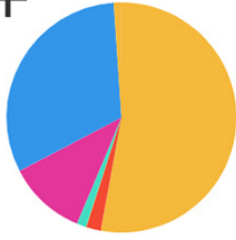


5 Facts of the M&A Market in China's Environmental Industry 2017

50% +



- waste treatment
- environmental services
- environmental monitoring
- energy
- air pollution treatment
- water treatment
- remediation

Market Segmentation

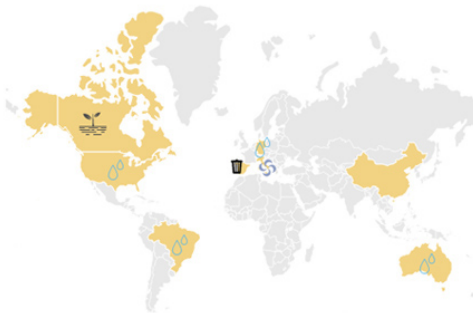
More than half of M&A deals happened in waste treatment field.

2 of 5 to 4 of 5



POE buyers in Top 5 cases

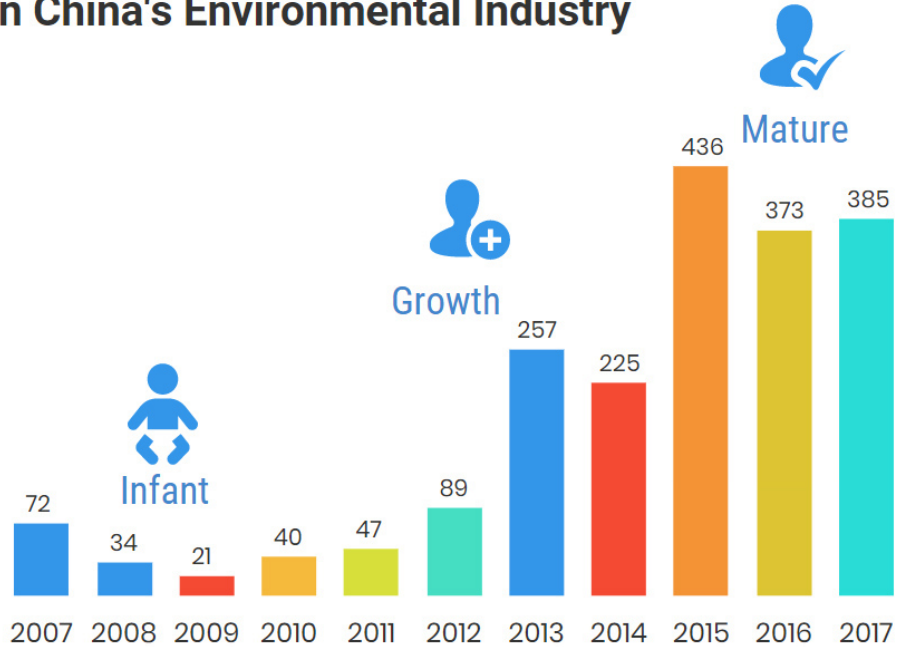
POEs became the main force in M&A market when the capital of SOEs were restricted.



7 Cross-border M&A Deals, 4 in Water Treatment Field

Target countries cover Canada, Brazil, United States, Italy, Germany, Australia and Spain.

2007 to 2017 M&A Deals by Value in China's Environmental Industry

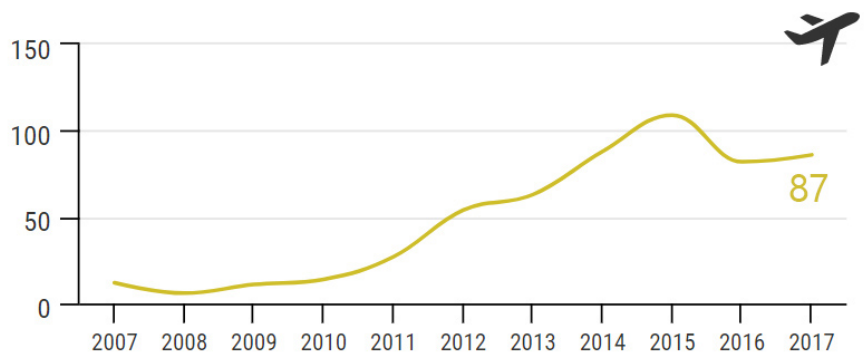


2017 M&A Market Remains Stable

2007-2012 Phase 1 Municipal water industry sparked the market but the scale was negatively influenced by global financial crisis.

2013-2015 Phase 2 Environmental industry boomed with the issue of a number of beneficial policies.

2016/2017 Phase 3 Environmental industry has stepped into mature phase, with M&A number and value being stable.



Number of M&A Deals in 2017

