

Press Release

Everbright Water Announces 1QFY2017 Results

Singapore, 11 May 2017 – China Everbright Water Limited (“Everbright Water” or the “Company”, SGX: U9E) (中国光大水务有限公司), an environmental protection company focusing on water environment management business, announced the unaudited results of the Company for the first quarter ended 31 March 2017 (“1QFY2017” or “period under review”).

For the period under review, the Company recorded revenue of HKD774 million, an increase of 18% compared to the first quarter ended 31 March 2016. The increase was mainly attributable to the increase of construction revenue during the period under review. The increase in construction revenue was mainly attributable to constructions of the sponge city construction project and the river-basin ecological restoration project, in addition to the upgrading of several waste water treatment projects that were under construction during the period under review. Gross profit grew by 10% year-on-year (“yoy”) to HKD260 million, with gross profit margin at 34%. The improved gross profit was mainly due to higher gross profit of construction services, which increased by 39% yoy during the period under review. In 1QFY2017, the profit attributable to shareholders of the Company rose 11% yoy to HKD114 million. By the end of 1QFY2017, gearing ratio remained at the same level as the end of last year, indicating the Company’s reasonable debt level and sound financial position.

During the period under review, the Company proactively expanded into new markets and broadened its business scope. It secured 5 water projects with a total investment value exceeding RMB4 billion. These newly secured projects include the upgrading of three waste water treatment projects, namely Shandong Zibo Zhoucun Waste Water Treatment Project Phase I Upgrading, Liaoning Dalian Chunliuhe Waste Water Treatment Project Phase II Upgrading (“Chunliuhe Phase II Upgrading Project”) and Liaoning Dalian Quanshui Waste Water Treatment Project Upgrading (“Quanshui Upgrading Project”). Among them, Chunliuhe Phase II Upgrading Project and Quanshui Upgrading Project were originally from Dalian Dongda Water Co., Ltd (“Dalian Dongda”), which marked the Company’s further progress in integrating Dalian Dongda following the acquisition. These upgrading projects also created a good start for the Company to effect water tariff hike accordingly in the future. The Company also secured Hubei Suizhou High-tech Industrial Park Piaoshui and Fuhe River Basin Integrated Water Environment Restoration PPP Project and Shandong Ji’nan Zhangqiu Urban-Rural Integration Water

Supply Project. While further developing its water environment management business, the Company also broadened its business scope to have included urban-rural integration water supply, and thereby reinforced its comprehensive strengths and business diversification. During the period under review, Henan Sanmenxia Waste Water Treatment Project and Jiangsu Nanjing Pukou Waste Water Treatment Project effected water tariff hike by approximately 30% and 60% respectively.

While pushing for organic growth and internal integration, the Company continued enhancing its regional management model during the period under review, in accordance with its business development needs and to improve synergy and economies of scale. The Company also adopted measures such as internal reviews and trainings across all levels, to strengthen the implementation of the Environmental, Safety, Health and Social Responsibility (“ESHS”) management system and the risk management system. It aims to achieve a stable growth by improving the operational and management proficiency.

Mr. An Xuesong, Executive Director and CEO of Everbright Water, said, “The water environment management sector continued its next phase of robust growth in 2017. Several policy measures focusing on the improvement of water environment quality were rolled out progressively, and thus brought about further growth opportunities for the areas such as sponge city construction and rural waste water treatment. In addition, with some environmental protection policies being tested and further fine-tuned at the implementation stage, we believe that the regulations and related standards for the industry will become more stringent, and will therefore further boost the steady growth of the industry. As a well-established company focusing on investment and operation of water environment management business, Everbright Water will build on the good start of this year to continue focusing on technology-driven development and core technology competitiveness enhancement. We will strengthen our operating experience and business ethos, stay in tune with market trends, and actively expand our business to continuously deliver positive returns for our shareholders.”

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About China Everbright Water Limited

China Everbright Water Limited (“Everbright Water” or the “Company”) is an investment and operation company focusing on water environment management. The Company is listed on the Mainboard of Singapore Exchange Limited (SGX: U9E) with its direct controlling shareholder being China Everbright International Limited (HKSE: 00257). Everbright Water is the sole water business platform of China Everbright Group.

The Company is principally engaged in water environment management, sponge city construction, waste water treatment, reusable water, waste water source heat pump, sludge treatment, research and development of water environment management technologies, and engineering construction, etc. The Company’s geographical footprint spans across East, Central, North, Northeast and Northwest China, including Beijing, Jiangsu, Shandong, Shaanxi, Henan, Hubei, Liaoning and Inner Mongolia Autonomous Region, etc. Currently, the Company invests in and operates water treatment projects with a designed daily treatment capacity of 5.0 million m³.

For more information, please visit the Company’s official website at <http://www.ebwater.com>.

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