

**News Release**

**Everbright Water Announces 1QFY2019 Results**

(HKD'000)	1QFY2019	1QFY2018	Change
<b>Revenue</b>	1,313,458	1,041,107	↑26%
<b>Gross profit</b>	426,419	361,607	↑18%
<b>Profit for the period</b>	212,866	191,107	↑11%
<b>Profit attributable to equity holders of the Company</b>	206,351	178,119	↑16%
<b>Earnings per share (HKD)</b>	0.077	0.068	↑13%

**Singapore and Hong Kong, 15 May 2019** – China Everbright Water Limited (“Everbright Water” or the “Company”, stock codes: U9E.SG and 1857.HK) (中国光大水务有限公司), an environmental protection company focusing on water environment management, is pleased to announce the unaudited results of the Company for the first quarter ended 31 March 2019 (“1QFY2019” or “period under review”).

During the period under review, the Company’s revenue increased by 26% year-on-year (“yoy”) to HKD1.313 billion. The increase was mainly attributable to the growth of construction revenue, operation revenue and finance income. In 1QFY2019, gross profit grew by 18% yoy to HKD426 million, with overall gross profit margin at 32%. Profit for the period under review was HKD213 million, representing a yoy increase of 11%; and profit attributable to equity holders of the Company increased by 16% yoy to HKD206 million. As at 31 March 2019, gearing ratio was approximately 56.5%, demonstrating the Company’s reasonable debt level and good financial position.

In 1QFY2019, Everbright Water continued solidifying its strategic business planning and market position in Shandong and Jiangsu Provinces. It secured Zhenjiang Zhengrunzhou Waste Water Treatment Plant (“Zhengrunzhou Water Plant”) Operation and Management (“O&M”) Project in Jiangsu Province and Ji’nan Licheng Waste Water Treatment Project (Plant 3) Sludge Treatment

Project in Shandong Province. In particular, securing Zhengrunzhou Water Plant O&M Project enables the Company to unify the operations management and improve the coordination flexibility across all treatment units and processes at the plant. This will, in turn, improve the environmental and economic benefits of the plant.

In terms of project construction, Everbright Water had a total of 14 projects under construction, during the period under review. These include 10 waste water treatment projects, 2 water environment treatment projects and 2 water supply projects. Construction of these projects was carried out smoothly, with 1 project having completed construction and commenced operation during the period under review.

In terms of operations management, in 1QFY2019, a total of 7 waste water treatment plants of the Company received regulatory approval for tariff hikes, ranging from 21% to 56%.

During the period under review, Everbright Water completed the issuance of the third tranche of its RMB-denominated corporate bonds ("Panda Bonds") with an aggregate principal amount of RMB700 million, in January 2019. This marked the completion of the Company's first Panda Bonds issuance, which helped the Company effectively improve its financing structure and make good use of financial leverage.

On 8 May 2019, Everbright Water successfully became listed on the Main Board of The Stock Exchange of Hong Kong Limited, achieving its dual listing status in Singapore and Hong Kong. The offer price was fixed at HKD2.99 per share, with net proceeds from the global offering amounting to approximately HKD252.3 million (assuming the over-allotment option is not exercised). Such a dual listing status will facilitate the Company to attract different investors, broaden its shareholder base, and contribute to its long-term growth.

Additionally, in April 2019, Everbright Water secured two waste water treatment projects in Shandong Province. These projects command a total investment of approximately RMB665 million, with a total designed daily waste water treatment capacity of 120,000 m<sup>3</sup>.

**Mr. An Xuesong, Executive Director and CEO of Everbright Water**, said, "Given the continued pressure from the economic downward trend and tightened industry regulations, the

environmental protection enterprises will still face challenges. Those enterprises, which are capable of seizing opportunities arising from this round of industry integration and adjustments, will gain more advantageous positions for development. Over the past few months, Everbright Water progressed smoothly in various aspects, including business development, engineering and construction, operations management and capital market planning. In respect to the capital market planning, the Company not only completed the issuance of its Panda Bonds, but also successfully became listed in Hong Kong on 8 May 2019, thereby achieving its dual listing status in Singapore and Hong Kong. This will further broaden the Company's shareholder base. The capital market in Hong Kong will also benefit the Company in terms of fundraising and operation. ”

**Mr. An Xuesong** added that, “Moving forward, Everbright Water will continue boosting its effort in technology research and development, expanding its technological industry chain, developing new business areas and models, improving the intelligence level and transparency of its operations management, and diversifying its investment and financing channels, so as to further enhance its overall strength and industry influence. These will also create long-term and sustainable investment returns to its shareholders.”

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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 the Singapore Exchange Securities Trading Limited and the Main Board of The Stock Exchange of Hong Kong Limited (stock codes: U9E.SG and 1857.HK) with its direct controlling shareholder being China Everbright International Limited (stock code: 257.HK).

The Company is principally engaged in water environment treatment, 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 million m<sup>3</sup>.

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

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