

**Press Release – For Immediate Release**

## China Everbright Water Limited Announces 1QFY2015 Results

**Financial Highlights**

| HKD'Million   | 1QFY2015     | 1QFY2014     | Change (%)  |
|---|--------------|--------------|-------------|
| <b>Revenue</b>  | 436.3        | 241.9        | ↑ 80        |
| <b>Gross Profit</b>   | 217.6        | 133.3        | ↑ 63        |
| <b>Operating Profit</b>   | 180.9        | 116.0        | ↑ 56        |
| <b>Net Profit Attributable to Shareholders<br/>of the Company</b> | 100.9        | 67.8         | ↑ 49        |
| <b>Earnings Per Share*(HKD)</b>                                   | <b>0.041</b> | <b>0.035</b> | <b>↑ 17</b> |

pp: percentage point

\*\*For the purpose of calculation of earnings per share, the weighted average number of shares in issue for period ended 31 March 2014 is deemed as 1,940,269,305 shares.

**Singapore, 8 May 2015** – China Everbright Water Limited (“Everbright Water” or “the Group”, SGX: U9E) (中国光大水务有限公司), an environmental protection company focuses on investment, operation and management of integrated environmental water business, announced the unaudited results for its first quarter ended 31 March 2015 (“1QFY2015”).

During the quarter under review, the Group’s revenue increased by 80% to HKD436.3 million as compared with 1QFY2014. This is mainly due to the construction revenue contribution from the undergoing upgrading and expansion work of Binzhou Boxing Waste Water Treatment Project and Suzhou Wuzhong Chengnan Waste Water Treatment Project Phase II and upgrading, as well as increase in operating income and finance income. Gross profit grew 63% to HKD217.6 million as compared with 1QFY2014, while gross profit margin fell from 55% for 1QFY2014 to 50% for 1QFY2015 resulting from higher construction revenue recognized for the quarter under review. Net profit attributable to shareholders of the Company increased 49% to HKD100.9 million as compared with 1QFY2014.

During the quarter under review, the Group's subsidiary, Everbright Water (Jiangyin) Limited obtained a subsidy of RMB5.66 million under the scheme of the 'Provincial Water Pollution Control in Lake Taihu Phase VIII' by the local government. This subsidy recognized the outstanding performance of the Group's projects in energy conservation and emission reduction, and also its sustainable growth.

On 19 January 2015, the Group has entered into subscription agreements with each of International Finance Corporation ("IFC") and Dalvey Asset Holding Ltd, which is a wholly-owned subsidiary of RRJ Capital Master Fund II, L.P. which was established by RRJ Capital ("RRJ"). The Subscriptions allow the Company to raise gross proceeds of about S\$113,449,500 via the allotment and issuance of 120,690,957 new shares at S\$0.94 per share, which will be used as working capital to fund the growth and expansion of the Company's business. It was completed on 21 April 2015.

**Mr. Wang Tianyi, Executive Director, Vice-Chairman and CEO of Everbright Water**, said, "The introduction of IFC and RRJ does not only optimize the shareholding structure of Everbright Water, but will also strengthen and advance the future development of Everbright Water. In return for the trust from the investment society, Everbright Water will continue to put in its best effort to undertake its corporate social responsibility and contribute to the economy.

On 16 April, the State Council announced the Water Pollution Prevention & Control Plan (《水污染防治行动计划》), also known as the Clean Water Action Plan (水十条). The Ministry of Finance raised its budget on water pollution control from RMB6 billion for 2014 to RMB13 billion for 2015 to match the funding requirement by the Clean Water Action Plan, representing an 85.7% increase yoy.

Mr Wang added, "The unveiled Clean Water Action Plan together with more investments and more stringent legislation enforcement present huge market potential and will speed up the industry restructuring. Riding on the favourable trend, the Group will seize the rare historical opportunity and fully utilize our excellent market resources to expand market share and strive to be one of the leading water companies in the PRC within the next three to five years."

**-End-**



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

On 12 December 2014, China Everbright International Limited (HKSE: 00257) successfully spun off and injected its environmental water business into Singapore Mainboard-listed HanKore Environment Tech Group Limited (SGX: U9E) via a reverse takeover and it was officially renamed as China Everbright Water Limited.

China Everbright Water Limited is principally engaged in the environmental water business, which includes waste water treatment, reusable water, waste water heat pump, sludge treatment, research and development of environmental water technologies, engineering and construction and etc. The Group's geographical footprint spans across North and Central China, including Beijing, Jiangsu, Shandong, Shaanxi and Henan. As of 31 December 2014, the Company has invested in and is operating 32 waste water treatment projects with a designed daily waste water treatment capacity of about 3.4 million m<sup>3</sup>.

With its experienced management team as well as strong parental support from China Everbright Holdings Company Limited and China Everbright International Limited, the Group will seize opportunities in the favourable market condition and strive to emerge as the leading environmental water player in China.

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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