



GREEN BUILD TECHNOLOGY

GREEN BUILD TECHNOLOGY LIMITED
(FORMERLY KNOWN AS YOUYUE INTERNATIONAL LIMITED)

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200401338W)

**AWARD OF UNDERGROUND UTILITY TUNNEL PROJECT TO
HARBIN SHENGMING ENERGY SAVING AND TECHNOLOGY CO., LTD**

The Board of Directors (the “**Board**”) of Green Build Technology Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company’s wholly owned subsidiary in the People’s Republic of China (the “**PRC**”), Harbin Shengming Energy Saving and Technology Co., Ltd (formerly known as *Harbin Promlite Energy Saving Technology Co., Ltd*) (“**Harbin Shengming**”), has been awarded a project for the construction of an underground utility tunnel in the Southern Harbin Industrial New Town area and the airport area in Harbin City (the “**Underground Utility Tunnel Project**”, or the “**Project**”) by the Municipal Government of Harbin, PRC (the “**Harbin Municipal Government**”) as part of the Group’s main business of project-based activities involving energy conservation services and sustainable development. Upon taking on the Project, Harbin Shengming will be one of the few selected enterprises to be authorized by Harbin Municipal Government to participate in the Chinese central government of the PRC’s (the “**Chinese Central Government**”) first underground utility tunnel construction project under the Public Private Partnership model. According to the Chinese Ministry of Housing Construction and the Chinese Ministry of Finance, Harbin City is one of the ten pilot cities for the Underground Utility Tunnel Project. The formal contract is expected to be entered in the near term.

The purpose of the Underground Utility Tunnel Project is to centralize the urban underground laying of electricity, telecommunications, radio and television, water supply, drainage, heating, gas pipelines and other municipal utility tunnels. In the future, it is intended that all utility pipelines/cables in Harbin City will be operated in the underground utility tunnel to be constructed, which is expected to cover a length of approximately twelve kilometres (12 km) and be substantially completed by the end of 31 December 2016.

The Chinese Central Government is placing great importance on the Underground Utility Tunnel Project as the said Project is deemed to be a key medium through which the Chinese Central Government would modernise the landscape of and enhance the safety and security of Harbin City. The Project is intended to greatly benefit the citizens of Harbin City, and to provide an effective means to enhance the management of Harbin City.

An underground utility tunnel system not only enables the full use of underground space, reduces the cost of investment, conserves valuable land resources, modernises the urban landscape of a city, but also reduces the inconveniences and disadvantages of repeated excavation for the purpose of maintaining the existing network of roads. Apart from enhancing the safety and security of Harbin City, the Underground Utility Tunnel Project also contributes to stimulating growth in view of the current economic slowdown. The Chinese

Central Government is also expected to introduce a series of policies to support the construction of the underground utility tunnel system.

Harbin Shengming will be involved in the construction of the underground utility tunnel, as well as the operation and maintenance of the abovesaid underground utility tunnel for a twenty-five-(25)-year period after the completion of the construction of the said underground utility tunnel. The approximate cost of investment for the Underground Utility Tunnel Project is estimated to be Renminbi Nine Hundred and Forty Seven Million (RMB947,000,000). Approximately Renminbi Four Hundred and Thirty Seven Million (RMB437,000,000) of the Project cost will be borne by the Group, while the Harbin Municipal Government will bear the rest of the cost involved. The Group's investment in the Project will likely be financed by, *inter alia*, the Group's internally generated funds and bank borrowings. In this regard, Harbin Shengming has been in talks with several PRC banks to procure the necessary bank facilities. The revenue stream in the next twenty-five-(25) years is expected to be sustainable, and will include total government subsidies of approximately Renminbi Eight Hundred and Eighty Four Million (RMB884,000,000), entrance fees by the service providers, and other operating income.

In carrying out the above work/Project, Harbin Shengming will manage the Project by, *inter alia*, (i) organising and controlling the resources and procedures to achieve the aforementioned goals; (ii) assisting in the completion of design, operations and maintenance based on agreed technical standards and requests under the Project; and (iii) assisting in the application(s) for permission from the relevant PRC authorities to carry out any work other than those requiring the permission of the Harbin Municipal Government, in accordance with PRC law. In doing so, Harbin Shengming will engage various third party contractors to carry out the construction work in accordance with the specifications and designs conceptualised by Harbin Shengming.

Barring any unforeseen circumstances, the Project is expected to contribute positively to the Group's revenue for the entire Project period.

None of the Directors and controlling shareholders of the Company have any interest, direct and indirect (other than through their shareholdings in the Company), in the Project.

By Order of the Board

Wu Xueying

Chief Executive Officer and Executive Director

15 October 2015