

**Press Release – For Immediate Release**

**Everbright Water Announces 1HFY2016 Results**

**Singapore, 5 August 2016** – 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 integrated environmental water business, announced the unaudited results for its first half ended 30 June 2016 (“1HFY2016” or “Period under review”).

For 1HFY2016, the Company’s revenue increased by 40% year-on-year (“yoy”) to HKD1.326 billion. The increase in revenue was mainly due to the increase in construction revenue. Gross profit grew 5% yoy to HKD464.0 million, while gross profit margin was 35% for 1HFY2016 (1HFY2015: 47%). The decline in gross profit margin was mainly due to recognition of a larger portion of the construction revenue in the mix of the total revenue yoy. Construction services have lower gross profit margin as compared to operation services in general. Moreover, the changes in value-added tax policy which was implemented with effect from 1 July 2015, had some impact on gross profit margin. Such impact was partly mitigated by the value-added tax refund. For 1HFY2016, the Company recorded a net profit attributable to owners of the Company of HKD181.0 million.

During the Period under review, Everbright Water secured four water projects, contributing an additional waste water treatment capacity of 455,000 m<sup>3</sup> per day. These projects include 1) Zhangqiu No.1 and Zhangqiu No.2 Waste Water Treatment Plants; 2) Zhenjiang Sponge City PPP Project; 3) Xinyi Waste Water Treatment Projects; 4) Qingdao Waste Water Treatment Upgrading Project (Maidao Plant).

During the Period under review, four waste water treatment projects have completed construction and two projects have commenced construction, including Pulandian Waste Water Treatment Project Phase II and Nanjing Reusable Project Phase I.

**Mr. Wang Tianyi, Executive Director and Chairman of Everbright Water**, said, “In 1HFY2016, with a series of acquisitions and integrations, Everbright Water’s operation scale emerged into a new stage. Development coverage and business scope continued to expand. The acquired projects were successfully transformed. 2016 is the first year of the 13th Five-Year Plan. The environment problem continues to be the focus. After issuing the “Clean Air Action Plan” and “Clean Water Action Plan”, the State Council of China issued “Clean Soil Action Plan” in May this year to implement the most rigorous environment protection system and continuously improve environmental quality. On the other hand, the country encouraged reformation of the industry from being government-led to being marketized and the participation of social capital in the environmental governance. The government will adopt PPP model extensively in environmental water sector, such as in waste water treatment, river-basin ecological repair and sponge cities, resulting in significant development of PPP model and broader access to markets for the Company.”

**Mr. Wang continued**, “In 1HFY2016, despite facing macro trends such as subdued global economic outlook and slowing economic growth in China as well as fierce competitions in the industry, Everbright Water has strong confidence in overcoming challenges to actively expand into new areas and new business segments. The Company will improve internal management and seek for appropriate projects in order to achieve a steady and healthy growth.”

In 1HFY2016, Everbright Water bought back an aggregate of 7,793,400 shares in its issued and paid-up capital for a total consideration of approximately S\$3.84 million. This demonstrated the board of directors’ confidence in the Company’s future prospects.

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### **About China Everbright Water Limited**

China Everbright Water Limited (“Everbright Water” or the “Company”) is a company focusing on integrated environmental water services. 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 platform of China Everbright Group.

The Company is principally engaged in integrated environmental water services, construction of sponge city, waste water treatment, reusable water, waste water source heat pump, sludge treatment, research and development of environmental water technologies, engineering and construction and etc. The Company’s geographical footprint spans across East, Central, North, Northeast and Northwest China, including Beijing, Jiangsu, Shandong, Shaanxi, Henan, Liaoning and Inner Mongolia Autonomous Region etc. Currently, the Company invested in and operated water treatment projects with a designed daily waste water treatment capacity of over 5.0 million m<sup>3</sup>.

For more information, please visit us at <http://www.ebwater.com>.

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Issued for and on behalf of China Everbright Water Limited By Financial PR Pte Ltd

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