

**Press Release – For Immediate Release**

## Everbright Water announces 1HFY2015 results

**Financial Highlights**

HKD' Million	1HFY2015	1HFY2014	Change
<b>Revenue</b>	946.1	505.8	↑ 87%
<b>Gross Profit</b>	443.2	309.1	↑ 43%
<b>Operating Profit</b>	374.3	282.0	↑ 33%
<b>Net Profit Attributable to Shareholders of the Company</b>	211.3	166.0	↑ 27%
<b>Earnings Per Share*(HKD)</b>	<b>0.083</b>	<b>0.086</b>	<b>(3.5%)</b>

\*Calculated based on the weighted average number of 2,533,959,270 shares and 1,940,269,305 shares for 1HFY2015 and 1HFY2014 respectively

**Singapore, 31 July 2015** – 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 focuses on investment, operation and management of integrated environmental water business, announced the unaudited results for its second quarter and first half ended 30 June 2015 (“1HFY2015” or “Period under review”).

During the period under review, the Company’s revenue increased by 87% year-on-year (“yoy”) to HKD946.1 million mainly due to the contribution from several waste water projects, as well as higher operation services income and finance income. Gross profit grew 43% yoy to HKD443.2 million, while gross profit margin was 47% for 1HFY2015 (1HFY2014: 61%), which was mainly due to a larger portion of construction revenue recognized in the mix of the total revenue. In general, construction activities have a lower profit margin as compared to operation activities. Net profit attributable to shareholders of the Company increased 27% yoy to HKD211.3 million.

During 1HFY2015, the Company mainly focused on internal consolidation since the completion of the reverse takeover in December 2014. In terms of new project development, the Company has secured Ju

County Chengbei Waste Water Treatment Project in Rizhao City, Shandong Province with a designed daily waste water treatment capacity of 40,000 m<sup>3</sup>. The water discharge complies with the Grade 1A national standard.

On project construction, the Company has completed the construction of Binzhou Boxing Waste Water Treatment Project Phase II, Yangzhou Jiangdu Waste Water Treatment Project Phase II and Sanmenxia Industry Cluster Area Waste Water Treatment Project Phase I. In addition, the three projects under construction, namely Nanjing Pukou Waste Water Treatment Project Phase II, Suzhou Wuzhong Chengnan Waste Water Treatment Project Phase II and Zibo Reusable Water Project Phase II, have been progressing smoothly and are expected to complete and commence operation in the second half of 2015.

**Mr Wang Tianyi, Executive Director, Vice-Chairman and CEO of Everbright Water**, said, “In 1HFY2015, the new Environmental Protection Law (环境保护法) of the PRC became effective and a series of policies were issued in the PRC to support the waste water treatment industry, such as the Implementation Opinions on Cooperation between Government and Social Capital on Water Pollution Prevention and Treatment (关于推进水污染防治领域政府和社会资本合作的实施意见) and the Water Pollution Prevention & Control Plan (水十条). Furthermore, the PRC government is encouraging the public-private partnership (PPP) in the investment and operation of urban infrastructure, which will certainly provide new market opportunities and momentum for the development of the water industry. The Directory of Value-added Tax (“VAT”) Preferential Rate on Comprehensive Utilization of Goods and Services (“Cai Shui No. [2015] 78 Article”) was issued by the State Administration of Taxation of the PRC and it may have certain impact on the Company in the short term. Nonetheless, the management has been actively negotiating with local governments and customers to increase the water tariff, so as to ensure the Company’s profitability and sustainable growth. Everbright Water is well prepared for the huge market opportunities ahead and will strive for larger market share through organic growth and M&As. At the same time, the Company will seek breakthrough in other segments of the water treatment industry, such as industrial waste water treatment by continuously sharpening our technological advantages.”

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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 (“HanKore Environment”) (SGX: U9E) via a reverse takeover and HanKore Environment 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 30 June 2015, the Company’s total designed daily waste water treatment capacity has exceeded 3.4 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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