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KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED

康達國際環保有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6136)

BUSINESS UPDATE

Operation Data for Wastewater Projects of the Company

This announcement is made by Kangda International Environmental Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest development of the Group.

Operation data of treatment capacity per day for wastewater projects of the Company as at 31 December 2016 is as follows:

	As at 31 December 2016	As at 30 November 2016		As at 31 December 2015	
	<i>(million tonnes)</i>	<i>(million tonnes)</i>	<i>%</i>	<i>(million tonnes)</i>	<i>%</i>
Contracts executed	3.409	2.969	+14.8	2.762	+23.4
Operation projects	2.399	2.309	+3.9	2.132	+12.5
Projects under construction	0.495	0.290	+70.7	0.330	+50.0
Projects to be operated	0.515	0.370	+39.2	0.300	+71.7

As at 31 December 2016, the Company’s treatment capacity for (i) executed concession agreements was approximately 3.409 million tonnes per day, representing a growth of approximately 14.8% on a month-on-month basis and a growth of approximately 23.4% on a year-on-year basis; (ii) projects under operation was approximately 2.399 million tonnes per day, representing a growth of approximately 3.9% on a month-on-month basis and a growth of approximately 12.5% on a year-on-year basis; (iii) projects under construction was 0.495 million tonnes per day, representing a growth of approximately 70.7% on a month-on-month basis and a growth of approximately 50.0% on a year-on-year basis; and (iv) projects to be

operated was approximately 0.515 million tonnes per day, representing a growth of approximately 39.2% on a month-on-month basis and a growth of approximately 71.7% on a year-on-year basis.

Statistics for the PPP projects of the Company as at 31 December 2016 are as follows:

Project name	Total investment amount (RMB million)	Contract time for the project	Commencement time	Note
Water Supply and Drainage PPP Project in the urban area of Rushan City, Shandong Province	481	18 August 2016	August 2016	
Henan Province Hebi City Shancheng District Tang River Basin Water Environmental Treatment Project	2,100	19 September 2016	September 2016	
Guangdong Province Yunan County Entire County Domestic Wastewater Treatment Bundle PPP Project	502	28 October 2016	November 2016	
Ecological Environment Protection and Comprehensive Treatment (Phase I) PPP Project in Fu River basin in Fuzhou City, Jiangxi Province	4,810	28 November 2016 (i.e. estimated transaction date for the consortium)		Shareholding for the consortium is subject to further confirmation

The board of directors of the Company wishes to remind investors that the above operation data are unaudited and are based on internal information of the Group. Shareholders and investors are cautioned not to unduly rely on such operation data and exercise caution in dealing in the securities of the Company.

By order of the Board
**KANGDA INTERNATIONAL
ENVIRONMENTAL COMPANY LIMITED**
ZHAO Juanxian (alias, ZHAO Junxian)
Chairman

Hong Kong, 3 January 2017

As at the date of this announcement, the board of directors of the Company comprises 9 directors, namely Mr. ZHAO Juanxian (alias, ZHAO Junxian), Mr. ZHANG Weizhong, Ms. LIU Zhiwei, Mr. GU Weiping and Mr. WANG Litong as executive directors; Mr. ZHUANG Ping as a non-executive director; and Mr. TSUI Yiu Wa Alec, Mr. PENG Yongzhen and Mr. CHANG Qing as independent non-executive directors.