

SIIC Environment's 1QFY2019 revenue up 13.4% to RMB1.34 billion and Net Profit Attributable to Shareholders increased by 47.3% to RMB150.1 million

- Revenue grew 13.4% to RMB1.34 billion in 1QFY2019, buoyed by better performance across all business divisions during the year
- Net profit attributable to shareholders was up 47.3% to RMB150.1 million in 1QFY2019
- Healthy project pipeline secured during the quarter: Established JV company for Waste-to-Energy (WTE) BOT project in Shangdong province, signed 4 supplementary agreements for wastewater treatment projects in Shanghai, Shandong and Liaoning provinces, and awarded 1 wastewater treatment and constructed wetland project in Zhejiang province during the quarter

Financial Highlights

RMB thousand	1QFY2019	1QFY2018	Change (%)
Revenue	1,335,519	1,177,321	13.4
Gross Profit	429,246	372,581	15.2
Net Profit	190,713	146,745	30.0
Net Profit Attributable to Shareholders	150,085	101,865	47.3
Diluted Earnings per Ordinary Share* (RMB cents)	5.76	3.91	1.85 pp

Note:

*pp: percentage points. Calculated based on weighted average number of shares of 2,606,589,000 in 1QFY2019 and 2,606,589,000 in 1QFY2018.

SINGAPORE and HONG KONG, 2 May 2019 – SGX Mainboard-listed and HKEX Mainboard-listed water treatment and environmental protection company, **SIIC Environment Holdings Ltd.** (“**SIIC Environment**” or the “**Company**”, and together with its subsidiaries or collectively as the “**Group**”) today announced a net profit attributable to shareholders of RMB150.1 million for the three months ended 31 March 2019 (“1QFY2019”).

Group revenue remained strong and was up 13.4% to RMB1.34 billion as revenue across all business divisions increased in 1QFY2019, supported by relatively higher amount of construction activities, greater water treatment and supply sales volume contributed from existing entities. Gross profit also increased 15.2% to RMB429.2 million, due to higher construction revenue achieved in the quarter.

As of 31 March 2019, the Group's cash and cash equivalents stood at a healthy RMB1,483.2 million.

Outlook

In view of the newly-updated “Water Pollution Prevention Law”, China continues to implement strict measures for higher standards of water treatment across the country, and to adopt a zero-tolerance approach toward rule violations in the fight against environmental pollution – which in turn satisfies demand for wastewater treatment technology and management nationwide.

For the period under review, the Group announced a healthy project pipeline as follows:

- 18 January: [SIIC Environment Awarded New WTE BOT Service Concession Agreement in Shandong, China](#)
- 25 January: [SIIC Environment Signs Supplementary Agreement for Dezhou City Wastewater Treatment TOT Project in Shandong Province, China](#)
- 28 January: [SIIC Environment Awarded New Wastewater Treatment and Constructed Wetland Project in Zhejiang Province, China](#)
- 13 February: [SIIC Environment Inks Supplementary Agreements for Two Wastewater Treatment Projects in Dalian City, China](#)
- 12 March: [SIIC Environment Inks Supplementary Agreement for Major Wastewater Treatment Project in Shanghai, China](#)
- 19 March: [SIIC Environment Establishes Joint Venture Company for Waste-To-Energy Project in Shandong, China](#)

Mr. Xu Xiaobing, Chief Executive Officer, said: “I am pleased that the Group has started the year on a good note and has demonstrated our market-leading position as well as continued efforts in working with local municipal and provincial governments in upgrading existing wastewater treatment facilities, thus supporting the nation’s agenda of good quality surface water and environmental protection. Looking ahead, investments in the construction of urban wastewater treatment and recycling facilities are projected to reach RMB565 billion under the 13th Five-Year Plan, which let us remain optimistic on the industry outlook and opportunities in the months to come.”

China’s cabinet in March 2019 released a work plan for a zero-waste city pilot project with the aim of building “waste-less cities” – 10 cities will be selected for this pilot programme that will boast a comprehensive waste management system by 2020. This pilot represents future opportunities for the recycling, sewage, sludge and solid waste treatment industries, which the Group is potentially a beneficiary of.

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About SIIC Environment Holdings Ltd.

SIIC Environment Holdings Ltd. (“SIIC Environment”, stock code: BHK.SG, 807.HK) is a top-tier integrated player in China’s water and environmental markets. It is engaged in wastewater treatment, water supply, solid waste management and other environment-related businesses. It was previously known as Asia Water Technology Ltd (“Asia Water”), which was listed on the SGX-ST Catalist in 2005. In 2010, Shanghai Industrial Holdings Ltd. (“SIHL”, stock code: 363.HK) acquired a controlling stake and completed the debt restructure in Asia Water. It was then renamed SIIC Environment and transferred to the SGX-ST Mainboard in 2012.

Since the restructuring, SIIC Environment has shown tremendous growth and continues to increase its market share in China’s water and environmental sector. SIIC Environment is an active investor and operator of environment-related assets and has been operating in China’s water sector for over a decade. Currently, it boasts an overall portfolio of about 200 water treatment and supply projects and 6 waste incineration projects across 19 municipalities and provinces in China, namely Shandong, Guangdong, Hubei, Hunan, Jiangsu, Shanghai, Zhejiang, Jiangxi, Anhui, Fujian, Guangxi, Ningxia, Henan, Liaoning, Inner Mongolia, Shanxi, Sichuan, Jilin and Heilongjiang.

Leveraging on its scalability and competencies, SIIC Environment will continue to expand its business and explore new markets such as industrial wastewater treatment, seawater desalination, sludge treatment and handling, soil treatment, renewable energy, water technology and pollution control, thereby strengthening its top-tier position in China’s water and environmental industry. For more information, please visit us at www.siicenv.com

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