

**Press Release**

**Everbright Water Announces 3QFY2016 Results**

**Singapore, 14 November 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 of the Company and its subsidiaries (collectively the “Group”) for the third quarter (“3QFY2016” or “Period under review”) and nine months ended 30 September 2016.

For the Period under review, the Group’s revenue increased by 35% year-on-year (“yoy”) to HKD553.49 million. The increase was mainly attributable to the increase in construction revenue from the expansion and upgrading of several Build-Operate-Transfer (“BOT”) projects which were under construction during the Period under review. Other income increased by 499% as compared to the same period of 2015, mainly due to increase in value-added tax refund during the Period under review. The gross profit grew by 17% yoy to HKD222.77 million, with gross profit margin at 40% (3QFY2015: 47%). The decrease in gross profit margin was mainly due to a larger portion of construction revenue recognised in the mix of total revenue of 3QFY2016 as compared to the same period of the previous year. In general, construction services have lower gross profit margin as compared to operation services. The profit attributable to the shareholders of the Company in 3QFY2016 amounted to HKD91.10 million.

To accommodate the Group’s rapid development and the evolving market conditions of environmental water industry, Everbright Water adopted a regional management model tailored for its business and development needs. The regional management model improved synergies between projects, achieved complementary advantages, and optimised management capabilities. In addition, it enhanced the Group’s market development model, which is based on locations of the existing projects. In the first nine months of 2016, eight environmental water projects in Shandong and Jiangsu provinces were secured in succession. The Group also further expanded its businesses into industrial waste water treatment, river-basin ecological repair and sponge city construction, and continues to augment its market leadership position in waste water treatment in Jiangsu and Shandong provinces.

**Mr. Wang Tianyi, Executive Director & Chairman of Everbright Water,** said: “The Chinese government has introduced a number of industry policies since 2015 to maintain and improve the profitability of the industry players under the market mechanisms. The government’s vigorous promotion of the public-private partnership (“PPP”) model sends positive signals to the environmental water industry. With increasing number of projects being implemented, the market’s investment enthusiasm will continue rising. The more stringent regulatory requirement and emission standards will provide more development opportunities for enterprises which show stronger market competitiveness. Under this market environment, Everbright Water will continue strengthening its competitive advantages in operations, management and technical capabilities, and watching the market closely so as to grasp opportunities, expand actively, grow steadily and provide sustainable long-term returns to our shareholders.”

On 31 October 2016, Everbright Water submitted an application to the Shanghai Stock Exchange (“SSE”) and the China Securities Regulatory Commission (“CSRC”) for a proposed issuance of RMB-denominated corporate bonds of up to RMB2.5 billion in aggregate principal amount (subject to CSRC’s approval) in a single or multiple tranches in the PRC. The proposed bond issue is subject to, *inter alia*, the necessary approvals from the SSE and the CSRC being obtained, any terms or conditions which may be imposed as a result and the completion of the relevant registration procedures in connection therewith.

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

China Everbright Water Limited (“Everbright Water” or the “Company”) is an investment and operation 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 business platform of China Everbright Group.

The Company is principally engaged in integrated environmental water services, sponge city construction, waste water treatment, reusable water, waste water source heat pump, sludge treatment, river-basin ecological repair, research and development of environmental water technologies, and engineering construction, 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 invests in and operates water treatment projects with a designed daily treatment capacity of 5.0 million m<sup>3</sup>.

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

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