



For Immediate Release

30 August 2017

**BEWG Announces its 2017 Interim Results
The Group's Designed Water Capacity
Increased to 29.7 Million Tons/Day**

FINANCIAL HIGHLIGHTS

For the first half year ended 30 June 2017:

- Profit before tax amounted to HK\$2.7 billion, representing an increase of 20% as compared with the first half year of 2016
- Net profit attributable to shareholders of the Company amounted to HK\$1.9 billion and basic earnings per share was HK21.88 cents

(Hong Kong, 30 August 2017) Beijing Enterprises Water Group Limited and its subsidiaries (Stock Code: 0371, hereinafter referred to as "BEWG", the "Company" or the "Group") officially announces its interim results for 2017 today. Under the able leadership of the board of directors of the Company and the concerted efforts of all the employees, BEWG has achieved outstanding results with respects to its operations and development in the first half of 2017.

The Group's major financial information for the six months ended 30 June 2017 is as follows:

Revenue grew by approximately 16% to HK\$9,126.0 million; profit from operating activities grew by approximately 8% to HK\$2,695.1 million; profit before tax grew by approximately 20% to HK\$2,652.3 million; and profit for the period grew by approximately 23% to HK\$2,153.3 million, as compared to the last period. Total assets amounted to HK\$87,702.7 million, representing an increase of approximately 8%; total equity amounted to HK\$29,556.7 million, representing an increase of approximately 10%; and total liabilities amounted to HK\$58,145.9 million, representing an increase of approximately 7%, as compared to the end of last year.

In addition, profit attributable to shareholders grew to HK\$1,914.1 million and basic earnings per share was HK21.88 cents, while EBITDA amounted to HK\$3,540.0 million. In recognition of the continuous support of the shareholders of the Company, the board of directors of BEWG recommended to make an interim cash distribution of HK8.0 cents per share to the shareholders.



Total daily design capacity for new projects secured for the period was 2,668,150 tons. During the period, the Group completed the entrusted operation of sewage treatment projects with aggregate daily design capacity of 185,000 tons. As such, the net increase in total daily design capacity of the period was 2,483,150 tons. As at 30 June 2017, the Group participated in 544 water plants either in operation or going to be operated, including 423 sewage treatment plants, 110 water distribution plants, 10 reclaimed water plants and 1 desalination plant.

The Group has focused on certain major cities for our water environment comprehensive renovation business and gained an edge by creating and developing its own water environment comprehensive renovation projects. For instance, BEWG has secured major projects in Beijing, Fujian and Inner Mongolia, among others, a joint venture setting up by BEWG which had signed a contract in July of this year regarding comprehensive improvement of urban water ecology PPP projects in Baotou.

In respect of the new businesses, the Group has expanded its coverage on the market of the industrial and rural water services. Various overseas projects, such as the projects in Changi, Singapore and Pantai, Malaysia, have commenced its formal operation and received warm response from market. Beijing Enterprises Clean Energy Group Limited, an associate of the Company, has a rapid growth in operating performance.

BEWG determined its strategic direction as an ecological enterprise and strived to set up its own ecological system during the first half of the year. It has signed strategic co-operation agreements with various major state-owned enterprises and commenced equity co-operation with local water enterprises. An ecological system emphasizing “operational technology” has been established and integration of technological resources and brand-building efforts had been strengthened so as to be conducive to providing smart water services and achieving lean operations. With respect to financing, BEWG has set up a series of funds for financing those PPP projects especially located in cities such as Tongzhou, Chifeng and Taizhou.

In the first half of 2017, since regulatory authorities in China promulgated a number of PPP policies, it brought a number of PPP projects implemented in its prosperity. On the other hand, the revision of the “Law on the Prevention and Control of Water Pollution” imposed further obligation with respect to treatment of the water system that would trigger an enormous potential for market share. As such, the water environment comprehensive renovation will be presented itself onto the stage of development opportunities in the second half of the year and years to come.



In the second half of the year, towards the objective which focuses on implementing ecology as our core strategy and integration of our internal and external resources, BEWG will focus on the establishment of an ecological system and enhancing its capacity to offer integrated environmental solutions to the local governments. It will also be dedicated to exploring innovative business models, as well as strengthening internal control and enhancing management capabilities so as to achieve yearly business goals and lay a solid groundwork for attaining a momentous and leapfrogging growth, with the ultimate aims not only to provide shareholders with a stable and growing return, but also creating greater value for its staff, clients and business partners as well as the society.

About Beijing Enterprises Water Group Limited (0371HK)

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The ultimate holding company of the Company is Beijing Enterprises Holdings Limited (stock code: 392). The Group strategically positions itself as a “leading professional integrated water environmental service provider”, and specializes in the water service and environmental protection industries with waste water treatment as its core business segment.

For more information and the interim results announcement for the six months ended 30 June 2017, please visit the Group’s website at <http://www.bewg.com.hk>.

This press release is issued by Wonderful Sky Financial Group Limited on behalf of Beijing Enterprises Water Group Limited.

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