

TENGY

浙江天潔環境科技股份有限公司

Zhejiang Tengy Environmental Technology Co., Ltd

(a joint stock company incorporated in the People's Republic of China with limited liability)

(於中華人民共和國註冊成立的股份有限公司)

Stock code 股份代號：1527

2017

Interim Report 中期報告

Financial Highlights

財務摘要

- The revenue of Zhejiang Tengy Environmental Technology Co., Ltd (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) for the six months ended 30 June 2017 (the “**Reporting Period**”) was approximately RMB293.5 million, representing a decrease of 36.8% when compared with that of the corresponding period of last year.
- 浙江天潔環境科技股份有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)於截至二零一七年六月三十日止六個月(「**報告期**」)之收益為約人民幣293.5百萬元，與去年同期相比減少36.8%。
- The Group’s profit attributable to owners of the parent for the Reporting Period was approximately RMB41.5 million representing a decrease of 28.4% when compared with that of the corresponding period of last year.
- 本集團於報告期內之母公司擁有人應佔溢利為約人民幣41.5百萬元，與去年同期相比減少28.4%。
- The Board (the “**Board**”) of directors of the Company (the “**Directors**”, each a “**Director**”) did not recommend the payment of any dividend for the Reporting Period.
- 本公司董事(「**董事**」)會(「**董事會**」)不建議就報告期派付任何股息。

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 中期簡明綜合損益及其他全面收益表

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
REVENUE	收益	293,460	464,500
Cost of sales	銷售成本	(206,538)	(349,695)
Gross profit	毛利	86,922	114,805
Other income and gains	其他收入及利得	3,731	5,260
Selling and distribution expenses	銷售及分銷開支	(10,882)	(9,596)
Administrative expenses	行政開支	(22,638)	(28,041)
Other expenses	其他開支	(1,511)	(590)
Finance costs	融資成本	(2,953)	(3,506)
PROFIT BEFORE TAX	稅前溢利	52,669	78,332
Income tax expense	所得稅開支	(11,186)	(20,308)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內溢利及全面收入總額	41,483	58,024
Attributable to: Owners of the parent	以下應佔： 母公司擁有人	41,483	58,024
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人 應佔每股盈利		
Basic and diluted (RMB) — For profit for the period	基本及攤薄（人民幣） 一期內溢利	0.31	0.43

Interim Condensed Consolidated Statement of Financial Position

中期簡明之綜合財務狀況表

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	42,607	47,401
Prepaid land lease payments	預付土地租賃付款	18,181	18,811
Intangible assets	無形資產	502	275
Deferred tax assets	遞延稅項資產	30,257	22,645
Pledged deposits	已抵押存款	3,358	7,776
Total non-current assets	非流動資產總值	94,905	96,908
CURRENT ASSETS	流動資產		
Inventories	存貨	29,439	31,341
Gross amounts due from contract customers	應收合同客戶款項總額	638,169	609,159
Trade and bills receivables	貿易應收款項及應收票據	479,283	643,175
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	61,144	43,674
Pledged deposits	已抵押存款	89,657	56,815
Cash and cash equivalents	現金及現金等價物	136,911	160,830
Total current assets	流動資產總值	1,434,603	1,544,994
CURRENT LIABILITIES	流動負債		
Gross amounts due to contract customers	應付合同客戶款項總額	123,177	111,979
Trade and bills payables	貿易應付款項及應付票據	333,438	444,033
Advances from customers, other payables and accruals	客戶墊款、其他應付款項及應計費用	176,966	211,656
Interest-bearing bank borrowings	計息銀行借款	110,000	119,000
Tax payable	應付稅項	20,159	30,949
Total current liabilities	流動負債總額	763,740	917,617
NET CURRENT ASSETS	流動資產淨值	670,863	627,377
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	765,768	724,285
Net Assets	資產淨值	765,768	724,285
EQUITY	權益		
Equity attributable to owners of the parent	母公司擁有人應佔權益		
Share capital	股本	135,000	135,000
Share premium	股份溢價	239,064	239,064
Reserves	儲備	391,704	350,221
Total equity	權益總額	765,768	724,285

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

		Attributable to owners of the parent					
		母公司擁有人應佔權益					
		Share capital	Share premium	Statutory surplus reserve*	Safety production reserve*	Retained profits*	Total equity
		股本	股份溢價	法定盈餘儲備*	安全生產儲備*	保留溢利*	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	135,000	239,064	39,001	5,524	305,696	724,285
Profit and total comprehensive income for the period	期內溢利及全面收入總額	-	-	-	-	41,483	41,483
Appropriation to statutory surplus reserve	劃撥至法定盈餘儲備	-	-	4,013	-	(4,013)	-
Appropriation to safety production reserve	劃撥至安全生產儲備	-	-	-	256	(256)	-
At 30 June 2017(unaudited)	於二零一七年六月三十日 (未經審核)	135,000	239,064	43,014	5,780	342,910	765,768
At 1 January 2016	於二零一六年一月一日	135,000	239,064	28,072	4,862	204,293	611,291
Profit and total comprehensive income for the period	期內溢利及全面收入總額	-	-	-	-	58,024	58,024
Appropriation to statutory surplus reserve	劃撥至法定盈餘儲備	-	-	5,919	-	(5,919)	-
Appropriation to safety production reserve	劃撥至安全生產儲備	-	-	-	290	(290)	-
At 30 June 2016 (Unaudited)	於二零一六年六月三十日 (未經審核)	135,000	239,064	33,991	5,152	256,108	669,315

* These reserve accounts comprise the consolidated reserves of RMB391,704,000 (2016: RMB295,251,000) in the consolidated statements of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備人民幣391,704,000元(二零一六年：人民幣295,251,000元)。

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
CASH FLOWS FROM OPERATING ACTIVITIES			
	經營活動現金流量		
Profit before tax:	除稅前溢利：	52,669	78,332
Adjustments for:	就以下各項調整：		
Finance costs	融資成本	2,953	3,506
Bank interest income	銀行利息收入	(1,270)	(1,138)
Other interest income	其他利息收入	(2,236)	–
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益	(79)	–
Foreign exchange differences, net	外匯差額淨額	775	(1,006)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,630	2,208
Depreciation of an investment property	投資物業折舊	–	477
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	630	487
Amortisation of intangible assets	無形資產攤銷	72	50
Amortisation of prepaid rental expense	預付租金開支攤銷	1,876	1,997
Amortisation of prepaid counsel expense	預付顧問開支攤銷	–	218
Impairment of inventories	存貨減值	240	–
Impairment of trade receivables	貿易應收款項減值	3,582	1,639
Reversal of impairment of other receivables	其他應收款項減值撥回	(23)	(223)
Impairment of gross amount due from contract customers	應收合同客戶款項總額減值	160	–
		62,979	86,547
Decrease in inventories	存貨減少	1,662	5,130
Increase in gross amounts due from/(to) contract customers	應收/(付)合同客戶款項總額增加	(17,972)	(17,993)
Decrease/(increase) in trade and bills receivables	貿易應收款項及應收票據減少/(增加)	160,310	(72,931)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(19,323)	(9,288)
Increase in pledged deposits — current	流動已抵押存款增加	(32,842)	(32,570)
Decrease in pledged deposits — non-current	非流動已抵押存款減少	4,418	7,360
(Increase)/decrease in trade and bills payables	貿易應付款項及應付票據(增加)/減少	(109,097)	47
(Increase)/decrease in advances from customers, other payables and accruals	客戶墊款、其他應付款項及應計費用(增加)/減少	(34,690)	36,952
Cash generated from operations	經營業務所產生現金	15,445	3,254
Interest received	已收利息	3,506	1,138
Interest paid	已付利息	(2,953)	(3,506)
Income tax paid	已付所得稅	(29,588)	(14,570)
Net cash used in operating activities	經營活動所用現金淨額	(13,590)	(13,684)

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(255)	(573)
Additions to intangible assets	添置無形資產	(299)	(134)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(554)	(707)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
New bank loans	新增銀行貸款	7,000	80,000
Repayment of bank loans	償還銀行貸款	(16,000)	(135,000)
Share issue expenses	發行股份開支	-	(1,950)
Net cash flows used in financing activities	融資活動所用現金流量淨額	(9,000)	(56,950)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(23,144)	(71,341)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	160,830	209,936
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(775)	1,006
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	136,911	139,601
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	136,911	139,601
Cash and cash equivalents as stated in the statements of financial position and statements of cash flows	財務狀況表及現金流量表所列的現金及現金等價物	136,911	139,601

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

1. CORPORATE AND GROUP INFORMATION

The Company is a joint stock company with limited liability established in the People's Republic of China ("China" or "PRC"). The registered office of the Company is located at TENG Y Industrial Park, Paitou Town, Zhujia City, Zhejiang Province, PRC.

The Group is principally engaged in the design, development, manufacturing, installation and sale of environmental pollution prevention equipment and electronic products.

On 12 October 2015, the Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited ("Stock Exchange").

In the opinion of the directors, the holding company of the Company is Tengy Group Limited (天潔集團有限公司) ("TGL"), which is established in the PRC. The ultimate controlling shareholders are Bian Yu, Bian Jianguang and Bian Shu.

2.1. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016.

The interim condensed consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

1. 公司及集團資料

本公司為一間在中華人民共和國(「中國」)成立的股份有限公司。本公司註冊辦事處位於中國浙江省諸暨市牌頭鎮天潔工業園。

本集團主要從事環保污染防治設備及電子產品的設計、開發、製造、安裝及銷售。

本公司在二零一五年十月十二日於香港聯合交易所有限公司(「聯交所」)主板上市。

董事認為，本公司的控股公司為天潔集團有限公司(「TGL」)，於中國成立。最終控股股東為邊宇、邊建光及邊妹。

2.1. 編製基準

截至二零一七年六月三十日止六個月的中期簡明綜合財務報表根據香港會計準則第34號「中期財務匯報」以及聯交所證券上市規則附錄十六的適用披露要求編製。

中期簡明綜合財務報表並不包含年度財務報表要求的全部資料及披露，且應與本集團於二零一六年十二月三十一日的年度財務報表一併閱讀。

中期簡明綜合財務報表按歷史成本基準編製。除非另有說明，綜合財務報表以人民幣呈列，以及所有金額均調整至最接近之千元(人民幣千元)。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's accountants' report for the year ended 31 December 2016, except for the adoption of revised standards and new interpretation effective as of 1 January 2017.

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>

The adoption of these new and revised HKFRSs has no significant financial effect on the interim condensed consolidated financial statements covering the Reporting Period and there have been no significant changes to the accounting policies applied therein.

The Group has not adopted on earlier occasions any other standards, interpretations or amendments that were issued but are not yet to become effective.

2.2 會計政策及披露變動

除採納於二零一七年一月一日生效之經修訂準則及新訂之詮釋外，編製中期簡明綜合財務報表時採用之會計政策與編製本集團截至二零一六年十二月三十一日止年度之會計師報告時所採用者一致。

香港會計準則第7號 (修訂本)	<i>披露計劃</i>
香港會計準則第12號 (修訂本)	<i>就未變現虧損確認遞延稅項資產</i>

採納該等新訂及經修訂的香港財務報告準則對報告期內之中期簡明綜合財務報表並無重大財務影響，而當中應用之會計政策並無出現重大變動。

本集團並無提早採納已頒佈但尚未生效之任何其他準則、詮釋或修訂。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION 3. 經營分部資料

The Group's revenue during the Reporting Period was mainly derived from the sale of environmental pollution prevention equipment. The products of the Group are subject to similar risks and returns and, therefore, the Group has only one business segment.

本集團於報告期內的收益主要來自銷售環境污染防治設備。本集團產品面臨的風險及所得回報相似，因此，本集團僅有一個業務分部。

Geographical information

地區資料

(a) Revenue from external customers

(a) 來自外部客戶的收益

	Six months ended 30 June 截至六月三十日止六個月	
	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Mainland China 中國內地	273,679	453,347
Other countries 其他國家	19,781	11,153
	293,460	464,500

The revenue information above is based on the locations of the customers.

上述收益資料乃根據客戶所在地呈列。

(b) Non-current assets

All non-current assets of the Group are located in Mainland China.

(b) 非流動資產

本集團所有非流動資產均位於中國內地。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

4. REVENUE, OTHER INCOME AND GAINS

Revenue, represents an appropriate proportion of contract revenue of construction contracts and the net invoiced value of goods sold, after allowances for returns and trade discounts and the value of services rendered during the Reporting Period.

An analysis of revenue, other income and gains is as follows:

4. 收益、其他收入及利得

收益指於報告期內建造合同的合同收益適當部分及所銷售貨品經扣除退貨及貿易折扣以及所提供服務的價值後的發票淨值。

收益、其他收入及利得的分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue	收益		
Construction contracts	建造合同	286,739	462,780
Sale of goods	銷售貨品	6,400	1,720
Rendering of services	提供服務	821	-
		293,460	464,500
Other income	其他收入		
Other interest income	其他利息收入	2,236	-
Bank interest income	銀行利息收入	1,270	1,138
Government grants	政府補助	125	742
Gross rental income	租金收入總額	-	517
Compensation income	補償收入	-	285
Others	其他	21	45
		3,652	2,727
Gains	利得		
Gains on disposal of items of property, plant and equipment	出售物業、廠房及設備項目 收益	79	-
Foreign exchange gain	匯兌收益	-	2,533
		3,731	5,260

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

5. 除稅前溢利

本集團的稅前溢利乃經扣除／(計入)以下
各項後達致：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cost of services provided	所提供服務的成本	204,539	349,061
Cost of inventories sold	所售出存貨的成本	1,999	634
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,630	2,208
Depreciation of an investment property	投資物業折舊	–	477
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	630	487
Amortisation of intangible assets	無形資產攤銷	72	50
Amortisation of prepaid rental expense	預付租賃開支攤銷	1,876	1,997
Amortisation of counsel expense	顧問開支攤銷	–	218
Research and development costs	研發成本	1,889	10,267
Auditors' remuneration	核數師薪酬	742	1,155
Employee benefit expense (excluding directors', supervisors' and chief executive's remuneration)	僱員福利開支 (不包括董事、監事及高級行政人員的薪酬)		
Wages and salaries	工資及薪金	19,470	20,401
Pension scheme contributions	退休金計劃供款	1,372	785
Staff welfare expenses	員工福利開支	90	1,328
		20,932	22,514
Foreign exchange differences, net	外匯差額淨額	1,511	(2,533)
Impairment of inventories	存貨減值	240	–
Impairment of trade receivables	貿易應收款項減值	3,582	1,639
Reversal of impairment of other receivables	其他應收款項減值撥回	(23)	(223)
Impairment of gross amount due from contract customers	應收合同客戶款項總額減值	160	–
Bank interest income	銀行利息收入	(1,270)	(1,138)
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益	(79)	–
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment property	產生自帶來租金的投資物業的直接經營開支 (包括維修及保養)	–	477

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

6. INCOME TAX

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, the Group which operates in Mainland China is subject to corporate income tax at a rate of 25% on the taxable income.

The income tax expense of the Group is analysed as follows:

6. 所得稅

根據中國企業所得稅法及相關法規，在中國內地運營的本集團須按25%的稅率就應課稅收入繳納企業所得稅。

本集團的所得稅開支分析如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Current charged for the period	期內即期開支	18,798	24,575
Deferred charged for the period	期內遞延開支	(7,612)	(4,267)
Total tax charge for the periods	期內稅項開支總額	11,186	20,308

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the Reporting Period.

There were no potentially dilutive ordinary shares in issue during the period ended 30 June 2017 and 2016.

The calculations of basic earnings per share are based on:

7. 母公司普通權益持有人應佔每股盈利

每股基本盈利乃按母公司普通權益持有人應佔溢利以及於報告期內已發行普通股的加權平均數計算。

截至二零一七年及二零一六年六月三十日止期間概無潛在攤薄已發行普通股。

每股基本盈利乃按以下數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	用於計算每股基本盈利的母公司普通權益持有人應佔溢利	41,483	58,024
		Number of shares 股份數目	
		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 (Unaudited) (未經審核)	2016 二零一六年 (Unaudited) (未經審核)
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	於計算每股基本盈利的期內已發行普通股的加權平均數	135,000,000	135,000,000

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group acquired assets with a cost of RMB255,000 (31 December 2016: RMB1,501,000).

During the six months ended 30 June 2017, the Group disposed items of property, plant and equipment with a cost of RMB2,034,000. And the gains on disposal of items of property, plant and equipment is RMB79,000 (2016: nil).

8. 物業、廠房及設備

於截至二零一七年六月三十日止六個月期間，本集團收購資產的成本為人民幣255,000元(二零一六年十二月三十一日：人民幣1,501,000元)。

截至二零一七年六月三十日止六個月，本集團按成本人民幣2,034,000元出售物業、廠房及設備項目，出售物業、廠房及設備項目收益為人民幣79,000元(二零一六年：無)。

9. CONSTRUCTION CONTRACTS

9. 建造合同

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Gross amounts due from contract customers	應收合同客戶 款項總額	638,329	609,159
Less: Provision	減：撥備	(160)	-
Gross amounts due from contract customers — net	應收合同客戶款項總額 — 淨值	638,169	609,159
Gross amounts due to contract customers	應付合同客戶 款項總額	(123,177)	(111,979)
		514,992	497,180
Contract costs incurred plus recognised profits less recognised losses to date	所產生合同成本 加已確認溢利減 迄今已確認虧損	5,613,302	5,274,659
Less: Progress billings	減：進度款項	(5,098,310)	(4,777,479)
		514,992	497,180

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

10. TRADE AND BILLS RECEIVABLES

10. 貿易應收款項及應收票據

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	貿易應收款項	408,974	473,637
Bills receivable	應收票據	96,047	191,694
		505,021	665,331
Impairment provision	減值撥備	(25,738)	(22,156)
		479,283	643,175

The Group's trading terms with its customers are payment in advance normally required from customers. Trade receivables are non-interest-bearing with no credit period. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

The Group's bills receivable are all due within one year and are neither past due nor impaired. As at 30 June 2017, the Group's bills receivable of RMB21,418,000 (31 December 2016: RMB68,034,000) were pledged to secure the Group's bills payable (note 12).

本集團與其客戶的貿易條款通常要求客戶提前付款。貿易應收款項為免息及並無信用期。本集團尋求對其未收回應收款項維持嚴格的控制。已逾期結餘由高級管理層定期檢討。本集團並無就其貿易應收款項結餘持有任何抵押品或設有其他信用增強措施。

本集團應收票據均於一年內到期，且既未逾期亦未減值。於二零一七年六月三十日，本集團人民幣21,418,000元(二零一六年十二月三十一日：人民幣68,034,000元)的應收票據已質押，以為本集團的應付票據提供抵押(附註12)。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

10. TRADE AND BILLS RECEIVABLES

(Continued)

An aging analysis of the trade receivables, based on the invoice date and net of provisions, is as follows:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 year	1年內	204,774	353,579
1 to 2 years	1至2年	162,764	83,016
2 to 3 years	2至3年	12,241	10,804
Over 3 years	超過3年	3,457	4,082
		383,236	451,481

10. 貿易應收款項及應收票據(續)

貿易應收款項(扣除撥備)基於發票日期的賬齡分析如下：

11. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

11. 現金及現金等價物以及已抵押存款

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Cash and bank balances	現金及銀行結餘	136,911	160,830
Pledged deposits — current	已抵押存款 — 流動	89,657	56,815
Pledged deposits — non-current	已抵押存款 — 非流動	3,358	7,776
		229,926	225,421
Less: Pledged time deposits:	減：已抵押定期存款：		
Pledged for bills payable	就應付票據抵押	(45,809)	(15,440)
Pledged for bank guarantees	就銀行擔保抵押	(47,206)	(49,151)
Cash and cash equivalents	現金及現金等價物	136,911	160,830

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

11. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS (Continued)

As at 30 June 2017, cash and bank balances and pledged deposits denominated in RMB of the Group amounted to RMB229,306,000 (31 December 2016: RMB173,803,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Bank guarantees are performance guarantee and made for varying periods ranging from several months to four years depending on the agreement of the contract, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

12. TRADE AND BILLS PAYABLES

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	貿易應付款項	282,336	369,725
Bills payable	應付票據	51,102	74,308
		333,438	444,033

The bills payable were secured by the pledge of the Group's time deposits of RMB45,809,000 (31 December 2016: RMB15,440,000) (note 11) and the Group's bills receivable of RMB21,418,000 (31 December 2016: RMB68,034,000) as at 30 June 2017 (note 10).

11. 現金及現金等價物以及已抵押存款 (續)

於二零一七年六月三十日，本集團以人民幣計值的現金及銀行結餘以及已抵押存款為人民幣229,306,000元(二零一六年十二月三十一日：人民幣173,803,000元)。人民幣不可自由兌換為其他貨幣，然而，根據中國內地的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過獲授權從事外匯業務的銀行將人民幣兌換為其他貨幣。

存入銀行的現金按基於每日銀行存款利率的浮動利率計息。銀行擔保為績效擔保並就數個月至四年範圍內的不同期限作出，視乎合同的協議而定，並按各自短期定期存款的利率計息。銀行結餘及已抵押存款乃存入近期無拖欠記錄的信譽卓著的銀行。

12. 貿易應付款項及應付票據

於二零一七年六月三十日，應付票據以本集團的定期存款人民幣45,809,000元(二零一六年十二月三十一日：人民幣15,440,000元)(附註11)，以及本集團的應收票據人民幣21,418,000元(二零一六年十二月三十一日：人民幣68,034,000元)(附註10)擔保。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

12. TRADE AND BILLS PAYABLES (Continued)

An aging analysis of the trade and bills payables, based on the invoice date, is as follows:

12. 貿易應付款項及應付票據(續)

貿易應付款項及應付票據基於發票日期的賬齡分析如下：

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 3 months	三個月內	137,129	257,009
3 to 12 months	3至12個月內	159,464	164,148
12 to 24 months	12至24個月內	29,791	14,798
Over 24 months	超過24個月	7,054	8,078
		333,438	444,033

Trade payables are non-interest-bearing and have an average credit term of six months.

貿易應付款項為免息及平均信用期為六個月。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

13. INTEREST-BEARING BANK BORROWINGS

13. 計息銀行借款

	Effective interest rate (%) 實際利率(%)	Maturity 到期日	As at 於	
			30 June 2017 二零一七年六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Current 流動				
Bank loans — secured 銀行貸款 — 有擔保	4.79	Within 1 year 一年內	50,000	38,000
Bank loans — secured 銀行貸款 — 有擔保	5.00	Within 1 year 一年內	40,000	61,000
Bank loans — secured 銀行貸款 — 有擔保	5.22	Within 1 year 一年內	20,000	20,000
			110,000	119,000
Analysed into: Bank loans repayable with one year 分析為： 須於一年內償還的銀行貸款			110,000	119,000

Notes:

The Group's bank borrowings are secured by:

- (i) the Group's buildings situated in Mainland China, which had an aggregate net carrying value of RMB13,651,000 as at 30 June 2017 (31 December 2016: RMB14,462,000); and
- (ii) the Group's leasehold lands situated in Mainland China, which had an aggregate net carrying value of RMB17,051,000 as at 30 June 2017 (31 December 2016: RMB17,668,000).

附註：

本集團的銀行借款由以下各項擔保：

- (i) 本集團位於中國內地的樓宇，於二零一七年六月三十日，總賬面淨值為人民幣13,651,000元（二零一六年十二月三十一日：人民幣14,462,000元）；及
- (ii) 本集團位於中國內地的租賃土地，於二零一七年六月三十日，總賬面淨值為人民幣17,051,000元（二零一六年十二月三十一日：人民幣17,668,000元）。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

14. OPERATING LEASE ARRANGEMENTS

(a) As lessor

At 30 June 2017, the Group had no future lease receivables under non-cancellable operating leases.

(b) As lessee

The Group leases certain of its plants and office properties under operating lease arrangements, with lease terms of three years.

At 30 June 2017, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within one year	一年內	2,450	1,611
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	1,809	–
		4,259	1,611

15. COMMITMENTS

In addition to the operating lease commitments detailed in note 14(b) above, the Group had no capital commitments at 30 June 2017.

14. 經營租賃安排

(a) 作為出租人

於二零一七年六月三十日，本集團並無根據不可撤銷經營租約的未來應收租賃款項。

(b) 作為承租人

本集團根據經營租賃安排租賃若干廠房及辦公室物業，租賃期為三年。

於二零一七年六月三十日，本集團根據不可撤銷經營租賃項下於下列期限到期的未來最低租賃付款總額如下：

15. 承擔

除上文附註 14(b) 詳述的經營租賃承擔外，本集團於二零一七年六月三十日並無資本承擔。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

16. RELATED PARTY TRANSACTIONS

16. 關聯方交易

The Group's principal related parties are as follows:

本集團的主要關聯方如下：

Name 名稱	Relationship with the Company 與本公司的關係
浙江天潔通用機械有限公司 (“Tianjie General Machinery”)	Fellow subsidiary
浙江天潔通用機械有限公司 (「天潔通用機械」)	同系附屬公司
浙江天潔新材料有限公司 (“Tianjie New Materials”)	Fellow subsidiary
浙江天潔新材料有限公司 (「天潔新材料」)	同系附屬公司
浙江潤天磁性材料有限公司 (“Runtian Cixingcailiao”) ⁽ⁱ⁾	Fellow subsidiary
浙江潤天磁性材料有限公司 (「潤天磁性材料」) ⁽ⁱ⁾	同系附屬公司
諸暨市潤天物業管理有限公司 (“Zhuji Runtian”)	Fellow subsidiary
諸暨市潤天物業管理有限公司 (「諸暨潤天」)	同系附屬公司
浙江天潔磁性材料股份有限公司 (“Tianjie Cixingcailiao”)	Joint venture of the holding company
浙江天潔磁性材料股份有限公司 (「天潔磁性材料」)	控股公司的合營公司
江西晨宇鋁業有限公司 (“Chenyu Lvye”)	Directors' close family members are
江西晨宇鋁業有限公司 (「晨宇鋁業」)	beneficial equity holders
	董事的近親為實益權益持有人
浙江奇諾機械有限公司 (“Zhejiang Qinuo”) ⁽ⁱ⁾	Directors' close family members are
浙江奇諾機械有限公司 (「浙江奇諾」) ⁽ⁱ⁾	beneficial equity holders
	董事的近親為實益權益持有人
浙江遠騰實業集團有限公司 (“Yuanteng Shiye”)	Directors' close family members are
浙江遠騰實業集團有限公司 (「遠騰實業」)	beneficial equity holders
	董事的近親為實益權益持有人

Notes:

- (i) Zhejiang Qinuo was renamed from 浙江嘉盛新材料有限公司 to 浙江奇諾機械有限公司 in 2016.
- (ii) Runtian Cixingcailiao was renamed from 浙江天潔特鋼有限公司 to 浙江潤天磁性材料有限公司 in 2017.

附註：

- (i) 浙江奇諾於二零一六年由浙江嘉盛新材料有限公司易名為浙江奇諾機械有限公司。
- (ii) 潤天磁性材料於二零一七年由浙江天潔特鋼有限公司易名為浙江潤天磁性材料有限公司。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

16. RELATED PARTY TRANSACTIONS

(Continued)

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the Reporting Period:

16. 關聯方交易 (續)

(a) 除此等財務報表其他部分詳述的交易外，報告期內，本集團與關聯方有以下交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Notes 附註		
Transactions with the holding company	與控股公司的交易		
Rental expense	租賃開支 (i)	1,675	1,759
Electric charges paid by the holding company on behalf of the Group	控股公司代表本集團支付的電費 (ii)	1,080	1,908
Transaction with other related parties	與其他關聯方的交易		
Sales of materials:	銷售材料：		
Runtian Cixingcailiao	潤天磁性材料 (iii)	–	498
Zhejiang Qinuo	浙江奇諾 (iii)	81	–
Purchases of materials:	購買材料：		
Tianjie General Machinery	天潔通用機械 (iii)	46	322
Provision of services:	提供服務：		
Tianjie Cixingcailiao	天潔磁性材料 (iv)	–	22
Services received:	接受服務：		
Tianjie General Machinery	天潔通用機械 (v)	3,755	5,099
Rental income:	租金收入：		
Tianjie New Materials	天潔新材料 (i)	–	517
Rental expense:	租賃開支：		
Zhejiang Qinuo	浙江奇諾 (i)	–	167
Zhuji Runtian	諸暨潤天 (i)	259	–
Payments by related parties on behalf of the Group:	關聯方代表本集團付款：		
Zhejiang Qinuo	浙江奇諾 (ii)	–	206

Notes to the Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

16. RELATED PARTY TRANSACTIONS

(Continued)

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the Reporting Period: (Continued)

Notes:

- (i) The rental fee charged and the rental income received were based on mutually agreed prices.
- (ii) The payments were made on behalf of the Group based on the actual costs incurred.
- (iii) The sales of materials to the related parties and purchases of materials from the related parties were made based on mutually agreed prices and terms.
- (iv) The provision of construction services and processing services to the related parties was made based on mutually agreed prices and terms.
- (v) The services received from the related parties were based on mutually agreed prices and terms.

16. 關聯方交易 (續)

(a) 除此等財務報表其他部分詳述的交易外，報告期內，本集團與關聯方有以下交易：(續)

附註：

- (i) 租金費用及租金收入按雙方協定的價格收取。
- (ii) 根據產生的實際成本代本集團支付款項。
- (iii) 向關聯方出售材料及向關聯方購買材料均按雙方協定的價格及條款進行。
- (iv) 向關聯方提供建造服務及加工服務均按雙方協定的價格及條款進行。
- (v) 接受關聯方的服務乃按雙方協定的價格及條款進行。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

16. RELATED PARTY TRANSACTIONS

(Continued)

(b) Commitments with related parties:

- (1) On 25 April 2015, the Company entered into a three-year power supply agreement ending on 31 December 2017 with TGL. Pursuant to the agreement, TGL agreed to procure supply of electricity to the Company. The amount of total electric charges payable to TGL for the period is included in note 16(a). The annual cap of the electricity charge to be paid to TGL in 2017 is RMB3,800,000.
- (2) On 25 April 2015, the Company entered into a three-year processing service agreement ending 31 December 2017 with Tianjie General Machinery. The total processing services fee payable to Tianjie General Machinery for the period is included in note 16(a). The annual cap of the processing service fees to be paid to Tianjie General Machinery in 2017 is RMB15,000,000.
- (3) On 25 April 2015, the Company, as lessee, entered into a three-year tenancy agreements ending 31 December 2017 with TGL, as lessor. The amount of total rental payable to TGL for the period is included in note 16(a) to the financial statements. The Group expects total rental payable to TGL in 2017 to be approximately RMB250,000.
- (4) On 2 January 2017, the Company, as lessee, entered into a five-year tenancy agreements ending 31 December 2021 with Zhuji Runtian, as lessor. The amount of total rental payable to Zhuji Runtian for the period is included in note 16(a) to the financial statements. The Group expects total rental payable to Zhuji Runtian from the year 2017 to 2021 to be approximately RMB2,799,000.

16. 關聯方交易 (續)

(b) 與關聯方的承擔：

- (1) 於二零一五年四月二十五日，本公司與TGL訂立三年期供電協議，協議將於二零一七年十二月三十一日屆滿。根據該協議，TGL同意為本公司採購電力供應。期內應付TGL的電費總金額載於附註16(a)。二零一七年應付TGL的電費年度上限為人民幣3,800,000元。
- (2) 於二零一五年四月二十五日，本公司與天潔通用機械訂立三年期加工服務協議，協議將於二零一七年十二月三十一日屆滿。期內應付天潔通用機械的加工服務費總額載於附註16(a)。二零一七年應付天潔通用機械的加工服務費年度上限為人民幣15,000,000元。
- (3) 於二零一七年四月二十五日，本公司(作為承租人)與TGL(作為出租人)訂立一項三年期租賃協議，協議將於二零一七年十二月三十一日屆滿。期內應付TGL的租金總額載於財務報表附註16(a)。本集團預期於二零一七年應付TGL的租金總額將約為人民幣250,000元。
- (4) 於二零一七年一月二日，本公司(作為承租人)與諸暨潤天(作為出租人)訂立一項五年期租賃協議，協議將於二零二一年十二月三十一日屆滿。期內應付諸暨潤天的租金總額載於財務報表附註16(a)。本集團預期自二零一七年至二零二一年應付諸暨潤天的租金總額將約為人民幣2,799,000元。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

16. RELATED PARTY TRANSACTIONS

(Continued)

(c) Outstanding balances with related parties:

16. 關聯方交易 (續)

(c) 與關聯方的未結清結餘：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Due from related companies:	應收關聯公司款項：		
Zhejiang Qinuo	浙江奇諾	(i)	167
Zhuji Runtian	諸暨潤天	(i)	258
Tianjie New Materials	天潔新材料	(i)	–
Tianjie Cixingcailiao	天潔磁性材料	(i)	–
Runtian Cixingcailiao	潤天磁性材料	(i)	–
			425
			1,151
Due to the holding company:	應付控股公司款項：		
TGL	TGL	(i)	2,087
Due to related companies:	應付關聯公司款項：		
Yuanteng Shiye	遠騰實業	(i)	–
Tianjie General Machinery	天潔通用機械	(i)	3,988
Zhejiang Qinuo	浙江奇諾	(i)	8
Runtian Cixingcailiao	潤天磁性材料	(i)	365
Chenyu Lvye	晨宇鋁業	(i)	–
			4,361
			2,725

Note:

- (i) These balances were unsecured, interest-free and had no fixed terms of repayment.

附註：

- (i) 結餘為無擔保、免息及無固定還款期。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

16. RELATED PARTY TRANSACTIONS

(Continued)

(d) Compensation of key management personnel of the Group:

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	1,427	1,615
Pension scheme contributions	退休金計劃供款	87	65
Total compensation paid to key management personnel	向主要管理人員支付的薪酬總額	1,514	1,680

16. 關聯方交易 (續)

(d) 本集團主要管理人員的薪酬：

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in advances from customers, other payables and accruals, and interest-bearing bank borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the financial controller. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the financial controller.

The fair values of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

17. 金融工具的公平值及公平值等級

管理層估計現金及現金等價物、已抵押存款、貿易應收款項及應收票據、貿易應付款項及應付票據、計入預付款項、按金及其他應收款項的金融資產、計入客戶墊款、其他應付款項及應計費用的金融負債及計息銀行借款的公平值與其賬面值相若，主要是由於該等工具在短期內屆滿。

以本集團財務經理為首的企業融資團隊負責釐定金融工具公平值計量的政策及程序。企業融資團隊直接向財務總監報告。於各報告日期，企業融資團隊分析金融工具的價值變動並釐定估值中應用的主要參數。估值由財務總監審閱及批准。

金融資產及負債的公平值為金融工具在由自願各方並非在被迫或清盤銷售中進行的當前交易中可交換的金額。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy

Assets and liabilities measured at fair value:

The Group did not have any financial assets and financial liabilities measured at fair value as at 30 June 2017 (31 December 2016: Nil).

Assets and liabilities for which fair values are disclosed:

The Group did not have any financial assets and financial liabilities disclosed at fair value as at 30 June 2017 (31 December 2016: Nil).

18. SUBSEQUENT EVENTS

The Company entered into an asset acquisition agreement with TGL and the resolution as set out in the Notice of the Extraordinary General Meeting (the “**EGM Notice**”) was duly passed by way of poll on 15 June 2017. This transaction is scheduled to be completed in October 2017.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the Board on 29 August 2017.

17. 金融工具的公平值及公平值等級 (續)

公平值等級

按公平值計量的資產及負債：

於二零一七年六月三十日，本集團概無(二零一六年十二月三十一日：無)任何按公平值計量的金融資產及金融負債。

已披露公平值的資產及負債：

於二零一七年六月三十日，本集團概無(二零一六年十二月三十一日：無)任何已按公平值披露的金融資產及金融負債。

18. 結算日後事項

本公司與TGL訂立一項資產收購協議，於股東特別大會通告(「**股東特別大會通告**」)載列之決議案已於二零一七年六月十五日以表決方式正式通過。此項交易計劃於二零一七年十月完成。

19. 批准財務報表

董事會於二零一七年八月二十九日批准及授權刊發未經審核中期簡明綜合財務報表。

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管理層討論及分析

INTRODUCTION

Our Group

With over 20 years of industry experience and continual innovation in industrial technologies, the Group is a well-established integrated atmospheric pollution control solution provider, with a primary focus on particulate emission control by offering mega-sized precipitators to customers in various industries. Precipitators are air-cleaning devices designed to trap and remove particulate matters from the exhaust gas stream of an industrial process. They are widely installed at coal-fired power plants, metallurgical plants, paper mills and other industrial production plants. As such, the Group's customers comprise project owners of power plants and industrial production plants, as well as contractors who undertake the construction work of power plants and industrial production plants.

Our Products

The Group mainly offers three types of precipitators: electrostatic precipitators, bag filter precipitators and electrostatic-bag composite precipitators. The majority of precipitators the Group offered during the Reporting Period were electrostatic precipitators, which accounted for approximately 76.1% of its revenue from the segment of construction contracts for the Reporting Period (74.8% for the six months ended 30 June 2016).

To capture business opportunities arising from the fast-growing atmospheric pollution control industry in the PRC, the Group, leveraging on its experience and expertise in particulate control, started to offer desulfurisation and denitrification solutions to its customers in 2003 and second half of 2013, respectively.

Our Projects

The Group offers tailor-made atmospheric pollution control solutions to its customers on a project basis, which generally comprise engineering design, equipment procurement and manufacturing, supervision of installation and commissioning, customer training, and repair and maintenance.

簡介

本集團

憑著過往二十年的行業經驗且在行業技術方面持續追求創新，本集團成為著名的綜合大氣污染防治解決方案供應商，主要專注於顆粒物的排放控制，在多個行業為客戶提供特大型除塵器。除塵器屬空氣清潔設備，用於捕集及清除來自工業過程中廢氣流的顆粒物。除塵器已在燃煤電廠、冶金廠、造紙廠及其他工業生產廠房廣泛安裝。因此，本集團的客戶包括發電廠及工業生產廠的項目擁有人以及承包發電廠及工業生產廠的建設工程的承包商。

我們的產品

本集團主要提供三種除塵器：靜電除塵器、袋式除塵器及電袋複合除塵器。於報告期內，本集團主要提供的大部分除塵器為靜電除塵器，約佔本集團於報告期內來自建造合約分部收益的76.1%（截至二零一六年六月三十日止六個月為74.8%）。

為把握中國大氣污染防治行業的迅速增長帶來的業務機遇，本集團憑藉本集團在顆粒控制的經驗及專業知識，分別於二零零三年及二零一三年下半年開始向客戶提供脫硫及脫硝解決方案。

我們的項目

本集團向客戶按項目提供度身定製的大氣污染防治解決方案，一般包括工程設計、設備採購及製造、指導安裝及調試、客戶培訓及維修和保養。

Management Discussion and Analysis

管理層討論及分析

The Group's product specifications and scope of services are customised and made-to-order in accordance with the specific technical requirements of our customers. Depending on the specifications and technical requirements of customers, the Group may provide atmospheric pollution control devices, comprising precipitators, desulfurisation system and/or denitrification system, either on an integrated basis or a standalone basis. The Group's atmospheric pollution control solutions are applied to new installation projects as well as upgrading or modification projects.

Domestic Market

The Group benefitted, and will continue to benefit, from the synergies created through enhanced customer satisfaction and brand recognition, which helped increase the chance of success in securing project bids. Additionally, with industry qualifications and track record of successful completion of projects for state-owned power plants in the PRC, the Group reinforced its reputation among power enterprises as well as customers in other industries as a reliable atmospheric pollution control solution provider, which enable it to draw on their support for new installation and upgrading or modification projects. Project owners (particularly the state-owned power generation enterprises) generally take into account, for the purpose of an all-rounded tender assessment, multiple factors such as technical expertise and reliability instead of focusing solely on costs. Therefore, the Group could gain advantages over new entrants in project bidding in the PRC market.

International Markets

Leveraging on its extensive experience in the PRC market, the Group has been in the continuing expansion into international markets since 2005 through undertaking projects with PRC subsidiaries of overseas enterprises, including overseas environmental engineering enterprises. This allows for the Group's application of its atmospheric pollution control solutions in foreign countries such as Vietnam, South Korea, Thailand, Indonesia, India, Chile, Panama and Russia. Export sales accounted for approximately 6.7% of the Group's total revenue for the Reporting Period (2.4% for the six months ended 30 June 2016). The aforesaid sales information is based on the locations of the customers.

本集團的產品規格及服務範疇均為根據客戶具體技術要求度身定製及特製。視乎本集團客戶的規格及技術要求，本集團可按綜合基準或獨立基準提供大氣污染防治裝置，包括除塵器、脫硫系統及／或脫硝系統。本集團的大氣污染防治解決方案乃被應用於新安裝項目以及升級或改造項目。

本土市場

本集團過往並將繼續受惠於由已提升之客戶滿意度及自身品牌知名度所創造的協同效應，這有助增加爭取較大機會成功中標。此外，以行業資質及為中國的國有發電廠順利完成項目的往績記錄，本集團已增強其在電力企業以及其他行業客戶中作為可靠大氣污染防治解決方案供應商的聲譽，使我們可利用其支持獲取新安裝及升級或改造項目。項目擁有人（特別是國有發電企業）一般在進行標書全面評審的時候均考慮多方面因素，如技術專業及可靠程度，而非只關注成本。因此，本集團於中國市場的项目投標中較新入行者更具優勢。

國際市場

憑藉本集團在中國市場的豐富經驗，自二零零五年以來，本集團透過承接海外企業的中國附屬公司（包括海外環境工程企業）項目而持續擴展至國際市場。因此，本集團的大氣污染防治解決方案應用於越南、南韓、泰國、印尼、印度、智利、巴拿馬及俄羅斯等國家。於報告期內，出口銷售額佔本集團的總收益約6.7%（截至二零一六年六月三十日止六個月為2.4%）。前述銷售資料乃以客戶所在位置為依據。

Management Discussion and Analysis

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OVERVIEW

With years of industry experience and continual innovation in industrial technologies, the Group is a well-established integrated atmospheric pollution control solution provider, with a primary focus on particulate emission control by offering mega-sized precipitators to customers in various industries. The Group generates revenue primarily from project construction and sales of goods. Project construction represents tailor-made and integrated atmospheric pollution control solutions offered by the Group to its customers, comprising engineering design, equipment procurement and manufacturing, supervision of installation and commissioning, customer training, and repair and maintenance to its customers on a project basis. The Group mainly offers three types of precipitators: electrostatic precipitators, bag filter precipitators and electrostatic-bag composite precipitators. Sales of goods represent sales of materials, including raw materials, spare parts and components and scrap materials to related parties or independent third parties.

Precipitators are widely installed at coal-fired power plants, metallurgical plants, paper mills and other industrial production plants. As such, the Group is engaged by an extensive range of customers including the project owners of power plants and industrial production plants, as well as contractors who undertake the construction work of power plants and industrial production plants.

概述

憑著過往多年的行業經驗且在行業技術方面持續追求創新，本集團成為著名的綜合大氣污染防治解決方案供應商，主要專注於顆粒物的排放控制，為多個行業客戶提供度身定製的大氣污染防治解決方案，提供及建造特大型除塵器。本集團的收益主要產生自建造項目及銷售貨品。建造項目指本集團為客戶提供的度身定製的綜合大氣污染防治解決方案，包括按項目向客戶提供工程設計、設備採購及製造、指導安裝及調試、客戶培訓及維修與保養。本集團主要提供三種綜合大氣污染防治解決方案相關的除塵器：靜電除塵器、袋式除塵器及電袋複合除塵器。銷售貨品指向關聯方或獨立第三方銷售的材料，包括原材料、備件和部件及廢料。

由於除塵器已在燃煤電廠、冶金廠、造紙廠及其他工業生產廠房被廣泛安裝，因此本集團的客戶更為廣泛，包括發電廠及工業生產廠房的項目擁有人以及承包發電廠及工業生產廠房的建設工程的承包商。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The PRC is currently the world's second largest economy. While the economic growth has slowed down in recent years, the growth rate is still among the highest in the world. The sustained increase in demand for energy and electricity in the PRC as a result of the fast economic growth has nonetheless been promoted at the expense of atmospheric environment and air quality. Due to severe atmospheric pollution problems in the city of Beijing as well as Hebei Province happened in recent years, some schools even suspended classes. Therefore, the PRC Government has been strengthening its efforts in environmental protection by implementing more stringent environmental protection policies.

The New Law of the Prevention and Control of Atmospheric Pollution was officially implemented in the PRC on 1 January 2016. Together with the increasing governmental and public awareness of environmental protection in the PRC, the Group believes that there will be a vast investment demand for environmental protection in the coming years. The increasingly stringent environmental protection regulations also promote the rapid development of the environmental protection industry, particularly the industry of operations and maintenance services for atmospheric pollution control facilities. It is anticipated that there will be exponential growth in atmospheric pollution control equipment market in the foreseeable future. Therefore, as a leading integrated atmospheric pollution control solution provider in the industry, the Group remains confident in benefitting sustainably from the aforementioned policies in order to capture new business and investment opportunities.

The Group benefitted, and will continue to benefit, from the synergic effects brought about by enhanced customer satisfaction and brand recognition, leading to an increase in the chance of success of the Group in securing new projects. Additionally, with the Group's industry qualifications and track record of successful completion of projects for state-owned power plants in the PRC, the Group's reputation among power enterprises as well as customers in other industries as a reliable atmospheric pollution control solution provider could well enhance its overall competitiveness over new entrants in project bidding.

業務回顧

中國目前是世界第二大經濟體，雖然近年經濟增長速度有所放緩，增長率仍躋身世界前列。然而中國的能源及電力需求持續增加的代價卻為犧牲大氣環境及空氣質素。近年北京市、河北省等地出現嚴重的空氣污染情況，甚至導致停課停學，中國政府因而已加大力度推動環保，實施更嚴格的環保政策。

二零一六年一月一日，中國新《大氣污染防治法》正式實施，同時隨著中國政府及公眾環保意識加強，未來數年環保方面將出現龐大投資需求。環保政策日趨嚴格亦促進環保行業快速發展，尤其是大氣污染防治設施營運及維護服務行業。本集團估計大氣污染防治設備行業可望於不久的將來出現巨大增長，而作為領先大氣污染防治方案供應商，本集團仍對持續受惠於該等國策抱有信心，以創造業務及投資新機遇。

本集團過往並將繼續受惠於由已提升之客戶滿意度及自身品牌的知名度所創造的協同效應，致令本集團較大機會成功取得新項目。此外，以本集團的行業資質及順利完成中國的國有發電廠項目的往績記錄，本集團憑藉作為電力企業以及其他行業客戶中可靠大氣污染防治解決方案供應商的聲譽，大大提升項目投標過程中整體競爭力。

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For the Reporting Period, total revenue and profit of the Group amounted to approximately RMB293.5 million and RMB41.5 million respectively. During the Reporting Period, the Group's gross profit amounted to RMB86.9 million, representing a decrease of 24.3% as compared with RMB114.8 million for the same period of 2016; and the gross margin increased by 4.9% from the same period of 2016 to 29.6%.

For the Reporting Period, the value of the Group's new contracts (which represents the aggregate value of the contracts it entered into during a specified period) was approximately RMB988.9 million. As at 30 June 2017, the Group's backlog (including applicable value-added tax) (which represents the total estimated contract value of work that remains to be completed pursuant to outstanding contracts as of a certain date and assuming performance in accordance with the terms of the contract) was approximately RMB2,273.1 million.

The Group's profit before tax for the Reporting Period amounted to RMB52.7 million and profits attributable to owners of the parent declined to RMB41.5 million, representing a decrease of 32.7% and 28.4% respectively when compared to the same period of 2016. The aforesaid reduction is mainly resulted from the decrease in its operation income of 36.8% to RMB293.5 million for the Reporting Period.

於報告期內，本集團的總收益及溢利分別約人民幣293.5百萬元及人民幣41.5百萬元。於報告期內，本集團毛利較二零一六年同期的人民幣114.8百萬元減少24.3%至約人民幣86.9百萬元，毛利率則較二零一六年同期增加4.9%至29.6%。

於報告期內，本集團新合同的價值（即於特定期間訂立的合同總值）約為人民幣988.9百萬元。於二零一七年六月三十日，本集團的未完成合同額（指根據截至某一特定日期的未完成合同得出的有待完成工程的估計合同總值及根據合同條款作出的假設表現）（包括適用增值稅）約為人民幣2,273.1百萬元。

於報告期內，本集團的稅前利潤及母公司擁有人應佔溢利減少，分別約為人民幣52.7百萬元及人民幣41.5百萬元，較二零一六年同期分別減少32.7%及28.4%。前述下降主要由於本集團於報告期內的營業收入減少36.8%至人民幣293.5百萬元。

Management Discussion and Analysis 管理層討論及分析

The Group spent great effort on the improvement of its cost management to render products and solutions more cost competitive. The atmospheric pollution control solutions offered by the Group mainly comprise the atmospheric pollution control devices designed and manufactured on our own. The Group possesses the qualifications and expertise in manufacture and supply of the key atmospheric pollution control system of the projects undertaken based on customised design proposals. The Group is dedicated to improving manufacturing process and management system by managing the product quality and operation, reducing energy consumption and assessing the environmental impact in accordance with international standards. The quantitative management, environmental management and quality management systems of the Group were awarded with a number of ISO certificates. These systems help the company estimate costs, smoothen project operations and improve operating efficiency.

Based on the strong design and engineering capabilities, the Group primarily provides comprehensive atmospheric pollution control solutions to its customers. It offers a wide range of models of electrostatic precipitators which support electricity generators with capacity spanning from 6.25MW to over 1000MW. The Group is one of the few manufacturers in the PRC providing electrostatic precipitators for single generator unit with capacity of 1,000MW or above.

As at 30 June 2017, the Group had a total of 634 full-time employees (As at 31 December 2016: 640). The remuneration payable to the Group's employees includes basic wages, bonuses and other staff benefit. The Group conducts periodic performance reviews for its employees and determine their remuneration based on factors including qualifications, contributions, years of experience and performance.

本集團大力加強成本管理，使產品及解決方案更具成本競爭力。本集團提供的大氣污染防治解決方案主要包括自主設計及製造的大氣污染防治設施。本集團具備根據訂制設計方案製造及供應所承接項目的主要大氣污染防治系統的資質及專長。本集團致力於改進生產流程及管理系統，按照國際標準運用管理系統管理產品質量、經營、減少所耗用能源及進行環境影響評估。本集團的計量管理、環保管理及質量管理系統獲發多項ISO合格證。該等系統有助本公司估算成本，確保項目順利實施以及提升經營效率。

基於本集團強大設計及工程能力，本集團主要產品為向客戶提供的全面大氣污染防治解決方案。本集團提供的靜電除塵器型號種類繁多，支持介乎6.25兆瓦至逾1,000兆瓦的發電機。本集團是中國少數能為1,000兆瓦或以上的發電單位提供靜電除塵器的製造商。

於二零一七年六月三十日，本集團共有634名全職僱員（二零一六年十二月三十一日：640名）。應付予本集團僱員的薪酬包括基本工資、花紅及其他員工福利。本集團定期檢討僱員的表現，按僱員的資歷、貢獻、年資及表現等因素釐定他們的薪酬。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

The accounting information contained in this interim report has not been audited by the Company's auditor.

Revenue

The Group's unaudited revenue for the Reporting Period was approximately RMB293.5 million, representing a decrease of approximately 36.8% from approximately RMB464.5 million for the corresponding period of 2016. Reasons for the aforesaid decrease were two fold. First, with the convention of Group-of-Twenty (G20) Summit in the city of Hangzhou in September 2016, governmental authorities requested for temporary cessation of operations of various plants and factories in the vicinity. To avoid delay in the delivery of products in light of the foregoing circumstances and as agreed by the customers in advance, the Group kicked off certain projects earlier than scheduled which resulted in an increase in the recognisable revenue of the Group for the six-month period ended 30 June 2016. Second, the overall steel price in the PRC market recorded a significant increase in 2017 when compared to the preceding year. In order to retain a relatively promising level of gross profit margin and having taken into account the product delivery commitments as per the standing contractual arrangements with various customers, the Group delayed the commencement of certain projects which then resulted in a drop of its recognisable revenue for the Reporting Period.

Cost of Sales

The unaudited cost of sales for the Reporting Period was approximately RMB206.5 million, representing a decrease of approximately 40.9% from approximately RMB349.7 million for the corresponding period of 2016. The Group's cost of sales mainly represents costs for raw materials notably iron and steel. With the significant increase in the prices of iron and steel due to the continuing supply-side reform instituted by the PRC Government, the Group managed to control the procurement prices at reasonably low level during the Reporting Period by optimising steel supply structure as well as inventory level on the basis of the production demand.

財務回顧

本中期報告所載會計資料未經本公司核數師審核。

收益

於報告期內，本集團的未經審核收益約為人民幣293.5百萬元，由二零一六年同期約人民幣464.5百萬元減少約36.8%。前述減少原因有二：首先，於二零一六年九月在杭州市召開的二十國集團(G20)峰會中，政府部門要求鄰近地區各種廠房及工廠暫停運作。為免因應上述情況導致延期交付產品及經客戶的事前同意，本集團於較合同原定時間提前展開若干項目，致使本集團於截至二零一六年六月三十日止六個月期間的可確認收益上升。其次，二零一七年中國市場的整體鋼材價格較上一年度大幅上升。為使毛利率維持於相對樂觀水平，並經考慮與不同客戶訂立的常規合同安排下的產品交付承諾，本集團押後開展若干項目，致使本集團於報告期內可確認收益下降。

銷售成本

於報告期內，本集團的未經審核銷售成本約為人民幣206.5百萬元，由二零一六年同期約人民幣349.7百萬元減少約40.9%。本集團的銷售成本主要為原材料成本，尤其是鋼鐵。鑑於中國政府所制定對供應方面的持續改革導致鋼鐵價格大幅上升，本集團得以於報告期間透過因應生產需求優化鋼料結構以及存貨量，從而控制採購價格於合理的低水平。

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Gross Margin

The unaudited gross profit margin for the Reporting Period was approximately 29.6%, representing an increase of approximately 4.9% from approximately 24.7% for the corresponding period of 2016.

Profit attributable to owners of the parent

The unaudited profit attributable to the owners of the parent for the Reporting Period was approximately RMB41.5 million, representing a decrease of 28.4% from approximately RMB58.0 million for the corresponding period of 2016. Weighted average earnings per share amounted to RMB31 cents for the Reporting Period.

WORKING CAPITAL

As at 30 June 2017, the Group's working capital (current assets less current liabilities) amounted to approximately RMB670.9 million (31 December 2016: approximately RMB627.4 million).

Gearing Ratio

As of 30 June 2017, the Group's gearing ratio¹ was approximately 3.5% (31 December 2016: approximately 5.8%).

¹ Gearing ratio = (total bank loan – cash and cash equivalents)/total equity × 100%

Foreign currency risk

The Group is exposed to transactional currency risk. Such exposures arise from sales by operating units in currencies other than the units' functional currencies. Approximately 6.7% and 2.4% of the Group's sales for the period ended 30 June 2017 and 2016, were denominated in currencies other than the functional currencies of the operating units making the sale. At present, the Group does not intend to seek to hedge its exposure to foreign exchange fluctuations. However, management of the Group constantly monitors the economic situation and its foreign exchange risk profile, and will consider appropriate hedging measures in the future should the need arise.

毛利率

於報告期內，未經審核毛利率約為29.6%，由二零一六年同期的約24.7%增加約4.9%。

母公司擁有人應佔溢利

於報告期內，未經審核母公司擁有人應佔溢利約為人民幣41.5百萬元，由去年同期的約人民幣58.0百萬元減少28.4%。於報告期內，加權平均每股盈利為人民幣31仙。

營運資金

於二零一七年六月三十日，本集團的營運資金(流動資產減流動負債)約為人民幣670.9百萬元(二零一六年十二月三十一日：約人民幣627.4百萬元)。

資本負債比率

本集團截至二零一七年六月三十日的資本負債比率¹為約3.5%(二零一六年十二月三十一日：約5.8%)。

¹ 資本負債比率 = (銀行貸款總額 – 現金及現金等價物) / 權益總額 × 100%

外幣風險

本集團承受交易貨幣風險，乃因營運單位以其功能貨幣以外的貨幣進行銷售所致。截至二零一七年六月三十日止期間，本集團約6.7%(二零一六年六月三十日止六個月：2.4%)的銷售額以進行銷售的營運單位功能貨幣以外的貨幣計值。目前，本集團無意尋求對沖外匯波動風險。然而，本集團管理層會一直監察經濟形勢及其外匯風險狀況，日後有需要時會考慮採取適當的對沖措施。

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INTERIM DIVIDEND

The Directors did not propose to declare an interim dividend for the Reporting Period (six months ended 30 June 2016: Nil).

MATERIAL LITIGATION AND ARBITRATION

As at 30 June 2017, the Group was not involved in any material litigation or arbitration.

MATERIAL ACQUISITION AND DISPOSAL

As at 30 June 2017, save as disclosed herein, the Group was not involved in any material acquisition and disposal.

PROSPECT

Atmospheric pollution has become a serious problem in China and other developing countries, which has posed a serious threat to national public health. Such problem has been considered a by-product of China's economic takeoff in the past few decades, attracting much attention from the national government and citizens. The air quality in 90% of the major cities in the PRC fails to meet the standards. Given that the PRC Government is increasingly concerned about the environment, it is expected that the rigid societal demand for air pollution control equipments and integrated solutions businesses in the second half-year of 2017 will be higher than the first half-year. Towards this end, the Group's main work focuses in the second half of 2017 are as follows:

1. To further strengthen the Company's standardised management, deepen the construction and implementation of internal control systems, strengthen safety production management to ensure stable operation of the production and installation business.
2. By virtue of the Group's solid expertise and reputation in the application of particulate emission control solutions to the conventional coal-fired power generation industry, to strengthen investments in and marketing efforts on the exploration of further business opportunities in other relevant sectors (such as, among others, the paper-making, construction material and metal smelting industries) with a view to ensuring sustainability of the Group's development in the foreseeable future.

中期股息

於報告期內，董事不擬宣派中期股息(截至二零一六年六月三十日止六個月：零元)。

重大訴訟及仲裁

於二零一七年六月三十日，本集團並無牽涉任何重大訴訟或仲裁。

重大收購及出售

於二零一七年六月三十日，除本報告所披露者外，本集團並無牽涉任何重大收購及出售。

展望

大氣污染已成為中國及其他發展中國家的一大嚴重問題，嚴重威脅國民公眾健康。該問題於過去幾十年一直被視為中國經濟起飛的副產品，引起國家政府及市民的注意。90%中國主要城市的空氣質素均未能達標。鑒於中國政府愈趨關注環境問題，預期二零一七年下半年社會對控制空氣污染的設備及綜合方案業務的固定需求將較上半年大。因此，本集團於二零一七年下半年的主要工作重點如下：

1. 進一步加強本集團的標準化管理，深入推進內部控制系統的建設及執行，強化安全生產管理，以確保生產及安裝業務的穩定營運。
2. 憑藉應用於傳統燃煤發電行業的顆粒物排放控制方案具備雄厚專業知識及聲譽，本集團加強投資於其他相關行業(其中包括造紙、建築物料及金屬熔化工業)，並就拓展該等行業的進一步商機進行市場推廣，以確保本集團於可見未來之可持續發展。

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- To further improve the gross margin by focusing on (i) the quality projects and quality customer selection, paying special attention to pricing terms and customer reputation; and (ii) constantly making cost control, lowering the procurement costs for raw materials and improving labour productivity.
 - To continue to increase the investment in research and development, enhance technological innovation, organise an air pollution control and design institute based on the existing design and development team, introduce research and development personnel in coordination with excellent domestic and international industry research institutions, and increase research and development facilities, such that the research and development capabilities of the Company could be fully enhanced.
 - To actively expand financing channels to fund the Group's continuing development, and to meet the tremendous growth of the market.
 - To enhance the Group's national and international brand recognition, as well as develop potential overseas markets to expand its international market share.
- 透過聚焦於(i)提供優質項目及選擇優質客戶，格外注意價格條款及客戶信譽；及(ii)持續作出成本控制，降低原材料採購價格及提升勞動生產力。
 - 繼續增加研發方面的投資，強化科技創新，在現有設計及發展團隊基礎上組織空氣污染控制及設計研究院，推進研發人才與本地及海外優秀行業研究中心協調，並增加研發設施以全面提升本公司的研發能力。
 - 積極拓寬融資渠道，為本集團持續發展提供資金，並滿足市場龐大的增長。
 - 提高本集團國內及國際品牌知名度，以及開發潛在海外市場以擴大本集團國際市場份額。

Details Regarding Directors and Supervisors

董事及監事之有關詳情

BOARD OF DIRECTORS

The Board currently consists of nine members, comprising three executive Directors, three non-executive Directors and three independent non-executive Directors. The powers and duties of the Board include convening meetings of the Company's Shareholders (the "**Shareholders**") and reporting the Board's work at Shareholders' meetings, implementing resolutions passed at Shareholders' meetings, determining the Group's business plans and investment plans, formulating the Group's annual budget and final accounts, formulating proposals for profit distributions and for the increase or reduction of share capital as well as exercising other powers, functions and duties as conferred by the articles of association of the Company ("**Articles of Association**"). Each of the Directors has entered into a service contract/letter of appointment with the Group.

Executive Directors

Mr. BIAN Yu (邊宇), aged 34, is the chairman of the Board and an executive Director. He was appointed as a Director and the chairman of the Board on 28 December 2009. Mr. Bian Yu has over ten years of experience in the business of provision of atmospheric pollution control solutions. Mr. Bian Yu has also been the executive director of our subsidiaries including Zhuji City Tianjie Electronic and Technology Co., Ltd.# (諸暨市天潔電子科技有限公司), Zhuji City Tianjie Installation Engineering Co., Ltd.# (諸暨市天潔安裝工程有限公司) and Turpan Environmental Technology Co., Ltd.# (吐魯番天潔環境科技有限公司) since June 2009, March 2008 and July 2013 respectively.

Mr. Bian Yu has worked as a director of TGL since August 2003. He is responsible for the overall strategies, planning and business development of TGL. Particularly, he focuses on the management of the business of the provision of atmospheric pollution control solutions carried on by TGL prior to the establishment of the Company in December 2009. From September 2005 to December 2007, he served in various positions such as general commander and general manager in different departments in the subsidiaries of TGL such as Zhejiang Tianjie Special Steel Co., Ltd.# (浙江天潔特鋼有限公司) ("**Tianjie Special Steel**"), Zhejiang Tianjie New Materials Co., Ltd.# (浙江天潔新材料有限公司) ("**Tianjie New Materials**") and Zhejiang Tianjie Magnetic Materials Co., Ltd.# (浙江天潔磁性材料股份有限公司) which were principally engaged in manufacturing, processing and marketing of steel blade and he was mainly responsible for the overall operation and production management.

董事會

董事會現由三名執行董事、三名非執行董事及三名獨立非執行董事共九名成員組成。董事會的權力及職責包括：召開本公司股東(「股東」)大會、於股東大會上報告董事會的工作、推行於股東大會通過的決議案、釐定本集團的業務計劃及投資計劃、制定本集團的年度預算及決算賬目、制定關於利潤分派及股本增減的建議，以及行使本公司組織章程細則(「組織章程細則」)所賦予的其他權力、職能及職責。各董事均已與本集團訂立服務合約／委任函。

執行董事

邊宇先生，34歲，董事會主席兼執行董事。彼於二零零九年十二月二十八日獲委任為董事兼董事會主席。邊宇先生於提供大氣污染防治解決方案業務方面具備逾十年經驗。邊宇先生亦自二零零九年六月、二零零八年三月及二零一三年七月起一直分別擔任附屬公司諸暨市天潔電子科技有限公司、諸暨市天潔安裝工程有限公司及吐魯番天潔環境科技有限公司的執行董事。

邊宇先生自二零零三年八月起擔任TGL的董事，負責TGL的整體策略、規劃及業務發展。尤其是，彼在本公司於二零零九年十二月成立之前均專注於管理TGL所進行有關提供大氣污染防治解決方案的業務。彼於二零零五年九月至二零零七年十二月期間分別於TGL的附屬公司(如浙江天潔特鋼有限公司(「天潔特鋼」)、浙江天潔新材料有限公司(「天潔新材料」)及浙江天潔磁性材料股份有限公司)的不同部門擔任多項職務，如總指揮及總經理，該等公司主要從事製造、加工及營銷鋼片，而邊宇先生於該等公司中主要負責整體營運及生產管理。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

He worked as a director in various companies such as Zhejiang Tianjie General Machinery Co., Ltd.# (浙江天潔通用機械有限公司) (“**Tianjie General Machinery**”) (being principally engaged in manufacturing and marketing of machinery and parts) since April 2008, Shanghai Tianjie Metal Material Co., Ltd.# (上海天潔金屬材料有限公司) (being principally engaged in sale of metal materials, construction materials and chemical raw materials) from July 2010 to October 2012, Shanghai Guotuo Mining Investments Limited# (上海國拓礦業投資有限公司) (being principally engaged in management and exploration of mines and development of mining technology) from July 2010 to May 2015, Zhuji Tengy Small Loan Co. Ltd.# (諸暨市天潔小額貸款有限公司) (being principally engaged in providing small loan and financial consultancy service in Zhuji City) since June 2011, and as chairman of the board of Zhuji City Tianyu Industry Investment Ltd.# (諸暨市天宇實業投資有限公司) (being principally engaged in real estate development and property investment) since November 2010 and of Zhuji City Runtian Property Management Ltd.# (諸暨市潤天物業管理有限公司) (being principally engaged in property management) since September 2011. He was mainly responsible for giving advice on operation and business strategy to the foregoing entities.

Mr. Bian Yu is currently the standing council member (常務理事) of the second Council of Zhejiang Association of Equipment Industries for Environmental Protection (浙江省環保裝備行業協會第二屆理事會). He has also been the deputy officer member# (副主任委員) of the sixth Electrostatic Precipitator Committee of The Environmental Protection Industry# (中國環境保護產業協會電除塵委員會第六屆電除塵委員會) since February 2014.

Mr. Bian Yu graduated with a bachelor’s degree in mechanical engineering and automation from Zhejiang University (浙江大學) in June 2005. He obtained his master of science degree in corporate and international finance from University of Durham in the United Kingdom in January 2008. He is the son of Mr. Bian Jianguang, the brother of Ms. Bian Shu, and the brother-in-law of Mr. Zhang Yuanyuan.

Mr. Bian Yu is a member of the family comprising Mr. Bian Jianguang, Ms. Bian Shu and himself (“**Bian Family**”) and the Bian Family is a controlling Shareholder of the Company (“**Controlling Shareholder**”) pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”).

彼在多家不同公司擔任董事，例如自二零零八年四月起於浙江天潔通用機械有限公司(「**天潔通用機械**」)(主要從事製造及營銷機械及零件)、自二零一零年七月至二零一二年十月於上海天潔金屬材料有限公司(主要從事金屬材料、建築材料及化學原材料銷售)、自二零一零年七月至二零一五年五月於上海國拓礦業投資有限公司(主要從事礦場管理及勘察以及開採技術開發)及自二零一一年六月起於諸暨市天潔小額貸款有限公司(主要從事在諸暨市提供小額貸款及金融諮詢服務)擔任董事，並自二零一零年十一月起擔任諸暨市天宇實業投資有限公司(主要從事房地產開發及物業投資)的董事會主席，且自二零一一年九月起擔任諸暨市潤天物業管理有限公司(主要從事物業管理)董事會主席。彼主要負責就營運及業務策略向上述實體提供意見。

邊宇先生現任浙江省環保裝備行業協會第二屆理事會的常務理事。自二零一四年二月起，其亦擔任中國環境保護產業協會電除塵委員會第六屆電除塵委員會的副主任委員。

邊宇先生於二零零五年六月畢業於浙江大學，獲頒機械工程及自動化學士學位。彼於二零零八年一月自英國杜倫大學# (University of Durham)取得企業及國際財務管理碩士學位。彼為邊建光先生的兒子、邊姝女士的弟弟及章袁遠先生的妻弟。

邊宇先生為包括邊建光先生、邊姝女士及其自身的家族(「**邊氏家族**」)的成員，根據聯交所證券上市規則(「**上市規則**」)邊氏家族是本公司的控股股東(「**控股股東**」)。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Mr. BIAN Weican (邊偉燦), aged 56, is an executive Director appointed on 28 December 2009. Mr. Bian Weican has over 20 years of experience in the business of provision of atmospheric pollution control solutions.

Mr. Bian Weican worked as a worker of Zhuji County Mechanical Model Plant# (諸暨縣機械模型廠) (being principally engaged in the processing and production of machinery mould) from February 1982 to January 1985 in which he was responsible for manufacturing machinery mould. He worked as the supply procurement manager of Zhuji County Cement Machinery Plant# (諸暨縣水泥機械廠) (being principally engaged in the production and sale of cement machinery equipment) from February 1985 to June 1989 in which he was responsible for the procuring of raw materials. From July 1989 to May 1995, he worked as the supply procurement manager of Zhejiang Zhuji City Industrial Environmental Protection Equipment Factory# (浙江省諸暨市工業環保設備總廠) which was principally engaged in the production and marketing of industrial environmental protection equipment and he was responsible for the procuring of raw materials. He worked as the director of the material procuring department of TGL from June 1995 to August 2013 in which he was responsible for the materials procurement planning and management of suppliers.

Mr. Bian Weican graduated from Zhuji County Tongshan Community High School (諸暨縣同山人民公社中心學校) in Zhejiang Province in July 1976.

邊偉燦先生，56歲，於二零零九年十二月二十八日獲委任為執行董事。邊偉燦先生於提供大氣污染防治解決方案業務方面具備逾20年經驗。

邊偉燦先生由一九八二年二月至一九八五年一月在諸暨縣機械模型廠(主要從事加工及生產機械模具)任職工人，負責生產機械模具。由一九八五年二月至一九八九年六月擔任諸暨縣水泥機械廠的供應採購經理，該廠主要從事生產及銷售水泥機械設備，而彼負責採購原材料。彼由一九八九年七月至一九九五年五月擔任浙江省諸暨市工業環保設備總廠的供應採購經理，該廠主要從事生產及營銷工業環保設備，而彼負責採購原材料。彼由一九九五年六月至二零一三年八月擔任TGL物資採購部總監，負責物資採購規劃及供應商管理。

邊偉燦先生於一九七六年七月畢業於浙江省的諸暨縣同山人民公社中心學校。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Ms. BIAN Shu (邊姝), aged 35, is an executive Director and the deputy manager of the administration department of the Company. She was appointed as a Director on 1 June 2016, and has served as the deputy manager of the administration department of the Company since September 2014. Previously, Ms. Bian Shu worked as the manager of the personnel department of TGL from February 2006 to January 2010 and was responsible for the human resources management and administration work of TGL. She worked as the chief financial officer of TGL between February 2010 to December 2011 and was responsible for accounting matters and financial planning and management. Ms. Bian Shu served as the vice president of TGL from December 2011 to August 2014, and was responsible for day-to-day operations and management and to deputise the president when necessary. Furthermore, she served as the chairman of the supervisory committee of the Company ("**Supervisory Committee**", each member thereof being "**Supervisor**") from 28 December 2009 to 31 May 2016 and as the employee representative Supervisor from 10 May 2014 to 31 May 2016, and was primarily responsible for supervising and overseeing the performance of the Directors and other senior management members of the Company.

Ms. Bian Shu holds a bachelor's degree of philosophy from the Zhejiang University in June 2003. She holds a master degree of international business from the University of Sydney in October 2006. She is the spouse of Mr. Zhang Yuanyuan, the sister of Mr. Bian Yu and the daughter of Mr. Bian Jianguang.

Ms. Bian Shu is a member of the Bian Family and the Bian Family is a Controlling Shareholder.

邊姝女士，35歲，執行董事及行政部副經理，於二零一六年六月一日獲委任為董事及自二零一四年九月起就任本公司行政部副經理。邊姝女士曾於二零零六年二月至二零一零年一月擔任TGL人事部經理，負責TGL的人力資源管理及行政工作；彼於二零一零年二月至二零一一年十二月擔任TGL的財務總監，負責會計事宜及財務規劃及管理。邊姝女士自二零一一年十二月至二零一四年八月擔任TGL的副總裁，負責日常營運及管理並在必要時代理總裁一職。此外，彼自二零零九年十二月二十八日至二零一六年五月三十一日擔任本公司監事委員會（「**監事會**」，各成員為「**監事**」）主席，且自二零一四年五月十日自二零一六年五月三十一日擔任僱員代表監事，主要負責督導及監察本公司董事及高級管理人員之表現。

邊姝女士於二零零三年六月自浙江大學取得哲學學士學位。彼於二零零六年十月自悉尼大學取得國際商務碩士學位。彼為章袁遠先生的配偶、邊宇先生的姐姐及邊建光先生的女兒。

邊姝女士為邊氏家族的成員，而邊氏家族為控股股東。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Non-executive Directors

Mr. BIAN Jianguang (邊建光), aged 62, is the vice chairman of the Board and a non-executive Director. He was appointed as the vice chairman of the Board on 28 December 2009. Mr. Bian Jianguang has approximately 25 years of experience in the business of the provision of atmospheric pollution control solutions.

Mr. Bian Jianguang worked as the factory director of Zhuji County Mechanical Model Plant* (諸暨縣機械模型廠) (being principally engaged in the processing and production of machinery mould) from February 1982 to January 1985 in which he was responsible for the overall management and business operation. From February 1985 to June 1989, he worked as the factory director of Zhuji County Cement Machinery Plant* (諸暨縣水泥機械廠) which was principally engaged in the production and sale of cement machinery equipment, and he was responsible for overall management and business operation. He worked as the factory director of Zhejiang Zhuji City Industrial Environmental Protection Equipment Factory* (浙江省諸暨市工業環保設備總廠) (being principally engaged in the production and marketing of industrial environmental protection equipment) from July 1989 to May 1995 in which he was responsible for the overall management and business operation. From June 1995 to August 2003, he served as the chairman of the board of directors and the executive director of TGL and he later resigned as chairman of the board of directors and have been serving as vice chairman of the board of directors of TGL since August 2003 responsible for the overall management and business operation of TGL. He worked as the director of Tianjie General Machinery (being principally engaged in the manufacturing and marketing of machinery and parts) from November 1999 to April 2008 in which he was responsible for its overall management and business operation.

非執行董事

邊建光先生，62歲，董事會副主席及非執行董事。彼於二零零九年十二月二十八日獲委任為董事會副主席。邊建光先生於提供大氣污染防治解決方案業務方面具備約25年經驗。

邊建光先生由一九八二年二月至一九八五年一月擔任諸暨縣機械模型廠的廠長，該廠主要從事加工及生產機械模具，而彼負責整體管理及業務營運。彼由一九八五年二月至一九八九年六月擔任諸暨縣水泥機械廠的廠長，該廠主要從事生產及銷售水泥機械設備，而彼負責整體管理及業務營運；彼由一九八九年七月至一九九五年五月擔任浙江省諸暨市工業環保設備總廠的廠長，該廠主要從事生產及營銷工業環保設備，而彼負責整體管理及業務營運；彼由一九九五年六月至二零零三年八月擔任TGL董事會主席兼執行董事，彼其後辭任董事會主席並自二零零三年八月起擔任TGL董事會副主席，負責TGL的整體管理及業務營運；彼由一九九九年十一月至二零零八年四月擔任天潔通用機械的董事，該公司主要從事機械及零部件的製造及市場營銷，而彼負責整體管理及業務營運。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Mr. Bian Jianguang has been working as the general manager of Tianjie New Materials (principally engaged in manufacturing, processing and marketing of steel blade) since August 1997, Tianjie General Machinery (being principally engaged in manufacturing and marketing of machinery and parts) from November 1999 to January 2005, as an executive director for various companies such as Tianjie Special Steel (principally engaged in manufacturing, processing and marketing of steel blade) since March 2006, Zhuji City Tianjie Heavy Machines Limited# (諸暨市天潔重工機械有限公司) (being principally engaged in research, design and development of heavy machines) since October 2008, Akesu Xintian Technology Limited# (阿克蘇新天科技有限公司) (being principally engaged in raw iron and sponge iron related business) since October 2011, and he is mainly responsible for day to day operation and management, and overall business management in these companies.

Mr. Bian Jianguang once served as the chairman and legal representative of Chongqing Tianjie Industry Co Ltd# (重慶天潔實業有限公司), a company incorporated in the PRC. Its business scope includes sales of construction and decoration materials. Since this company no longer carried on business and did not conduct annual inspection, the business licence of this company was revoked on 30 March 2005. According to Mr. Bian Jianguang, the said company was solvent and dormant at the time of it being revoked and the revocation of the said company has not resulted in any liability or obligation imposed against him.

Mr. Bian Jianguang is the father of Mr. Bian Yu and Ms. Bian Shu, and the father-in-law of Mr. Zhang Yuanyuan. Mr. Bian Jianguang is a member of the Bian Family and the Bian Family is a Controlling Shareholder.

邊建光先生自一九九七年八月起擔任天潔新材料(主要從事製造、加工及營銷鋼片)的總經理，自一九九九年十一月至二零零五年一月擔任天潔通用機械(主要從事製造及營銷機械及部件)的總經理，並擔任多家不同公司的執行董事，例如自二零零六年三月起於天潔特鋼(主要從事製造、加工及營銷鋼片)、自二零零八年十月起於諸暨市天潔重工機械有限公司(主要從事研究、設計及開發重工機械)及自二零一一年十月起於阿克蘇新天科技有限公司(主要從事生鐵及海綿鐵相關業務)擔任執行董事，而彼主要負責該等公司的日常營運及管理以及整體業務管理。

邊建光先生曾任重慶天潔實業有限公司的主席及法人代表。重慶天潔實業有限公司為一家在中國註冊成立的公司，其業務範圍包括銷售建築及裝修材料。由於該公司不再經營業務及並無進行年度審查，該公司的營業執照於二零零五年三月三十日被撤銷。據邊建光先生告知，前述公司在被撤銷執照時具償債能力及並無經營業務，而該公司被撤銷執照並無對邊建光先生造成任何負債或責任。

邊建光先生為邊宇先生及邊姝女士的父親及章袁遠先生的岳父。邊建光先生為邊氏家族的成員，而邊氏家族為控股股東。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Mr. ZHANG Yuanyuan (章袁遠), aged 36, is a non-executive Director appointed on 28 December 2009. He has approximately five years of experience in the business of the provision of atmospheric pollution control solutions.

From May 2007 to January 2009, Mr. Zhang Yuanyuan worked as the general manager of Jiangxi Chenyu Aluminium Industry Ltd.* (江西晨宇鋁業有限公司) which was principally engaged in the non-ferrous metals processing, production, marketing and trading of machineries and components, metal products and components, metal doors and windows and electrical products, and he was responsible for its overall operation and management. He has been working as the director of Zhejiang Tianjie New Energy Co., Ltd. (being principally engaged in wind power generation and solar power generation) since May 2008 and was responsible for giving advice on operation strategy, attending board meeting and evaluation of business operation and development strategy. He has been working as the president of TGL since January 2009 and is responsible for the overall management and business operation of TGL. He is currently the vice chairman of Shanghai Aluminum Trade Association (上海鋁業行業協會).

Mr. Zhang Yuanyuan holds a bachelor's degree of applied physics from the Tongji University (同濟大學) in July 2003. He holds a master degree of engineering management from the University of Technology, Sydney in Australia in July 2007. He is the spouse of Ms. Bian Shu, the brother-in-law of Mr. Bian Yu and the son-in-law of Mr. Bian Jianguang. Mr. Bian Yu, Ms. Bian Shu and Mr. Bian Jianguang are members of the Bian Family and the Bian Family is a Controlling Shareholder.

章袁遠先生，36歲，二零零九年十二月二十八日獲委任為非執行董事。章先生在提供大氣污染防治解決方案業務方面擁有約五年經驗。

章袁遠先生自二零零七年五月至二零零九年一月擔任江西晨宇鋁業有限公司的總經理，該公司主要從事有色金屬加工、生產、營銷及買賣機械及部件、金屬產品及部件、金屬門窗及電子產品，而彼負責整體營運及管理。彼自二零零八年五月起擔任浙江天潔新能源股份有限公司(主要從事風力發電及太陽能發電)的董事，負責就營運策略提供意見、出席董事會會議以及評估業務營運及發展策略。彼自二零零九年一月起擔任TGL總裁，負責TGL的整體管理及業務營運。彼目前為上海鋁業行業協會的副理事長。

章袁遠先生於二零零三年七月自同濟大學取得應用物理學士學位。彼於二零零七年七月自澳洲悉尼科技大學取得工程管理碩士學位。彼為邊妹女士的配偶、邊宇先生的姐夫及邊建光先生的女婿。邊宇先生、邊妹女士及邊建光先生為邊氏家族的成員，而邊氏家族為控股股東。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Ms. ZHU Hong (朱紅), aged 41, is a non-executive Director appointed on 1 June 2016. She is the chairman of the board of directors of each of Kylin Investment Management Co., Ltd.# (凱銀投資管理有限公司) and Kylin International (HK) Co., Ltd. She has been the vice president of Dothink Holding Group Co., Ltd.# (德信控股集團有限公司) since 2006. Ms. Zhu Hong has over ten years of experience in the financial industry and possesses extensive experiences in investment and asset management.

Ms. Zhu Hong worked as the financial manager and Youth League secretary of Hangzhou Bao Gang Steel Materials Delivery Company Limited# (杭州寶鋼鋼材配送有限公司) from 1998 to 2006, the head of the finance department of Shanghai Xindu Trading Co., Ltd.# (上海新都貿易實業公司) from 1995 to 1998, the financial manager of Hangzhou Fashion Co., Ltd.# (杭州宏益時裝有限公司) from June 1995 to September 1995 and the accountant of Zhejiang Xinlian Co., Ltd.# (浙江信聯股份有限公司) from 1993 to 1995.

Ms. Zhu Hong was appointed as a council member# (理事) of Zhejiang Foreign Investment Enterprises Association# (浙江省境外投資企業協會) in July 2014, and the executive member# (執行主任委員) of the Urbanisation Fund Professional Committee under the Association of Equity Investments of Zhejiang Province# (浙江省股權投資協會城鎮化基金專業委員會) in July 2014. She was also awarded the title of "Outstanding Person on Finance in Zhejiang Province for the Year 2011"# (2011年度浙江金融功勳人物)" and "Top-ten Business Leaders on Finance and Investment in Zhejiang Province for the Year 2014"# (2014年度浙江金融投資十大領軍人物)".

Ms. Zhu Hong graduated from Zhejiang University of Finance and Economics with a bachelor's degree in accounting in 1995, and obtained an Executive Master of Business Administration from Zhejiang University in 2014.

朱紅女士，41歲，於二零一六年六月一日獲委任為非執行董事現任凱銀投資管理有限公司以及凱銀國際(香港)有限公司董事會主席。自二零零六年起至今擔任德信控股集團有限公司副總裁，朱紅女士於金融行業從業十年有餘，具有豐富的投資以及資產管理經驗。

朱紅女士曾於一九九八年至二零零六年擔任杭州寶鋼鋼材配送有限公司財務主管、團委書記；一九九五年至一九九八年任職上海新都貿易實業公司財務部負責人；一九九五年六月至一九九五年九月任職杭州宏益時裝有限公司財務部經理；一九九三年至一九九五年任職浙江信聯股份有限公司會計。

朱紅女士於二零一四年七月當選浙江省境外投資企業協會理事，二零一四年七月榮任浙江省股權投資協會城鎮化基金專業委員會執行主任委員，曾榮獲2011年度榮獲浙江金融功勳人物以及2014年度浙江金融投資十大領軍人物。

朱紅女士於一九九五年畢業於浙江財經學院會計學學士，二零一四年獲浙江大學高級行政人員工商管理碩士學位。

Details Regarding Directors and Supervisors

董事及監事之有關詳情

Independent Non-executive Directors

Ms. TAM Hon Shan Celia (譚漢珊), aged 45, is an independent non-executive Director and joined the Group on 15 September 2014 when she was appointed as an independent non-executive Director. She has approximately 20 years of experience in the accounting and finance field.

Ms. Tam Hon Shan Celia joined 91 Wireless Websoft Limited, a wholly-owned subsidiary of Baidu Inc. (which is a company listed on NASDAQ (NASDAQ: BIDU) and principally engaged in high technology online services development and expansion), as the vice president, chief financial officer and company secretary and was responsible for management of the finance department, legal department, government relations department, human resources department and administration department from January 2011 to February 2015. From April 2007 to September 2013, she was the head of compliance and corporate affairs of NetDragon Websoft (Hong Kong) Limited and the company secretary and authorised representative of NetDragon Websoft Inc., a company listed on the Main Board of the Stock Exchange (stock code: 777) and principally engaged in online games development and operations which was transferred from the Growth Enterprise Market operated by the Stock Exchange (stock code: 8288) on 23 June 2008, responsible for mergers and acquisitions and corporate finance projects. From August 2004 to March 2007, she worked as the finance manager of Heal Force Development Limited (being principally engaged in the distribution of medical and biochemical instrument) and subsequently became the group finance manager of Heal Force Development Limited in which she was responsible for the management of the group finance department. From November 2000 to October 2003, she worked as a financial accountant and subsequently as the finance and administration manager of Infoserve Technology Hong Kong Ltd which was principally engaged in electronic technology development, and she was responsible for the management of finance, administration and human resources matters. She worked as the senior accountant of World Pioneer Ltd. (being principally engaged in medicine research, development and production) from June 1999 to November 2000 in which she was responsible for its financial and administrative functions. She worked as an accountant of Baker Norton Asia Ltd. (being principally engaged in medicine development and production) from October 1997 to May 1999 in which she was responsible for financial matters. She worked as an accountant of Draft Worldwide Ltd (principally engaged in advertisement) from August 1994 to October 1997 in which she was responsible for managing financial matters. She has been a member of the Association of Chartered Certified Accountants since May 2000, and also a member of the Hong Kong Institute of Certified Public Accountants since April 2002.

獨立非執行董事

譚漢珊女士，45歲，獨立非執行董事。譚女士於二零一四年九月十五日加入本集團，獲委任為獨立非執行董事。譚女士在會計及財務領域擁有約20年經驗。

譚漢珊女士於二零一一年一月至二零一五年二月於百度股份有限公司(其為一家於納斯達克上市的公司(納斯達克證券代號: BIDU)，主要從事高科技網上服務開發及擴展)的全資附屬公司91無線網絡有限公司任職，擔任副總裁、財務總監及公司秘書，負責管理財務部、法律部、政府關係部、人力資源部及行政部。自二零零七年四月至二零一三年九月，彼擔任網龍香港有限公司的合規及公司事務的主任並擔任網龍網絡有限公司(一家於二零零八年六月二十三日由聯交所營運的創業板(股份代號: 8288)轉至聯交所主板的上市公司(股份代號: 777)，主要從事在線遊戲開發及運營)的公司秘書及授權代表，負責併購及企業融資項目。自二零零四年八月至二零零七年三月，彼擔任力康發展有限公司(現主要從事分銷醫療及生化儀器)的財務經理，之後成為力康發展有限公司的集團財務經理，負責管理集團財務部。自二零零零年十一月至二零零三年十月，彼擔任英普達資訊科技香港有限公司(現主要從事電子科技發展)的財務會計及其後擔任財務及行政經理，負責管理財務、行政及人事事宜。彼曾於一九九九年六月至二零零零年十一月擔任國際鵬亞有限公司(現主要從事醫藥研究、開發及生產)的高級會計師，負責財務及行政職能。彼曾於一九九七年十月至一九九九年五月擔任貝克諾頓亞州有限公司(主要從事醫藥開發及生產)的會計師，負責財務事宜。彼曾於一九九四年八月至一九九七年十月擔任環球加達廣告有限公司(主要從事廣告)的會計師，負責管理財務事宜。自二零零零年五月起為特許公認會計師公會會員。彼亦自二零零二年四月起為香港會計師公會會員。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Ms. Tam Hon Shan Celia graduated from University of Lincolnshire and Humberside with a bachelor's degree in business accounting in April 2000.

Mr. ZHANG Bing (張炳), aged 35, is an independent non-executive Director appointed on 15 September 2014. Mr. Zhang Bing has approximately six years of experience in the field of environmental planning.

Mr. Zhang Bing worked as a lecturer in the School of Environment, Nanjing University (南京大學環境學院) in December 2008 in which he was responsible for teaching and conducting research. He was promoted to an associate professor and assumed the said role from December 2010 to December 2013 in which he was responsible for teaching, conducting research and personnel training, and he later became a professor and has been working since December 2013 in which he is responsible for teaching, conducting research and supervising doctoral students. Mr. Zhang Bing has been the director of the Center for Environmental Management and Policy of Jiangsu Environmental Protection Department of Nanjing University (南京大學 — 江蘇省環保廳環境管理與政策研究中心) since November 2013 in which he is responsible for conducting research on environmental management and policy and carrying out construction management work.

Mr. Zhang Bing was a committee member and the deputy secretary of the second committee of the Society for Environmental Economics of the Chinese Society for Environmental Sciences (中國環境科學學會環境經濟學分會) from October 2008 to September 2012 and has been the director of Chinese Society of Optimisation, Overall Planning and Economical Mathematics, Energy Economics and Management[#] (中國優選法統籌法與經濟數學研究會能源經濟與管理研究分會) since November 2012.

Mr. Zhang Bing obtained the Scientific and Technological Progress Award (Second Class)[#] (科學技術進步二等獎) from the Ministry of Education of the PRC (中華人民共和國教育部) in January 2010, the Eighth Young Scientist Award of the Chinese Society for Environmental Sciences[#] (第八屆中國環境科學學會青年科技獎) in December 2012 from the Society of Environmental Science of the PRC (中國環境科學學會) and the Environmental Protection and Scientific Award (First Class)[#] (環境保護科學技術進步獎一等獎) from the Ministry of Environmental Protection of the PRC (中華人民共和國環境保護部) in December 2012.

譚漢珊女士於二零零零年四月畢業於林肯郡和亨伯賽德大學[#](University of Lincolnshire and Humberside)，取得商業會計學士學位。

張炳先生，35歲，為本公司的獨立非執行董事。張先生於二零一四年九月十五日獲委任為獨立非執行董事。張先生在環境規劃領域擁有約六年經驗。

張炳先生於二零零八年十二月擔任南京大學環境學院講師，負責教學及研究。彼自二零一零年十二月起晉升為副教授直至二零一三年十二月，負責教學、研究及人員培訓，其後自二零一三年十二月起升任教授並一直在此工作，分別負責教學、研究及督導博士生。張先生分別自二零一三年十一月起擔任南京大學 — 江蘇省環保廳環境管理與政策研究中心主任，負責環境管理與政策研究及進行建設管理工作。

張炳先生自二零零八年十月至二零一二年九月擔任中國環境科學學會環境經濟學分會第二屆委員會委員兼副秘書長，以及自二零一二年十一月起擔任中國優選法統籌法與經濟數學研究會能源經濟與管理研究分會理事。

張炳先生於二零一零年一月獲中華人民共和國教育部頒發科學技術進步二等獎、於二零一二年十二月獲中國環境科學學會頒發第八屆中國環境科學學會青年科技獎，以及於二零一二年十二月獲中華人民共和國環境保護部頒發環境保護科學技術進步獎一等獎。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Mr. Zhang Bing obtained a bachelor's degree in environmental planning from Nanjing University in June 2003 and a doctorate degree in environmental planning and management from Nanjing University in December 2008.

Mr. JIANG Yan (姜晏), aged 42, is an independent non-executive Director appointed on 1 June 2016 and with nearly 20 years of experience in auditing, Merger and acquisition (“M&A”) transactions, due diligence and tax consultancy in the PRC. He has provided consultancy services on auditing and M&A transactions for various state-owned enterprises of which shares are listed on stock exchanges in the PRC and/or in Hong Kong. From July 1998 to December 2000, he served as the operations assistant, project manager and department manager of Hangzhou Gongshu Tax Agent Co., Ltd.# (杭州拱墅稅務師事務所), primarily providing foreign investment clients with tax consultancy services on import-export as well as general business activities. From January 2001 to August 2004, he served as a manager of Zhejiang Xinghe Certified Public Accountants Co., Ltd.# (浙江興合會計師事務所有限公司), being the project manager on a number of projects responsible for providing auditing, M&A due diligence and tax consultancy services. In September 2004, he was the founder of Hangzhou Mingde Certified Public Accountants Co., Ltd.# (杭州明德會計師事務所有限公司), in which he served as a partner primarily responsible for providing clients with M&A financial due diligence and tax consultancy services. In December 2011, he joined Zhejiang Puhua Certified Public Accountants Co., Ltd.# (浙江普華會計師事務所有限公司) as a partner primarily responsible for the in-house technical consultancy and quality reassurance of the Company. In July 2015, he joined the Hangzhou office of China Tax Advisory Company Group, an institutional alliance on professional consultancy services with regards to comprehensive aspects of finance, taxation and business consultancy, as the managing partner responsible for matters such as the management of the team of consultants in Hangzhou as well as client development. He was an independent director of Meidu Energy Co., Ltd.# (美都能源股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600175), during 2008 and 2014 as well as a member to the audit committee and remuneration committee thereof, participating in the formulation of material strategies and the annual audit arrangements.

張炳先生於二零零三年六月自南京大學取得環境規劃學士學位，並於二零零八年十二月自南京大學取得環境規劃與管理博士學位。

姜晏先生，42歲，於二零一六年六月一日獲委任為獨立非執行董事，於中國審計、併購交易、盡職調查和稅務諮詢方面具有近20年的工作經驗，曾為多家股份於中國證券交易所及／或香港上市的國有企業提供審計及併購交易諮詢服務。於一九九八年七月至二零零零年十二月，彼在杭州拱墅稅務師事務所，歷任業務助理、項目經理和部門經理等職務，主要為外商投資客戶提供關於進出口及整體商業活動的稅務諮詢服務。於二零零一年一月至二零零四年八月，彼在浙江興合會計師事務所有限公司擔任經理，作為數個項目的項目經理負責提供審計、併購盡職調查及稅務諮詢服務。於二零零四年九月，彼作為創始人參與創建了杭州明德會計師事務所有限公司，擔任合夥人，主要負責為客戶併購財務和稅務諮詢服務。二零一一年十二月，彼加入浙江普華會計師事務所有限公司，擔任其合夥人主要負責公司內部技術諮詢和質量覆核工作。彼於二零一五年七月加入提供全面財務、稅務及商務諮詢服務的專業諮詢服務機構聯盟中銳諮詢集團杭州分公司，擔任主管合夥人，負責杭州諮詢團隊管理以及客戶開發等活動。上海證券交易所上市之開發等工作。彼在二零零八年至二零一四年擔任美都能源股份有限公司(股份代號：600175)的獨立董事，並擔任審核委員會和薪酬委員會委員，參與重大戰略決策、年度審計安排等工作。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Mr. Jiang Yan graduated from Hunan Tax College majoring in foreign taxation in 1998. He became a member of the Chinese Institute of Certified Public Accountants in 2000 and was qualified as an independent director by the China Securities Regulatory Commission in 2008.

Save as disclosed herein, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there are no other matters with respect to the appointment of the Directors that needs to be brought to the attention of the Shareholders and there was no information (including changes thereto, if any) relating to the Directors that is required to be disclosed pursuant to Rules 13.51(2) or paragraph 41(3) of Appendix 1A of the Listing Rules such as, among others, matters relating to directorship held by Directors in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

姜晏於一九九八年畢業於湖南稅務高等專科學校，主修涉外稅務專業。二零零零年成為中國註冊會計師協會會員。二零零八年獲得中國證監會的獨立董事任職資格。

除本文所披露者外，經作出一切合理查詢後，就董事所深知、盡悉及確信，並無其他有關委任董事的事宜須提請股東垂注，亦無有關董事的資料（包括有關變動，如適用）須根據上市規則第13.51(2)條或附錄一A第41(3)段予以披露，例如（其中包括）過去三年董事在證券於香港或海外任何證券市場上市的任何公眾公司中擔任董事職務的有關事宜。

Details Regarding Directors and Supervisors

董事及監事之有關詳情

SUPERVISORY COMMITTEE

The Supervisory Committee consists of three members, comprising two representatives of Shareholders and one representative of employees. Employee representative Supervisors are elected democratically by the employees representative congress, while Shareholder representative Supervisors are elected by the Shareholders. The term of office of each Supervisor is three years, which is renewable upon re-election and re-appointment. The powers and duties of the Supervisory Committee include reviewing and verifying financial reports, business reports and profit distribution proposals prepared by the Board; and if in doubt, appointing certified public accountants and practicing auditors to re-examine the Company's financial information; monitoring the financial activities of the Company, supervising the performance of the Directors, the president and other senior management members, and monitoring whether they had acted in violation of the laws, regulations and Articles of Association in the performance of their duties; requesting the Directors, the president and senior management members to rectify actions which are detrimental to the Company's interests; and exercising other rights given to them under the Articles of Association. Each of the Supervisors has entered into a service contract with the Group.

Supervisors

Mr. CHEN Xinhua (陳新華), aged 54, is the employee representative Supervisor and the head of the procurement department of the Company. He joined the Group on 28 December 2009.

From January 1997 to May 2000, Mr. Chen Xinhua served as the manager of the department of supplies of Zhejiang Shengjie Environmental Engineering Co. Ltd.# (浙江勝潔環保工程有限公司) and was responsible for the overall departmental management. From June 2000 to October 2001, he served as the manager of technology transformation projects of Tianjie Strip Steel Factory# (天潔帶鋼廠). From November 2001 to May 2003 and from January 2009 to December 2009, he served as the procurement manager and vice general manager of procurement centre, respectively in TGL, and was responsible for the procurement of raw materials of the Company. From June 2003 to December 2008, he served as the vice general manager of Zhejiang Liyu Stainless Steel Co. Ltd.# (浙江立宇不銹鋼有限公司), and was responsible for assisting the general manager in the overall operation of the Company.

監事會

監事會包括三名成員，由兩名股東代表及一名僱員代表組成。僱員代表監事由僱員代表大會以民主方式選出，而股東代表監事則由股東選出。各監事的任期為三年，可於重選及重新委任時續期。監事會的權力及職責包括審閱及核實董事會編製的財務報告、業務報告及利潤分配方案；並在有疑問的情況下委任執業會計師及執業核數師重新審查本公司的財務資料；監察本公司的財務活動；監督董事、總裁及其他高級管理層成員的表現，以及監察他們於履行職責時的行為有否違反法律、法規及組織章程細則；要求董事、總裁及高級管理層成員糾正有損本公司利益的行動；以及行使組織章程細則賦予他們的其他權利。各監事已與本集團訂立服務合同。

監事

陳新華先生，54歲，為本公司僱員代表及採購部主管。彼於二零零九年十二月二十八日加入本集團。

自一九九七年一月至二零零零年五月，陳新華先生擔任為浙江勝潔環保工程有限公司供應部門經理，負責整體部門管理。自二零零零年六月至二零零一年十月，彼擔任天潔帶鋼廠技術變革項目經理。自二零零一年十一月至二零零三年五月，及自二零零九年一月至二零零九年十二月，彼分別擔任TGL採購部經理及採購中心副總經理，負責公司原材料的採購。自二零零三年六月至二零零八年十二月，彼擔任浙江立宇不銹鋼有限公司副總經理，負責協助總經理進行公司整體營運。

Details Regarding Directors and Supervisors

董事及監事之有關詳情

Mr. Chen was graduated from Shaoxing Vocational Secondary College* (紹興市職工中等專業學校) in July 1990 majoring in industrial enterprise management.

Mr. FU Jun (傅均), aged 37, is the Supervisor, and he joined the Group on 18 October 2014. Prior to joining the Group, Mr. Fu joined the school of computer science and information technology of Zhejiang Gongshang University in December 2009 and was appointed as a lecturer in April 2010. He was promoted to become an assistant professor in November 2013 responsible for teaching and conducting research. Since June 2014, he has been working as a supervisor to master students in which he is responsible for supervising master students.

Mr. Fu obtained a bachelor's degree of bio-medical engineering from Zhejiang University in June 2004 and a doctorate degree in bio-medical engineering from Zhejiang University in December 2009. He also completed two years of minor studies in Japanese language in Zhejiang University in June 2003.

Mr. FANG Zhiguo (方治國), aged 40, is the Supervisor, and he joined the Group on 18 October 2014. Prior to joining the Group, he worked as a post-doctoral researcher in environmental science and engineering at the Research Centre for Eco-Environment Sciences of the Chinese Academy of Sciences from August 2005 to August 2008, in which he was responsible for conducting research. He joined the school of environmental science and engineering of Zhejiang Gongshang University in August 2008 and became an assistant professor since October 2009, in which he is responsible for teaching and conducting research.

Mr. Fang obtained a master degree of science majoring in ecology from Zhejiang University in June 2002 and a doctorate degree in science majoring in ecology from the Graduate School of the Chinese Academy of Science (later renamed as the University of Chinese Academy of Sciences) in July 2005. He was a visiting scholar at the University of Oklahoma in the United States from June 2006 to May 2008.

陳先生於一九九零年七月畢業於紹興市職工中等專業學校，專業為工業企業管理。

傅均先生，37歲，監事，於二零一四年十月十八日加入本集團。加入本集團之前，傅先生於二零零九年十二月加入浙江工商大學計算機與信息工程學院，並於二零一零年四月獲委任為講師。彼於二零一三年十一月晉升為副教授，負責教學及進行研究。自二零一四年六月起，彼擔任碩士生導師，負責督導碩士生。

傅先生於二零零四年六月取得浙江大學的生物醫學工程學士學位及於二零零九年十二月取得浙江大學的生物醫學工程博士學位。彼亦於二零零三年六月在浙江大學完成兩年副修日語課程。

方治國先生，40歲，監事，彼於二零一四年十月十八日加入本集團。加入本集團之前，彼於二零零五年八月至二零零八年八月在中國科學院生態環境研究中心擔任環境科學與工程博士後研究員，負責進行研究。彼於二零零八年八月加入浙江工商大學環境科學與工程學院，並自二零零九年十月起擔任副教授，彼負責教學及進行研究。

方先生於二零零二年六月獲得浙江大學生態學理學碩士學位，並於二零零五年七月獲中國科學院研究生院(後改名為中國科學院大學)生態學理學博士學位。彼自二零零六年六月至二零零八年五月為美國奧克拉荷馬大學訪問學者。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

Except as disclosed herein, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there are no other matters relating to the appointment of Supervisors that need to be brought to the attention of the Shareholders, nor is there any information (including changes thereto, if any) relating to the Supervisors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules such as, among others, matters relating to directorship held by Supervisors in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS AND LETTER OF APPOINTMENTS

Each of the executive Directors (except Ms. Bian Shu) and non-executive Directors (except Ms. Zhu Hong) entered into a service contract with the Company on 28 November 2012. Each of Ms. Bian Shu, an executive Director, and Ms. Zhu Hong, a non-executive Director, entered into a service contract with the Company on 1 June 2016. Each of the independent non-executive Directors signed a letter of appointment on 15 September 2014 except Mr. Jiang Yan who did so on 1 June 2016. The principal particulars of these service contracts and letters of appointment are (a) for a term commencing from the respective effective dates of their appointment until the day on which the next general meeting of the Shareholders for re-election of Directors is held, and (b) are subject to termination in accordance with their respective terms.

Mr. Chen Xinhua entered into a service contract with the Company on 1 June 2016, whilst each of Mr. Fu Jun and Mr. Fang Zhiguo signed a letter of appointment on 18 October 2014. As required under the Opinions on Further Promotion of Standardising Operations and Intensifying Reform of Overseas Listed Companies (Guojingmaogai No. [1999]230), the Supervisory Committee contains a number of external Supervisors comprising one half or more of the composition, among whom two or more are independent Supervisors, namely Mr. Fu Jun and Mr. Fang Zhiguo.

除本文所披露者外，經作出一切合理查詢後，就董事所深知、盡悉及確信，並無其他有關委任監事的事宜須提請股東垂注，亦無有關監事的任何資料(包括有關變動，如適用)須根據上市規則第13.51(2)條予以披露，例如(其中包括)過去三年監事在證券於香港或海外任何證券市場上市的任何公眾公司中擔任董事職務的有關事宜。

董事及監事之服務合約及委任函

執行董事(除邊姝女士)及非執行董事(除朱紅女士)各自已於二零一二年十一月二十八日與本公司訂立服務合約。執行董事邊姝女士和非執行董事朱紅女士各自已於二零一六年六月一日與本公司訂立服務合約。各獨立非執行董事已於二零一四年九月十五日簽署委任函(除姜晏先生於二零一六年六月一日簽署)。該等服務合約及委任函主要包括(a)董事的任期由彼等各自的委任生效日期開始直至就重選董事而舉行下屆股東大會之日期為止；及(b)可根據各自條款予以終止。

陳新華先生已於二零一六年六月一日與本公司訂立服務合約，而傅均先生及方治國先生各自於二零一四年十月十八日簽署委任函。誠如《關於進一步促進境外上市公司規範運作和深化改革的意見》(國經貿企改[1999]230號)規定，監事會成員中一半或以上須為外部監事，而其中兩名或以上為獨立監事，即傅均先生及方治國先生。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

EMOLUMENT POLICY

The Company's nomination committee and the remuneration committee were set up for, among others, reviewing and company making recommendations on remuneration policy and scheme for the Directors, Supervisors, senior management and employees, taking into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

The Company had not adopted any share award scheme or share option scheme during the Reporting Period.

薪酬政策

本公司已成立提名委員會與薪酬委員會，以(其中包括)檢討我們董事、監事、高級管理層及僱員的薪酬政策及計劃，並就此提供建議，當中會考慮可比較公司支付的薪金、我們董事的時間投入及責任，以及本集團的表現。

本公司於報告期間並無採納任何股份獎勵計劃或購股權計劃。

Details Regarding Directors and Supervisors 董事及監事之有關詳情

REMUNERATION OF DIRECTORS AND SUPERVISORS

董事及監事的薪酬

		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total remuneration
		費用	薪資、補貼 及實物福利	退休 計劃供款	薪酬總額
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Six months ended	截至二零一七年				
30 June 2017	六月三十日				
	止六個月				
Executive directors:	執行董事：				
Bian Yu	邊宇	–	189	11	200
Bian Weican	邊偉燦	–	67	11	78
Bian Shu	邊姝	–	68	11	79
		–	324	33	357
Non-executive directors:	非執行董事：				
Bian Jianguang	邊建光	–	60	–	60
Zhang Yuanyuan	章袁遠	–	68	11	79
Zhu Hong	朱紅	–	30	–	30
		–	158	11	169
Independent non-executive directors:	獨立非執行董事：				
Tam Hon Shan Celia	譚漢珊	–	133	–	133
Zhang Bing	張炳	–	30	–	30
Jiang Yan	姜晏	–	30	–	30
		–	193	–	193
Supervisors:	監事：				
Chen Xinhua	陳新華	–	47	5	52
Fu Jun	傅均	–	30	–	30
Fang Zhiguo	方治國	–	30	–	30
		–	107	5	112
		–	782	49	831

Other Information 其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND/OR SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2017, the interests and short positions of each of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("SFO")), as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Listing Rules were as follows:

1. Long position in respect of domestic shares of the Company ("Domestic Shares") as at 30 June 2017:

董事及高級行政人員於本公司之股份、相關股份及證券的權益及／或淡倉

於二零一七年六月三十日，本集團董事及高級行政人員概無於本集團或其任何相聯法團(定義見證券及期貨條例(香港法例第571章)(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有任何記錄於本集團根據證券及期貨條例第352條的規定存置之登記冊的權益或淡倉；或須根據上市規則所載之規定，另行通知本集團及聯交所的權益或淡倉。

1. 截至二零一七年六月三十日持有之本公司內資股(「內資股」)好倉：

Name of Director/ Chief executive	Capacity/ Nature of interest	Number of Domestic Shares	Approximate % of total issued Domestic Shares	Approximate % of Company's share capital
董事/ 高級行政人員姓名	身份/ 權益性質	所持 內資股數目	佔已發行 內資股之 概約百分比	佔本公司 已發行股本之 概約百分比
Mr. Bian Yu (Note 1) 邊宇先生(附註1)	Beneficial owner 實益擁有人	13,671,000	13.67	10.13
	Interest in a controlled corporation (Note 2 and 4) 受控制法團權益(附註2及4)	46,169,100	46.17	34.20
Mr. Bian Jianguang (Note 1) 邊建光先生(附註1)	Beneficial owner 實益擁有人	6,843,000	6.84	5.07
	Interest in a controlled corporation (Note 2 and 4) 受控制法團權益(附註2及4)	46,169,100	46.17	34.20
Mr. Bian Weican 邊偉燦先生	Beneficial owner 實益擁有人	1,851,000	1.85	1.37
Ms. Bian Shu (Note 1) 邊姝女士(附註1)	Beneficial owner 實益擁有人	3,933,000	3.93	2.91
	Interest in a controlled corporation (Note 2 and 4) 受控制法團權益(附註2及4)	46,169,100	46.17	34.20
Mr. Zhang Yuanyuan (Note 3) 章袁遠先生(附註3)	Family interest of spouse 配偶的家族權益	50,102,100	50.10	50.10

Other Information 其他資料

Notes:

1. The Company is held as to approximately 51.85% by TGL, approximately 10.13% by Mr. Bian Yu, approximately 5.07% by Mr. Bian Jianguang, approximately 2.91% by Ms. Bian Shu, approximately 1.37% by Mr. He Jianmin, approximately 1.37% by Mr. Bian Weican and approximately 1.37% by Mr. Chen Jiancheng. TGL is held as to approximately 64.08% by Mr. Bian Yu, approximately 22.81% by Mr. Bian Jianguang and approximately 13.11% by Ms. Bian Shu.
2. The disclosed interest represents the interest in the Company held by TGL which is in turn approximately 64.08% owned by Mr. Bian Yu, approximately 22.81% owned by Mr. Bian Jianguang and approximately 13.11% owned by Ms. Bian Shu. Therefore, Mr. Bian Yu, Mr. Bian Jianguang and Ms. Bian Shu are deemed to be interested in TGL's interest in the Company by virtue of the SFO. The indirect interests in the Company's share capital owned by Mr. Bian Yu, Mr. Bian Jianguang and Ms. Bian Shu via their respective interests in TGL are approximately 33.23%, 11.83% and 6.80% respectively.
3. Mr. Zhang Yuanyuan, the spouse of Ms. Bian Shu, is deemed to be interested in Ms. Bian Shu's interest in the Company by virtue of the SFO.
4. Pursuant to a series of disposals to several independent third parties of 23,830,900 Domestic Shares which were completed on 26 June 2017, the number of Domestic Shares held by TGL had accordingly been reduced from 70,000,000 to 46,169,100 (which represented approximately 46.17% of the total issued Domestic Shares as at the end of the Reporting Period).

附註：

1. 本公司由TGL持有約51.85%的權益，由邊宇先生持有約10.13%、由邊建光先生持有約5.07%的權益，由邊姝女士持有約2.91%的權益，由何建民先生持有約1.37%的權益，由邊偉燦先生持有約1.37%的權益以及由陳建誠先生持有約1.37%的權益。TGL由邊宇先生、邊建光先生以及邊姝女士分別持有約64.08%、約22.81%及約13.11%的權益。
2. 所披露權益指TGL於本公司所持權益，而TGL則由邊宇先生擁有約64.08%的權益、由邊見光先生擁有約22.81%的權益及由邊姝女士擁有約13.11%的權益。因此，根據證券及期貨條例，邊宇先生、邊建光先生及邊姝女士通過其各自於TGL的權益於本公司股本所擁有的間接權益分別為約33.23%、約11.83%及約6.80%。
3. 章袁遠先生為邊姝女士的配偶，因此，根據證券及期貨條例，章袁遠先生被視作於邊姝女士所持的本公司權益中擁有權益。
4. 於二零一七年六月二十六日向數名獨立第三方分批出售23,830,900股內資股完成後，TGL所持有內資股數目由70,000,000股減至46,169,100股（相當於報告期末已發行內資股總數約46.17%）。

Other Information 其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITION IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

In respect of the register of substantial Shareholders (not being a director or chief executive of the Company) required to be kept under section 336 of Part XV of the SFO shows that as at 30 June 2017, the Company had been notified of the following substantial shareholders' interests and short positions. These interests are in addition to those disclosed above in respect of the directors and chief executives of the Company.

1. Long position in respect of Domestic Shares as at 30 June 2017:

主要股東於本公司之股份及相關股份的權益及／或淡倉

根據證券及期貨條例第XV部第336條存置的主要股東名冊所記錄，截至二零一七年六月三十日，本公司獲知會下列主要股東權益及淡倉。此等權益並不包括以上披露之本公司董事及高級行政人員之權益。

1. 截至二零一七年六月三十日就內資股之好倉：

Name	Capacity/ Nature of interest	Number of Domestic Shares	Approximate % of total issued Domestic Shares	Approximate % of Company's share capital
股東	身份／權益性質	內資股數目	佔已發行 內資股之 概約百分比	佔本公司 已發行股本之 概約百分比
TGL (Note 1) TGL (附註1)	Beneficial owner 實益擁有人	46,169,100	46.17	34.20
Ms. Bao Guo (Note 2) 鮑國女士(附註2)	Family interest of spouse 配偶的家族權益	59,840,100	59.84	44.33
Ms. Xu You (Note 3) 徐幼女士(附註3)	Family interest of spouse 配偶的家族權益	53,012,100	53.01	39.27

Notes:

1. Pursuant to a series of disposals to several independent third parties of 23,830,900 Domestic Shares which were completed on 26 June 2017, the number of Domestic Shares held by TGL had accordingly been reduced from 70,000,000 to 46,169,100 (which represented approximately 46.17% of the total issued Domestic Shares as at the end of the Reporting Period).
2. Ms. Bao Guo, the spouse of Mr. Bian Yu, is deemed to be interested in Mr. Bian Yu's interest in the Company by virtue of the SFO.
3. Ms. Xu You, the spouse of Mr. Bian Jianguang, is deemed to be interested in Mr. Bian Jianguang's interests in the Company by virtue of the SFO.

附註：

1. 於二零一七年六月二十六日向數名獨立第三方分批出售23,830,900股內資股完成後，TGL所持有內資股數目由70,000,000股減至46,169,100股（相當於報告期末已發行內資股總數約46.17%）。
2. 根據證券及期貨條例，鮑國女士（邊宇先生的配偶）被視為於邊宇先生於本公司的權益中擁有權益。
3. 根據證券及期貨條例，徐幼女士（邊建光先生的配偶）被視為於邊建光先生於本公司的權益中擁有權益。

Other Information 其他資料

2. Long position in respect of H Shares of the Company (“H Shares”) as at 30 June 2017: 2. 截至二零一七年六月三十日就本公司H股(「H股」)之好倉：

Name	Capacity/ Nature of interest	Number of H Shares	Approximate % of total issued H Shares 佔已發行 H股之 概約百分比	Approximate % of Company's share capital 佔本公司 已發行股本之 概約百分比
股東	身份／權益性質	H股數目		
Shou Erjun 壽爾均	Beneficial owner 實益擁有人	10,000,000	28.57	7.41
Hong Kong Joint Financial Investment Ltd Hong Kong Joint Financial Investment Ltd	Interest in a controlled corporation 受控制法團權益	5,297,000	15.13	3.92
Zhao Kai Yuan (Note 4) 趙開源(附註4)	Beneficial owner 實益擁有人	5,297,000	15.13	3.92
Kylin International (HK) Co., Ltd (Note 5) 凱銀國際(香港)有限公司(附註5)	Beneficial owner 實益擁有人	1,174,800	3.36	0.87
Kylin Investment Management Co., Ltd.# (Note 6) 凱銀投資管理有限公司(附註6)	Interest in a controlled corporation 受控制法團權益	1,174,800	3.36	0.87
Dothink Holding Group Co., Ltd.# (Note 7) 德信控股集團有限公司(附註7)	Interest in a controlled corporation 受控制法團權益	1,174,800	3.36	0.87
Hu Yiping (Note 8) 胡一平(附註8)	Interest in a controlled corporation 受控制法團權益	1,174,800	3.36	0.87

Other Information 其他資料

Notes:

4. Mr. Zhao Kai Yuan, the controlling shareholder of Hong Kong Joint Financial Investment Ltd, is deemed to be interested in Hong Kong Joint Financial Investment Ltd's interests in the Company by virtue of the SFO.
5. Pursuant to the disposal to an independent third party of 660,000 H Shares which was completed on 16 May 2017, the number of H Shares held by Kylin International (HK) Co., Ltd. ("**Kylin International**") had accordingly been reduced from 1,834,800 to 1,174,800 (which represented approximately 3.36% of the total issued H Shares as at the end of the Reporting Period).
6. Kylin Investment Management Co., Ltd.# ("**Kylin Investment**"), the controlling shareholder of Kylin International, is deemed to be interested in Kylin International's interests in the Company by virtue of the SFO.
7. Dothink Holding Group Co., Ltd.# ("**Dothink**"), the controlling shareholder of Kylin Investment, is deemed to be interested in Kylin International's interests in the Company by virtue of the SFO and note 6 above.
8. Mr. Hu Yiping, the controlling shareholder of Dothink, is deemed to be interested in Kylin International's interests in the Company by virtue of the SFO as well as note 6 and 7 above.

附註：

4. 趙開源先生為Hong Kong Joint Financial Investment Ltd控股股東，根據證券及期貨條例，趙開源先生被視作於Hong Kong Joint Financial Investment Ltd所持本公司權益中擁有權益。
5. 於二零一七年五月十六日向一名獨立第三方出售660,000股H股完成後，凱銀國際(香港)有限公司(「**凱銀國際**」)所持H股數目由1,834,800股減至1,174,800股(相當於報告期末已發行H股總數約3.36%)。
6. 凱銀投資管理有限公司(「**凱銀投資**」)為凱銀國際控股股東，根據證券及期貨條例，凱銀投資管理有限公司被視為於凱銀國際所持本公司權益中擁有權益。
7. 德信控股集團有限公司(「**德信**」)為凱銀投資控股股東，根據證券及期貨條例及上文附註6所述，德信控股集團有限公司被視作於凱銀國際所持本公司權益中擁有權益。
8. 胡一平先生為德信控股股東，根據證券及期貨條例及上文附註6及7中所述，胡一平先生被視作於凱銀國際所持本公司權益中擁有權益。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by any members of the Group during the Reporting Period.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issues (the "**Model Code**"), as set out in Appendix 10 of the Listing Rules throughout the Reporting Period. Having made special enquiries of all Directors, each of them has complied with the required standard set out in the Model Code as well as its code of conduct regarding Directors' securities transactions, where applicable.

購買、出售或贖回上市證券

於報告期內，本集團任何成員公司概無購買、出售或贖回本公司的上市證券。

遵守標準守則

本公司已於整個報告期內就董事進行證券交易採納一套不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)的行為規則。經向全體董事作出特定查詢後，彼等各自確認已遵守標準守則所規定的標準及其有關董事證券交易的標準守則(如適用)。

Other Information 其他資料

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with the code provisions listed in the Code on Corporate Governance Practices (the “**Corporate Governance Code**”) as set out in Appendix 14 of the Listing Rules throughout the Reporting Period.

AUDIT COMMITTEE

The Company established an audit committee (the “**Audit Committee**”) pursuant to a resolution of the Directors passed on 10 November 2014 with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules. The written terms of reference of the Audit Committee was adopted in compliance with paragraphs C.3.3 and C.3.7 of the Corporate Governance Code. Its terms of reference are available on the websites of the Company and the Stock Exchange. The Audit Committee comprises three independent non-executive Directors, namely Ms. Tam Hon Shan Celia (chairman), Mr. Jiang Yan and Mr. Zhang Bing.

APPROVAL OF FINANCIAL STATEMENTS

The unaudited financial statements of the Group for the Reporting Period were reviewed by the Audit Committee and approved by the Board on 29 August 2017.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim report is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tengy.com). The interim report of the Company for the Reporting Period containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the aforesaid websites in due course.

* for identifications only

遵守企業管治守則

董事認為，本公司已於報告期內一直遵守上市規則附錄十四所載企業管治常規守則（「**企業管治守則**」）。

審核委員會

本公司根據於二零一四年十一月十日通過的董事決議案成立審核委員會（「**審核委員會**」），並根據上市規則第3.21條及3.22條以書面制定其職權範圍。審核委員會的書面職權範圍乃根據企業管治守則第C.3.3段及C.3.7段採納。審核委員會的職權範圍可在本公司及聯交所網站上查閱。審核委員會由三名獨立非執行董事組成，即譚漢珊女士（主席）、姜晏先生及張炳先生。

批准財務報表

於報告期內，本集團未經審核的財務報表由審核委員會審閱，並獲董事會於二零一七年八月二十九日批准。

刊登業績公告及中期報告

中期報告已於聯交所網站(www.hkexnews.hk)及本公司網站(www.tengy.com)登載。載有上市規則規定的所有資料之本公司於報告期內的中期報告，將於適當時候寄發予股東及載於上述網站。

* 僅供識別

TENGY

浙江天潔環境科技股份有限公司
Zhejiang Tengy Environmental Technology Co., Ltd