



## EMEFCY GROUP AND RWL WATER ANNOUNCE STRATEGIC ALLIANCE

*- Strategic Collaboration to Accelerate Both Firm's Penetration of China Market -*

*March 30<sup>th</sup>, 2017*

**Melbourne, Australia and New York, USA:** Emefcy Group Limited (ASX: EMC), a global leader in energy-efficient wastewater treatment solutions, and RWL Water, a New York-based global water, wastewater and waste-to-energy business, announced today the formation of a strategic alliance to accelerate both companies' penetration of the rapidly growing water treatment market in China.

Founded by Ronald S. Lauder in 2010, New York-based RWL Water is recognized as one of the fastest growing water solutions companies in the world, having designed and built more than 7,000 successful installations, and possessing strong customer references in more than 70 countries worldwide. RWL Water was recently nominated for the 2017 Global Water Awards in the category of "Water Company of the Year".

Emefcy will enlist RWL Water's engineering expertise in designing and producing a range of packaged plant solutions for the China market. This expertise has been developed over the years by designing, producing and deploying scalable water treatment solutions incorporating specially adapted shipping containers. This capability will enable Emefcy to offer its strategic distribution partners a spectrum of solutions including easy-to-ship and install modular solutions, packaged or kitted plants, or fully containerised plug-and-play plants. These scalable solutions will provide the flexibility to meet varying requirements for waste water treatment in remote villages in China, thereby increasing the Company's ability to capture additional market share of the enormous China market opportunity.

The packaged plant solutions will feature Emefcy's proprietary Membrane Aerated Biofilm Reactor ("MABR") wastewater treatment module, an ideal solution for medium-sized applications in developing markets. Compared to traditional aeration-based treatment technology, Emefcy's system uses 80% less energy than other wastewater biological processes and delivers high quality effluent. The modular design requires less space and less upfront capital cost. Emefcy reference sites are already operating and under contract in China, Israel, Ethiopia, and US Virgin Islands.

RWL Water, which does not currently have a strong presence in China, is likewise keen to leverage Emefcy's detailed market knowledge and network of strategic distribution partners in



order to promote its complementary range of water treatment products including a containerized, scalable desalination product called “Nirobox”.

Under the terms of the agreement, Emefcy will pay RWL Water for engineering services in expediting the design of the spectrum of packaged plant solutions for China, as well as engineering and production services to complement Emefcy’s MABR technology. Each company will also receive commissions on the sale of the other company’s products.

“Our two companies have had fruitful informal discussions for some time. This agreement formalises these arrangements which will help each of us strengthen and accelerate our go-to-market strategy in China,” said Richard Irving, Executive Chairman of Emefcy. “The agreement will greatly simplify the deployment of Emefcy’s energy efficient, modular technology. With RWL Water’s assistance, we will be able to fast track the development of a complete, standardized, packaged treatment plant solution. By delivering a spectrum of packaged plant solutions, we can best meet the needs of our integrator partners and reduce the costs of installation.”

Henry Charrabé, President and CEO of RWL Water, commented: “We are pleased to work with Emefcy and are excited at the prospect of introducing our products and solutions into new markets, including greatly strengthening our China strategy. Our desalination water treatment systems are complementary to Emefcy’s MABR product and can readily be deployed in rural settings to treat salty or brackish water. Furthermore, we can leverage the marketing arrangements, production facilities and other infrastructure already established by Emefcy in China.

“By leveraging the RWL Water brand, including our waste-to-energy solutions, and its global stature with Emefcy’s technical innovation and on-the-ground presence, we believe our shared prospects in China are outstanding. In fact, based on these compelling benefits, we see other significant and on-going opportunities for collaboration around the world.” RWL Water’s Henry Charrabé continued, “While today’s agreement is focused on China, we foresee many additional opportunities. Our China collaboration can be a model for leveraging RWL Water’s global presence to promote the MABR technology in other regions.”

Water quality is a top priority in China, especially in rural areas where the need is most acute. Various industry analysts estimate that China represents a multi-billion dollar market opportunity for water treatment equipment and services. Emefcy has already signed four distribution agreements with established water services companies (CGGC, Wuxi, Jinzi, and Sinorichen) in various regions around China to supply demonstration units and anticipates signing more similar agreements in the months ahead. Reference sites are already operating and under contract in China, Israel, Ethiopia, and US Virgin Islands and Emefcy’s China production facilities are on track to commence production in the 2<sup>nd</sup> half of 2017.



## **Forward-looking Statements**

Any forward-looking statements in this announcement are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management.

## **About Emefcy Group Limited**

Emefcy develops, manufactures and markets new, energy-efficient MABR based wastewater treatment solutions, aiming to change the economics of various markets and addressing the growing global demand for clean water in municipal and industrial plants. With several global innovation awards and a strong scientific background, Emefcy is at the forefront of the next generation of MABR based wastewater treatment. Additional MABR based wastewater solutions out of Emefcy's extensive R&D operations are expected to be announced in the coming year.

Emefcy Group Limited (ASX: EMC) is a public company traded on the Australian Stock Exchange.

Visit our website: [www.emefcy.com](http://www.emefcy.com)

## **About RWL Water**

Founded by Ronald S. Lauder in 2010, New York-based RWL Water was established with a vision to become the leading global water, wastewater and reuse solutions provider in the middle market. With operations in Latin America, the United States, Europe and the Middle East and over 90 years of combined operational experience, RWL Water provides leading edge, global solutions for desalination, water, wastewater, waste-to-energy, recovery & reuse as well as food & beverage processing.

Visit our website: [www.rwlwater.com](http://www.rwlwater.com)

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