



## Emefcy Prepares First Production Line for China

*--Production Line Built, Tested and Completed in Israel—  
--Will Now Be Shipped to Changzhou China Factory for Installation--  
--Changzhou manufacturing to commence by the end of third Quarter—*

June 21, 2017

Melbourne, Australia: Emefcy Group Limited (ASX: EMC), a global leader in energy-efficient wastewater treatment solutions, today announced that it successfully completed acceptance testing on its high-speed Membrane Aerated Biofilm Reactors (MABR) production line for China. The production line was built and tested in Israel, and will now be dismantled and shipped to the new factory in Changzhou.

The equipment is expected to arrive in Changzhou in early August. Installation and testing should be rapid, with the new production line expected to commence operation on schedule by the end of the third calendar quarter of 2017 and to be capable of producing high volume during the fourth quarter. The planned capacity of the production line is 7,500 MABR modules annually, which corresponds to approximately US\$75 million (A\$100 million) in annual sales.

The new high-speed production line can produce MABR modules six times faster than the Company's first-generation line currently operating in Israel. The production line is equipped with a dual language (Chinese/English) control interface and whose flexible design can easily accommodate variable module width and diameter, enabling the production of next-generation MABR products, including SUBRE. The flexible design also accommodates different types of membranes and other future technology improvements. The line features remote connectivity, so that it can be controlled and serviced from Israel.

Mr. Richard Irving, Chairman of Emefcy, commented, "Successful testing in Israel of the Changzhou production line marks an important milestone for us, because this first manufacturing facility in China is anticipated to enable us to supply cost-optimized MABR products both to the China market and globally. Due to demand created by the wastewater treatment mandate in the most recent Five Year Plan, we are rapidly building a pipeline of distribution partners and leads for potential project sales. The ability to fulfil demand through local production is paramount, because it keeps our costs competitive and enables us to turn around orders far more quickly. We look forward to getting the factory up and running in the next couple months, in time to meet anticipated demand."

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## **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)

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.

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