed in Hong Kong would probably be driven perplexed by the complicated IFRIC-12 accounting. We believe that some professional accountants would share the view that it is not easy to understand.
- ❑ The good news is, for BEUR, most of the projects, revenue, profit are recognised in normal accounting. That means the earnings and valuation can be interpreted without much tweak.
- ❑ For the year 2018, 97%/96% of its total revenue/gross profit were recognised in normal accounting.

Figure 36



Source: BEUR

Figure 37



Source: BEUR

Valuation comparison

- ❑ BEUR is trading at 10.8x 2019 PE, versus 31.4x 2020 consensus PE and 5.5x 2020 consensus PB of A-share comparables in the hygiene service sector.

Figure 38

Comparable - Environmental hygiene services							
Ticker	Company name	2018 revenue	2019 revenue	2018 attributable profit	2019 attributable profit	2020 consensus PE	2020 consensus PB
In HK\$m							
3718 HK	Beijing Enterprises Urban Resources	1,863	2,711	430	281	7.4	1.3
In Rmbm							
002973 CH	Qiaoyin Environmental Tech	1,576	2,195	103	131	55.6	8.6
300815 CH	EIT Environmental Development	2,816	3,595	182	313	35.8	9.4
000967 CH	Infore Environment Technology	13,045	12,696	929	1,362	12.8	1.3
603686 CH	Fujian Longma Environmental	3,444	4,228	236	270	21.2	2.9
Comparables average						31.4	5.5

Source: Bloomberg



Figure 39

BEUR - HWT projects in operation

Status	Project name	Chinese name	Location	Business model	Treatment Type	Commencement date of operation	Treatment method(s)	Designed treatment capacity (Tons per annum)
In operation	Shandong Industrial Solid Waste Disposal Center Project - Landfill	山東省工業固體廢物處置中心項目	Shandong	Self-owned and operated	Waste disposal	January 2017	Landfill	54,000
In operation	Shandong Industrial Solid Waste Disposal Center Project - Liquid waste	山東省工業固體廢物處置中心項目	Shandong	Self-owned and operated	Waste disposal	January 2017	Wastewater and liquid waste flocculation and purification	14,400
In operation	Shandong Industrial Solid Waste Disposal Center Project - Incineration	山東省工業固體廢物處置中心項目	Shandong	Self-owned and operated	Waste disposal	January 2017	Incineration	13,000
In operation	Ningxia Ruiyuan Waste Methanol and Mixed Alcohol Recycling and Reuse Project	寧夏睿源廢舊甲醇及混醇回收循環利用項目	Ningxia	Self-owned and operated	Recycling and reuse	March 2018	Distillation, extraction of alcohol	200,000
In operation	Guangxi Guigang BEWG Medical Waste Disposal Center Project	廣西貴港北控水務醫療廢物處置中心項目	Guangxi	BOO	Waste disposal	January 2016	Heated steam sterilization	1,650
In operation	Ge'ermu Industrial Waste Centralized Disposal Project	格爾木工業廢渣集中處置項目	Qinghai	O&M	Waste disposal	March 2018	Landfill	100,000
In operation	Shouguang Industrial Solid Waste Disposal Center Project	壽光市工業固體廢物處置中心項目	Shandong	Self-owned and operated	Waste disposal	June 2018	Incineration	9,000
In operation	Chongqing Plastics Comprehensive Utilization Project	重慶塑料綜合利用項目	Chongqing	Self-owned and operated	Recycling and reuse	April 2018	Plastic recycling	50,000

Source: BEUR

Figure 40

BEUR - HWT projects in trial operation

Status	Project name	Chinese name	Location	Business model	Treatment Type	Expected date of operation commencement	Treatment method(s)	Designed treatment capacity (Tons per annum)
In trial operation	Yaojiagang Industrial Waste - Landfill Treatment and Recycling Project	宜昌市姚家港工業廢物處理及資源化項目	Hubei	Self-owned and operated	Waste disposal	The fourth quarter of 2019	Landfill	79,346
In trial operation	Yaojiagang Industrial Waste Treatment and Recycling Project - Liquid waste	宜昌市姚家港工業廢物處理及資源化項目	Hubei	Self-owned and operated	Waste disposal	The fourth quarter of 2019	Wastewater and liquid waste flocculation and purification	20,000
In trial operation	Yaojiagang Industrial Waste Treatment and Recycling Project - Incineration	宜昌市姚家港工業廢物處理及資源化項目	Hubei	Self-owned and operated	Waste disposal	The fourth quarter of 2019	Incineration	27,000
In trial operation	Hami Nangang Construction Materials Cement Kiln Co-Processing Industrial Waste Project	新疆哈密南崗建材水泥窯協同處置工業廢物項目	Xinjiang	Self-owned and operated	Waste disposal	The fourth quarter of 2019	Cement Kiln Co-processing	50,000

Source: BEUR



Figure 41

BEUR - HWT projects in under construction

Status	Project name	Chinese name	Location	Business model	Treatment Type	Expected date of operation commencement	Treatment method(s)	Designed treatment capacity (Tons per annum)
Under construction	Shandong Industrial Solid Waste Disposal Center Project - Phase II	山東省工業固體廢物處置中心項目 (二期)	Shandong	Self-owned and operated	Waste disposal	The first quarter of 2021	Incineration	33000
Under construction	Shouguang Industrial Solid Waste Disposal Center Project - Phase II	壽光市工業固體廢物處置中心工程項目 (二期)	Shandong	Self-owned and operated	Waste disposal	The first quarter of 2021	Incineration	30,000
Under construction	Shouguang Industrial Solid Waste Disposal Center Project - Phase II	壽光市工業固體廢物處置中心工程項目 (二期)	Shandong	Self-owned and operated	Waste disposal	The first quarter of 2021	Wastewater and liquid waste flocculation and purification	18,376
Under construction	Shouguang Industrial Solid Waste Disposal Center Project - Phase II	壽光市工業固體廢物處置中心工程項目 (二期)	Shandong	Self-owned and operated	Waste disposal	The first quarter of 2021	Landfill	22,298
Under construction	Guangxi Guigang BEWG Medical Waste Disposal Center Upgrading Project	廣西貴港北控水務醫療廢物處置中心擴建項目	Guangxi	Self-owned and operated	Waste Disposal	The third quarter of 2019	Heated steam sterilization	3,650
Under construction	Xianju Waste Incineration Disposal Center Project	仙居縣危廢焚燒處置中心項目	Zhejiang	Self-owned and operated	Waste disposal	The first quarter of 2021	Incineration	15,000
Under construction	Zigong Industrial Waste Disposal and Recycling Project	自貢市工業危險廢物處置及資源化項目	Sichuan	Self-owned and operated	Recycling and reuse	The first quarter of 2021(Incineration	30,000
Under construction	Zigong Industrial Waste Disposal and Recycling Project	自貢市工業危險廢物處置及資源化項目	Sichuan	Self-owned and operated	Recycling and reuse	The first quarter of 2021	Landfill	20,000

Source: BEUR



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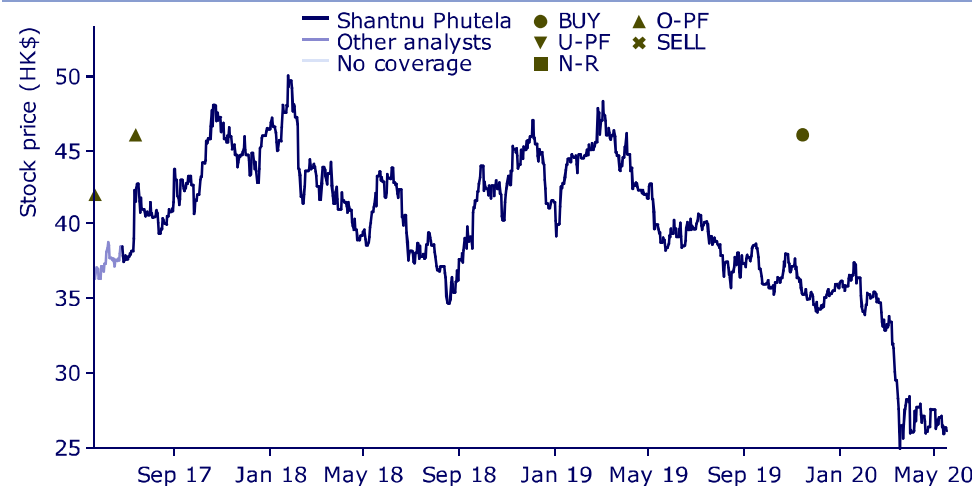
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- BE Water (371 HK - HK\$2.98 - BUY)
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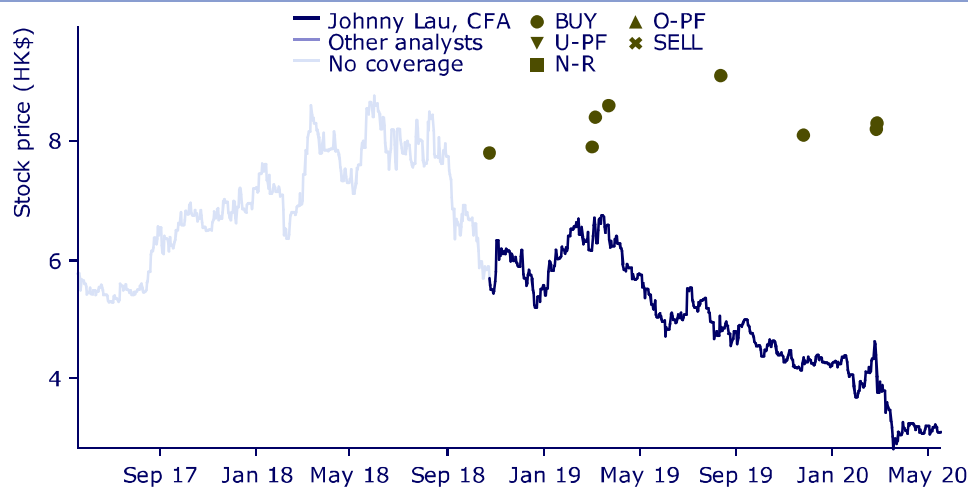


Date	Rec	Target	Date	Rec	Target
15 Nov 2019	BUY	46.00	21 May 2017	O-PF	42.00
12 Jul 2017	O-PF	46.00			

Source: CLSA



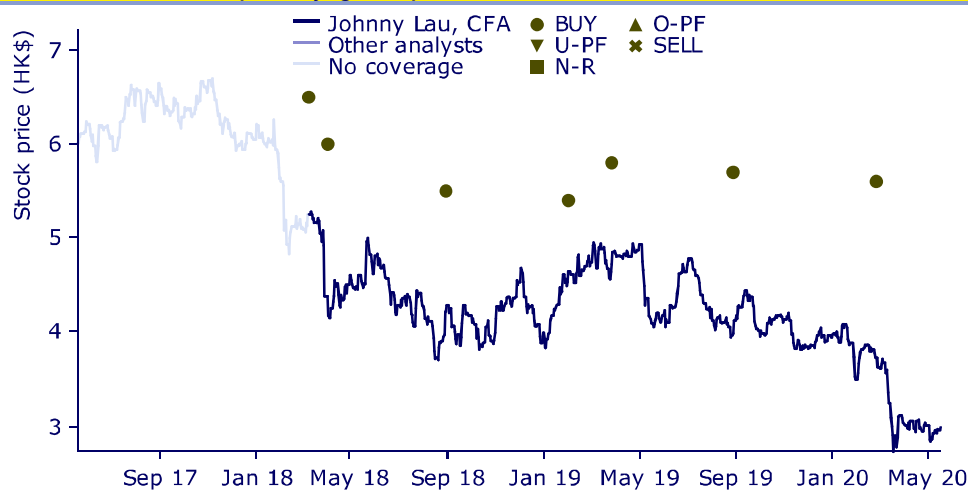
Recommendation history of China Everbright Greentech 1257 HK



Date	Rec	Target	Date	Rec	Target
27 Feb 2020	BUY	8.30	24 Mar 2019	BUY	8.60
26 Feb 2020	BUY	8.20	07 Mar 2019	BUY	8.40
26 Nov 2019	BUY	8.10	03 Mar 2019	BUY	7.90
13 Aug 2019	BUY	9.10	24 Oct 2018	BUY	7.80

Source: CLSA

Recommendation history of Beijing Enterprises Water 371 HK



Date	Rec	Target	Date	Rec	Target
26 Feb 2020	BUY	5.60	30 Aug 2018	BUY	5.50
29 Aug 2019	BUY	5.70	02 Apr 2018	BUY	6.00
28 Mar 2019	BUY	5.80	09 Mar 2018	BUY	6.50
01 Feb 2019	BUY	5.40			

Source: CLSA

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