

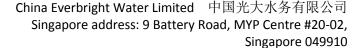
News Release

Everbright Water Announces 3QFY2018 Results

(HKD'000)	3QFY2018	3QFY2017	Change
Revenue	1,036,511	746,136	个39%
Gross profit	372,585	297,152	个25%
Profit for the period	164,330	140,918	个17%
Profit attributable to shareholders of the Company	144,277	122,763	个18%
Earnings per share (HKD)	0.054	0.047	个15%

Singapore, 12 November 2018 – 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, announced the unaudited results of the Company for the third quarter ("3QFY2018" or "period under review") and nine months ended 30 September 2018.

In 3QFY2018, the Company recorded a revenue of HKD1.037 billion, representing an increase of 39% compared to the corresponding period in 2017. The increase was attributable to the growth in construction revenue, operation revenue and finance income. The rise in construction revenue was mainly attributable to the construction of the sponge city project and the water supply project, in addition to the expansion and upgrading of several waste water treatment projects which were under construction during 3QFY2018. During the period under review, the Company's gross profit increased by 25% year-on-year ("yoy") to HKD373 million, mainly due to higher gross profit from construction and operation services, with overall gross profit margin at 36%. Profit increased by 17% yoy to HKD164 million compared to the corresponding period of 2017. Profit attributable to shareholders of the Company increased by 18% yoy to HKD144 million. As at 30 September 2018, gearing ratio stood at approximately 54.8%, demonstrating the Company's reasonable debt level and healthy financial position.





During the period under review, the Company secured five new projects, which command a total investment of approximately RMB1.18 billion and contribute an aggregate designed daily waste water treatment capacity of 226,000 m³. These projects not only reinforced the Company's strengths in the areas of municipal waste water treatment, industrial waste water treatment and sludge treatment and disposal, but also solidified the Company's market position in Shandong, Jiangsu and Liaoning provinces.

In terms of project construction, the Company had 11 projects under construction during the period under review, all progressing in an orderly manner. Among these projects, Ji'nan Waste Water Treatment Project (Plant 1) Phase IV Expansion, Ji'nan Waste Water Treatment Project (Plant 2) Phase III Expansion and Xinyi City Waste Water Treatment Project Phase III commenced construction during 3QFY2018. Additionally, the Company had three waste water treatment projects and one sludge treatment and disposal project which completed construction and commenced operations during the period under review, including: Ji'nan Huashan Waste Water Treatment Project, Dezhou Ling County Waste Water Treatment Project (Plant 2) Upgrading, Jiangyin Waste Water Treatment (Binjiang Plant and Shizhuang Plant) Upgrading Project and Ji'nan Sludge Treatment and Disposal Project. In terms of operations management, during the period under review, the Company effected tariff hikes for 7 waste water treatment plants, with the tariff hikes ranging from 10% to 54%.

During the period under review, Everbright Water successfully completed the issuance of the second tranche of RMB-denominated corporate bonds (the "Second Tranche Panda Bonds") with an aggregate principal amount of RMB800 million to qualified investors in the People's Republic of China. The Second Tranche Panda Bonds comprise two types of bonds, namely the green bonds and the plain vanilla bonds. Each with a principal amount of RMB400 million, the green bonds and the plain vanilla bonds bear an average coupon rate of 4.59%. The successful issuance of the bonds has further broadened the Company's financing channels and improved its current ratio.

Mr. An Xuesong, Executive Director and CEO of Everbright Water, said, "During the period under review, Everbright Water continued its healthy and steady development momentum across the first two quarters of the year in the areas of business expansion, engineering construction, technological research and development, operations management, among others. With the support and



recognition by the local governments and residents, the Company constantly enhanced its capabilities and solidified its market position. For the next step, Everbright Water will continue with steady progress and make assessment by considering factors such as technology, operation, business and construction. The Company will leverage on its 'Intelligent Water' system and technological innovation capability to drive its business development."

Mr. Wang Tianyi, CEO of China Everbright International Limited and Chairman of Everbright Water, said, "The action plan to tackle the tough battle concerning pollution prevention and control, which was released earlier, emphasises on several water environment management areas, such as: treatment of urban black and odorous water bodies, protection and restoration of Yangtze River, and protection of water sources. This has further unleashed the market potential. Amid the increasingly fierce market competition and stringent industry regulation, the Group strives to enhance its core competitiveness and to take swift advantage of the opportunities arising therefrom. The Group will steadily expand its business chain and prudently synchronise its asset-light and assetheavy businesses. It will also focus on the comprehensive management of water environment, comprehensive utilisation of water resources and comprehensive protection of water ecology. Despite the challenges faced by the Group, it will grasp the opportunities and continue striving to make steady progress with determination."

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About China Everbright Water Limited

China Everbright Water Limited ("Everbright Water" or the "Company") is an environmental protection 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).

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

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

For media inquiries, please contact:

China Everbright Water Limited Corporate Communications Email: media@ebwater.com

Citigate Dewe Rogerson

Aaron Ng

Email: <u>aaron.ng@citigatedewerogerson.com</u> Tel: +65 6534 5122 (O) / +65 8128 0430 (M)

For investor relations inquiries, please contact:

China Everbright Water Limited Investor Relations

Email: ir@ebwater.com