

Everbright International Enters the Environmental Protection Equipment Manufacturing Business

Develops Grate Furnaces and Automatic Control System Products

China Everbright International Limited (“Everbright International” or “the Group”) has announced that it has developed grate furnaces and automatic control system products successfully. In addition, the Group will establish an environmental protection equipment manufacturing centre in Jiangsu Province to produce grate furnaces, biomass power furnaces, sludge treatment and gas purifying equipment etc.

Since 2007, Everbright International has invested in the innovation of environmental protection equipment, leveraging its extensive experience in the construction and operation of waste-to-energy projects. The years of efforts have culminated in the introduction of multi-grade hydraulic reciprocating mechanical grate furnaces with a daily waste processing capacity of 300 tonnes, 350 tonnes and 400 tonnes respectively and the ancillary automatic control system equipment. Seven of them have already been delivered to end users. To further enhance its equipment manufacturing capabilities, the Group is designing and developing grate furnaces with a daily waste processing capacity of 200 tonnes, 250 tonnes and 500 tonnes respectively through the co-operation with enterprises, tertiary institutions and research institutes. By then the Group will be capable of independently designing and manufacturing grate furnaces and automatic control systems to meet the needs of a wide variety of projects.

In November 2010, Everbright International’s self-developed grate furnaces with a daily waste processing capacity of 400 tonnes commenced production and have already been installed in the Jiangyin Waste-to-energy Project Phase II. The grate furnaces have passed the 72+24-hour trial run assessment conducted by Jiangsu Electricity Facility Construction Quality Supervision Centre (江蘇省電力建設質量中心站), as the first equipment that does not require correction among the waste-to-energy projects in Jiangsu.

The results of the trial run showed that the grate furnaces and automatic control systems developed by Everbright International have outperformed imported equipment in terms of product quality, trial run performance and cost. The Group’s equipment features high precision, high furnace row flatness and good material quality, strong resistance to abrasion and corrosion, excellent control functions of its control system software. The highly competitive features of the equipment in terms of trial run performances include short start time, low ignition losses, high combustion efficiency, large load and waste-to-energy power

generation capacity and simple operation which yield good economic benefit. When compared to imported equipment, the furnaces installed in the Jiangyin Waste-to-energy Project Phase II have much lower investment cost and are more cost effective, which in turn boosts Everbright International's competitive position in the market.

In addition, to further expand its environmental equipment manufacturing business, the Board of Everbright International has approved the investment in the construction of the environmental protection equipment manufacturing centre in Jiangsu Province to produce grate furnaces, biomass power furnaces, sludge treatment and gas purifying equipment etc. The centre will occupy an area of 50 acres, and be built in two phases at a total investment of RMB135 million. Phase I, costing RMB89 million, is expected to be completed and start commercial operation in the first half of 2012. The project will turn into a new revenue driver by generating promising returns for the Group.

Mr. Chen Xiaoping, Chief Executive Officer of Everbright International, said, "Our self-developed grate furnaces and automatic control system product series not only highlight our world-class R&D capability, but also marks a new milestone in the development of our environmental protection business. Looking ahead, we will use this edge to develop our environmental equipment manufacturing business further reinforcing our leading presence in the market and making a bigger contribution to environmental protection industry in China"