

# AnnAik's 25% associate leads consortium that clinches 134m yuan China waste project

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**MARISSA LEE**

[marilee@sph.com.sg](mailto:marilee@sph.com.sg) @ MarissaLeeBT

CATALIST-LISTED AnnAik Ltd said on Friday that its 25 per cent-owned associate, Shanghai Onway Environmental Co, together with other strategic investors, has snagged its maiden public-private partnership (PPP) project in July.

The project, awarded by the Housing and Urban Construction Bureau of China's Wujiang District, is worth about RMB134 million (S\$26.80 million), AnnAik said.

It will be undertaken by a joint venture company which was set up in June with registered capital of RMB26.68 million (S\$5.34 million). Shanghai Onway Environmental Co has a 55 per cent stake in the joint venture.

The project involves provision of garbage removal, cleaning services, solid waste reduction loading stations, rural wastewater treatment facilities as well as the associated piping network in three townships. The technology used in the provision of rural wastewater facilities is proprietary technology from Shanghai Onway, AnnAik said.

The joint venture is expected to enjoy a mutually agreed rate of return on the capital invested and will be granted a 30 years' concession for operation and maintenance, said AnnAik.

Its associate's involvement in the project is not expected to have any material impact on the net tangible assets or earnings per share of the group for the financial year ending Dec 31, 2018.