

# EARTH TECH ENVIRONMENT PLC

No. 17/2025  
22 July 2025

## CORPORATES

Company Rating: BB+  
CreditAlert: Positive

Last Review Date: 22/11/24

### Company Rating History:

Date	Rating	Outlook/Alert
26/10/23	BB+	Stable
18/04/23	BBB-	Alert Negative
31/10/22	BBB-	Stable

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## RATIONALE

TRIS Rating places the company rating of “BB+” on Earth Tech Environment PLC (ETC) on CreditAlert with a “positive” implication. This follows our same rating action on the company rating on Better World Green PLC (BWG, rated “BB+/Alert Positive”), of which ETC is a “core” subsidiary. It also reflects our view that ETC’s financial risk profile is likely to improve materially following the complete disposal of its investments in new waste-to-energy (WTE) projects currently under development. We believe ETC’s withdrawal from these projects has effectively eliminated its large-scale investment commitments and reduced its exposure to significant construction and operational risks that had previously weighed on the company’s credit profile.

The CreditAlert follows announcements made on 15 July 2025 by ETC and BWG, stating that BWG Group has completed the divestment of its entire equity interests in three companies—Circular Camp Co., Ltd. (CC), Get Green Power Co., Ltd. (GGP), and Suntech Innovation Power Co., Ltd. (SIP). These companies served as holding entities for investments in new WTE power plants and Solid Recovered Fuel (SRF) production facilities. ETC sold its stakes in GGP and SIP to Gulf Waste to Energy Holdings Co., Ltd. for a total consideration of around THB850 million. The transactions were closed on 14 July 2025, with share transfers and payment completed on the same day.

The divestments will release ETC from substantial investment obligations and avoid overloading debt. Previously, we forecast that ETC’s heavy investment outlays could have pushed the debt to EBITDA ratio to as high as 30 times by 2026. Instead, we now expect ETC’s financial risk profile to improve materially, as the company will likely use parts of the divestment proceeds to prepay outstanding debentures. We view ETC’s withdrawal from the new WTE projects as signaling a more conservative financial policy. The CreditAlert indicates the likelihood of a rating upgrade, as we expect ETC to operate with low leverage if it continues to pursue conservative growth strategies.

While the transaction reduces ETC’s business scale and diversification prospects, we assess the impact on the company’s existing power plant operations and overall business risk profile as neutral. The reduction in financial leverage should offset the loss of growth prospects and diversification. Meanwhile, ETC’s existing operations in its three WTE power assets continued to recover in the first quarter of 2025.

We aim to resolve the CreditAlert after we thoroughly reassess the credit profile of BWG Group—including ETC as a “core” subsidiary. We will evaluate the earnings prospects from the remaining assets, observe clear progress in using divestment proceeds to reduce debt, and obtain greater clarity on the group’s capital structure, taking into account its growth strategy and dividend payout plan. Given ETC’s core subsidiary status, the company rating on ETC will follow that on BWG.

## RELATED CRITERIA

- Group Rating Methodology, 7 September 2022
- Corporate Rating Methodology, 15 July 2022
- Key Financial Ratios and Adjustments for Corporate Issuers, 11 January 2022

## Earth Tech Environment PLC (ETC)

<b>Company Rating:</b>	BB+
<b>CreditAlert:</b>	Positive

## TRIS Rating Co., Ltd.

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