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## **Weigang Environmental Technology Holding Group Limited** **维港环保科技控股集团有限公司**

*(incorporated in the Cayman Islands with limited liability)*

*(於開曼群島註冊成立的有限公司)*

**(Stock Code 股份代號: 1845)**

### **ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018**

**截至2018年12月31日止年度的  
年度業績公告**

#### **FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2018:**

##### **截至2018年12月31日止年度的財務摘要：**

For the year ended 31 December 2018, the revenue of the Group amounted to RMB480.1 million, representing an increase of 153.5% as compared with the year ended 31 December 2017.

截至2018年12月31日止年度，本集團的收入為人民幣480.1百萬元，較截至2017年12月31日止年度增加153.5%。

For the year ended 31 December 2018, the gross profit of the Group amounted to RMB124.7 million and the gross profit margin of the Group was 26.0%, representing an increase of 100.8% and decrease of 6.8 percentage points as compared with the year ended 31 December 2017, respectively.

截至2018年12月31日止年度，本集團的毛利為人民幣124.7百萬元，而本集團的毛利率則為26.0%，分別較截至2017年12月31日止年度增加100.8%及減少6.8個百分點。

For the year ended 31 December 2018, the net profit of the Group amounted to RMB57.4 million, and the net profit margin of the Group was 12.0%, representing an increase of 92.6% and decrease of 3.8 percentage points as compared with the year ended 31 December 2017 respectively.

截至2018年12月31日止年度，本集團的純利為人民幣57.4百萬元，而本集團的淨利率則為12.0%，分別較截至2017年12月31日止年度增加92.6%及減少3.8個百分點。

If excluding the listing expense incurred, the adjusted net profit for the year ended 31 December 2018 was RMB69.7 million, the net profit margin was 14.5%.

倘不包括所產生的上市開支，截至2018年12月31日止年度的經調整純利為人民幣69.7百萬元，而淨利率則為14.5%。

For the year ended 31 December 2018, the profit attributable to owners of the Company amounted to RMB49.8 million, representing an increase of 64.9% as compared with the year ended 31 December 2017.

截至2018年12月31日止年度，本公司擁有人應佔利潤為人民幣49.8百萬元，較截至2017年12月31日止年度增加64.9%。

For the year ended 31 December 2018, the basic earnings per share attributable to owners of the Company amounted to RMB0.049, as compared to RMB0.032 for the year ended 31 December 2017.

截至2018年12月31日止年度，本公司擁有人應佔每股基本盈利為人民幣0.049元，而截至2017年12月31日止年度則為人民幣0.032元。

The board (the “**Board**”) of directors (the “**Directors**”) of Weigang Environmental Technology Holding Group Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) is pleased to announce the consolidated annual results of the Group for the year ended 31 December 2018, together with comparative figures for the corresponding year of 2017.

In this announcement, “we”, “us” and “our” refer to the Company and where the context otherwise requires, the Group.

維港環保科技控股集團有限公司(「本公司」)，連同其附屬公司統稱為「本集團」董事(「董事」)會(「董事會」)欣然宣佈本集團截至2018年12月31日止年度的綜合年度業績，連同2017年同期的比較數字。

於本公告，「我們」及「我們的」指本公司，而在文義另有所指時指本集團。

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 31 December 2018

**綜合損益及其他全面收益表**

截至2018年12月31日止年度

			2018	2017
		NOTES	2018年	2017年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Revenue	收入	3	480,091	189,407
Cost of services	服務成本		<u>(355,428)</u>	<u>(127,303)</u>
Gross profit	毛利		124,663	62,104
Other income, gains and losses	其他收入、收益及虧損	4	8,110	2,372
Impairment losses, net of reversal	減值虧損(扣除撥回)		(716)	(767)
Administrative expenses	行政開支		(27,854)	(11,743)
Distribution and selling expenses	分銷及銷售開支		(951)	—
Other expenses	其他開支		(29,251)	(14,474)
Share of results of an associate	應佔聯營企業的業績		—	(675)
Finance costs	融資成本	5	<u>(6,031)</u>	<u>(438)</u>
Profit before tax	稅前利潤		67,970	36,379
Income tax expense	所得稅開支	6	<u>(10,559)</u>	<u>(6,620)</u>
Profit for the year	年內利潤	7	<u>57,411</u>	<u>29,759</u>
<b>Other comprehensive (expense) income</b>	<b>其他全面(開支)收益</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能重新分類至損益的項目：</i>			
Fair value gain on available-for-sale financial assets	可供出售金融資產的公允價值收益		—	2,084
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益的項目：</i>			
Fair value gain on equity instrument at fair value through other comprehensive income	按公允價值計量並計入其他全面收益的股本工具的公允價值收益		(604)	—
Income tax relating to items that will not be reclassified to profit or loss	與不會重新分類至損益的項目有關的所得稅		<u>(370)</u>	<u>—</u>
			<u>(974)</u>	<u>2,084</u>
Total comprehensive income for the year	年內全面收益總額		<u>56,437</u>	<u>31,843</u>

			2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
		NOTES 附註		
Profit (loss) for the year attributable to:	以下各方應佔年內利潤(虧損)：			
Owners of the Company	本公司擁有人		49,799	30,195
Non-controlling interests	非控股權益		<u>7,612</u>	<u>(436)</u>
			<u><b>57,411</b></u>	<u><b>29,759</b></u>
Total comprehensive income (expense) for the year attributable to:	以下各方應佔年內全面收益(開支)總額：			
Owners of the Company	本公司擁有人		48,825	32,279
Non-controlling interests	非控股權益		<u>7,612</u>	<u>(436)</u>
			<u><b>56,437</b></u>	<u><b>31,843</b></u>
Earnings per share	每股盈利			
— Basic (RMB)	— 基本(人民幣元)	8	<u><b>0.049</b></u>	<u><b>0.032</b></u>
— Diluted (RMB)	— 攤薄(人民幣元)	8	<u><b>0.048</b></u>	<u><b>0.032</b></u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

For the year ended 31 December 2018

**綜合財務狀況表**

截至2018年12月31日止年度

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
	NOTES 附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	23,531	9,618
Intangible assets	無形資產	16,683	93
Investment in an associate	於聯營企業的投資	—	5,539
Available-for-sale investment	可供出售投資	—	3,584
Equity instrument at fair value through other comprehensive income	按公允價值計量並計入其他全面收益的股本工具	2,980	—
Deposits for acquisition of property, plant and equipment	購置物業、廠房及設備的按金	5,463	4,551
Pledged bank deposits	已抵押銀行存款	17,467	—
Deferred tax assets	遞延稅項資產	2,792	1,476
		<u>68,916</u>	<u>24,861</u>
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Inventories	存貨	1,983	22
Trade and note receivables	貿易應收款項及應收票據	142,835	57,783
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	29,146	23,181
Contract assets	合約資產	176,973	69,372
Pledged bank deposits	已抵押銀行存款	26,445	8,888
Bank balances and cash	銀行結餘及現金	23,437	68,946
		<u>400,819</u>	<u>228,192</u>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Trade payables	貿易應付款項	84,074	32,870
Other payables and accrued expenses	其他應付款項及應計開支	39,778	9,514
Contract liabilities	合約負債	72,885	67,779
Amounts due to shareholders	應付股東款項	—	93,994
Amounts due to a related party	應付關聯方款項	—	2,524
Income tax payable	應納所得稅	3,807	675
Bank borrowings	銀行借款	10,000	1,000
		<u>210,544</u>	<u>208,356</u>

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	<b>190,275</b>	19,836
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總額減流動 負債</b>	<b>259,191</b>	44,697
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Bank borrowings	銀行借款	—	10,000
Obligation arising from a put option	認沽期權產生的 責任	<b>99,901</b>	—
		<b>99,901</b>	10,000
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>159,290</b>	34,697
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	41,413	—
Reserves	儲備	90,657	35,133
Equity attributable to owners of the Company	本公司擁有人應佔 權益	132,070	35,133
Non-controlling interests	非控股權益	27,220	(436)
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>159,290</b>	34,697



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2018

## 1. GENERAL

The Company was incorporated in the Cayman Islands on 18 May 2017 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The immediate holding company and the ultimate holding company of the Company are Weigang Technology Limited (“Weigang Technology”) and Weigang Green Technology Limited (“Weigang Green”), respectively, both of which were incorporated in British Virgin Island (“BVI”) and are wholly owned by Mr. Cai Zhuhua (“Mr. Cai”), the ultimate controlling shareholder of the Group, who is also the chairman and executive director of the Company. The shares of the Company had been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 3 January 2019 (the “Listing”).

The address of the registered office of the Company is Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008 Cayman Islands and the address of principal place of business of the Company is Unit 3507, 35/F, AIA Tower, 183 Electric Road, North Point, Hong Kong.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

## 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

### New and Amendments to IFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to IFRSs issued by the International Accounting Standard Board (“IASB”) for the first time in the current year:

IFRS 9	Financial Instruments
IFRIC 22	Foreign Currency Transactions and Advance Consideration
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IAS 28	As part of the Annual Improvements to IFRSs 2014 - 2016 Cycle
Amendments to IAS 40	Transfers of Investment Property

# 綜合財務報表附註

截至2018年12月31日止年度

## 1. 一般資料

本公司於2017年5月18日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。本公司的直接控股公司及最終控股公司分別為維港科技有限公司(「維港科技」)及維港綠色科技有限公司(「維港綠色」)，維港科技及維港綠色均於英屬維爾京群島註冊成立，並由本集團的最終控股股東蔡珠華先生(「蔡先生」)全資擁有，彼亦為本公司主席兼執行董事。本公司股份已於2019年1月3日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

本公司的註冊辦事處地址為Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008 Cayman Islands，而本公司主要營業地點的地址為香港北角電氣道183號友邦廣場35樓3507單元。

綜合財務報表以人民幣列示，人民幣亦為本公司的功能貨幣。

## 2. 應用新訂及經修訂《國際財務報告準則》

### 於本年度強制生效的新訂及經修訂《國際財務報告準則》

本集團已應用以下由國際會計準則理事會於本年度首次頒佈的新訂及經修訂《國際財務報告準則》

《國際財務報告準則》第9號	金融工具
國際財務報告詮釋委員會第22號詮釋	外幣交易及預付對價
《國際財務報告準則》第2號(修訂本)	以股份為基礎的支付交易的分類及計量
《國際財務報告準則》第4號(修訂本)	連同《國際財務報告準則》第4號保險合約應用《國際財務報告準則》第9號金融工具
《國際會計準則》第28號(修訂本)	作為《國際財務報告準則》2014年至2016年週期之年度改進的一部分
《國際會計準則》第40號(修訂本)	轉撥至投資物業

In addition, the Group has already applied IFRS 15 “Revenue from Contracts with Customers” and the related Amendments which is effective for annual period on or after 1 January 2018, throughout the year ended 31 December 2017.

### New and amendments to IFRSs issued but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but not yet effective.

IFRS 16	Leases <sup>1</sup>
IFRS 17	Insurance Contract <sup>3</sup>
IFRIC 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to IFRS 3	Definition of Business <sup>4</sup>
Amendments to IFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to IAS 1 and IAS 8	Definition of Material <sup>5</sup>
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement <sup>1</sup>
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Amendments to IFRSs	Annual Improvements to IFRS Standards 2015 - 2017 Cycle <sup>1</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>2</sup> Effective for annual periods beginning on or after a date to be determined
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> Effective for business combination and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2020

Except for IFRS 16, the directors of the Company anticipate that the application of other new and amendments to IFRSs will have no material impact on the Group’s consolidated financial statements in the foreseeable future.

此外，本集團於截至2017年12月31日止年度已應用《國際財務報告準則》第15號「客戶合約的收入及相關修訂本」，該準則於2018年1月1日或之後開始的年度期間生效。

### 已頒佈但未生效的新訂及經修訂《國際財務報告準則》

本公司並無提前應用以下已頒佈但未生效之新訂及經修訂《國際財務報告準則》。

《國際財務報告準則》第16號	租賃 <sup>1</sup>
《國際財務報告準則》第17號	保險合約 <sup>3</sup>
國際財務報告詮釋委員會第23號詮釋	所得稅處理的不確定性 <sup>1</sup>
《國際財務報告準則》第3號(修訂本)	業務的定義 <sup>4</sup>
《國際財務報告準則》第9號(修訂本)	具有負補償之提前還款特性 <sup>1</sup>
《國際財務報告準則》第10號及《國際會計準則》第28號(修訂本)	投資者與其聯營公司或合營公司之間的資產出售或注資 <sup>2</sup>
《國際會計準則》第1號及《國際會計準則》第8號(修訂本)	重大性的定義 <sup>5</sup>
《國際會計準則》第19號(修訂本)	計劃修訂、縮減或結算 <sup>1</sup>
《國際會計準則》第28號(修訂本)	於聯營公司及合營企業中的長期利益 <sup>1</sup>
《國際財務報告準則》修訂本	《國際財務報告準則》2015年至2017年週期之年度改進 <sup>1</sup>

- <sup>1</sup> 於2019年1月1日或之後開始的年度期間生效
- <sup>2</sup> 於尚待釐定日期或之後開始的年度期間生效
- <sup>3</sup> 於2021年1月1日或之後開始的年度期間生效
- <sup>4</sup> 對收購日期為於2020年1月1日或之後開始的首個年度期間的期初或之後的業務合併和資產收購有效
- <sup>5</sup> 於2020年1月1日或之後開始的年度期間生效

除《國際財務報告準則》第16號外，本公司董事預期採用其他新訂及經修訂《國際財務報告準則》不會對本集團於可預見未來的綜合財務報表造成重大影響。



### 3. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of comprehensive solid waste incineration turnkey solutions focused on the research, design, integration and commissioning of solid waste systems by the Group to external customers in the PRC. The Group's revenue is derived from providing i) hazardous waste incineration solutions, ii) pyrolysis solid waste treatment solutions, iii) oil sludge thermal desorption treatment services, iv) technical upgrading services, and v) maintenance services in the PRC. For the purposes of resources allocation and performance assessment, the executive directors of the Company, being the chief operating decision maker ("CODM"), review the financial performance of the Group as a whole prepared based on the same accounting policies. Accordingly, the Group has only one single operating segment and no further discrete financial information nor analysis of this single segment is presented.

#### Revenue from major services

The following is an analysis of the Group's revenue from its major services:

<i>Recognised over time</i>	<i>隨時間確認</i>
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案
Pyrolysis solid waste treatment solutions	無氧裂解固體廢物處置解決方案
Oil sludge thermal desorption treatment facility operating service	油泥熱脫附處理設施運營服務
Technical upgrading services	技術升級服務
Maintenance services	維護服務

### 3. 收入及分部資料

收入指本集團向中國的外部客戶提供專注於固體廢物系統的研究、設計、集成及調試的綜合固體廢物焚燒處置整體解決方案，已收及應收款項的公允價值。本集團的收入來自於中國境內提供：i) 危險廢物焚燒處置解決方案；ii) 無氧裂解固體廢物處置解決方案；iii) 油泥熱脫附處理服務；iv) 技術升級服務；及v) 維護服務。就資源分配以及表現評估而言，本公司執行董事(即主要經營決策者)根據相同會計政策，以本集團作為整體審核財務表現。因此，本集團只有一個營運分部，以及概無就該單一分部呈報其他獨立財務資料或分析。

#### 主要服務收入

下表載列本集團來自其主要服務的收入之分析：

	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
	444,771	176,141
	4,064	—
	10,745	—
	11,092	11,445
	9,419	1,821
	<b>480,091</b>	<b>189,407</b>

## Major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
Customer A (Note i)	客戶 A (附註 i)	<b>187,162</b>	135,139
Customer B	客戶 B	N/A (note ii) 不適用 (附註 ii)	29,302
Customer C	客戶 C	N/A (note ii) 不適用 (附註 ii)	19,110
Customer D	客戶 D	<b>72,155</b>	N/A (note iii) 不適用 (附註 iii)

Notes:

- (i) Customer A represented groups of subsidiaries under common control of an entity. Revenue from subsidiaries under Customer A during the year ended 31 December 2018 and 2017 contributed over 10% of the total revenue of the Group are as below:

		<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
Subsidiary A	附屬公司 A	N/A (Note ii) 不適用 (附註 ii)	77,863
Subsidiary B	附屬公司 B	N/A (Note ii) 不適用 (附註 ii)	32,056

- (ii) Contributed less than 10% of the Group's total revenue for the year ended 31 December 2018.
- (iii) No revenue attributed from the respective customers for the year ended 31 December 2017.

## Geographical information

The Group primarily operates in the PRC. Substantially all of the Group's non-current assets, excluding financial instruments and deferred tax assets, are located in the PRC, and revenue of the Group is generated from customers located in the PRC.

## 主要客戶

於相應年度在本集團總收入中佔10%以上的客戶收入如下：

		<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
客戶 A (附註 i)	客戶 A (附註 i)	<b>187,162</b>	135,139
客戶 B	客戶 B	N/A (note ii) 不適用 (附註 ii)	29,302
客戶 C	客戶 C	N/A (note ii) 不適用 (附註 ii)	19,110
客戶 D	客戶 D	<b>72,155</b>	N/A (note iii) 不適用 (附註 iii)

附註：

- (i) 客戶 A 指受同一實體共同控制的一組附屬公司。於截至2018年及2017年12月31日止年度佔本集團總收入10%以上的客戶 A 旗下附屬公司之收入如下：

		<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
附屬公司 A	附屬公司 A	N/A (Note ii) 不適用 (附註 ii)	77,863
附屬公司 B	附屬公司 B	N/A (Note ii) 不適用 (附註 ii)	32,056

- (ii) 於截至2018年12月31日止年度佔本集團總收入的比例不足10%。
- (iii) 於截至2017年12月31日止年度均無源自各客戶的收入。

## 地區資料

本集團主要在中國境內營運。本集團幾乎全部的非流動資產(不含金融工具以及遞延稅項資產)均位於中國，且本集團的收入來源於中國的客戶。

#### 4. OTHER INCOME, GAINS AND LOSSES

#### 4. 其他收入、收益及虧損

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	375	128
Government grants (Note a)	政府補助(附註a)	722	2,132
Indemnity Compensation (Note b)	責任賠償(附註b)	3,758	—
Other income	其他收入	4,855	2,260
Net foreign exchange gains	外匯收益淨額	3,158	112
Gain on deregistration of investment in an associate	註銷聯營企業投資之收益	97	—
Other gains and losses	其他收益及虧損	3,255	112
		<b>8,110</b>	<b>2,372</b>

Note:

- (a) Government grants represented immediate financial support granted by the local governments. There were no specific conditions attached to the grants and the amounts were recognised in profit or loss upon the receipt of relevant cash.
- (b) Indemnity compensation represented the compensation paid by a counterparty for its default of contract in relation to a hazardous waste incineration project in Suzhou which was terminated during the year ended 31 December 2016.

附註：

- (a) 政府補助為當地政府給予的實時財務支持。補助不附帶特定條件，且金額於收到相關現金時在損益中確認。
- (b) 責任賠償指對手方就其違反有關蘇州的危險廢物焚燒處置項目合約已支付的賠償，有關合約已於截至2016年12月31日止年度終止。

#### 5. FINANCE COSTS

#### 5. 融資成本

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Interest on bank borrowings	銀行借款利息	574	438
Interest on obligation arising from a put option	認沽期權所產生責任的 利息	5,457	—
Total	合計	<b>6,031</b>	<b>438</b>

## 6. INCOME TAX EXPENSE

## 6. 所得稅開支

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
The income tax expense (credit) comprises:	所得稅開支(撥回)包括：		
PRC Enterprise Income Tax (“EIT”):	中國企業所得稅(「企業所得稅」)：		
— Current tax	— 即期稅項	12,737	7,258
— Overprovision in prior year	— 過往年度超額撥備	(492)	—
		<u>12,245</u>	<u>7,258</u>
Deferred tax	遞延稅項	(1,686)	(638)
		<u>10,559</u>	<u>6,620</u>

The Company and its subsidiaries, namely Weigang Environment Limited (“Weigang Environment”) and Jade Far Investment Limited (“Jade Far”), were incorporated in the Cayman Islands and BVI, respectively. All these entities did not have tax assessable profit in Cayman Islands, BVI or other jurisdiction in both years.

No provision for Hong Kong profits tax has been recognised in the consolidated financial statements in both years as the Group does not have income which arose in, or derived from Hong Kong.

Pursuant to the Enterprise Income Tax Law (the “EIT Law”) effective on 1 January, 2008, Guangzhou Weigang Environment Protection Technology Limited (“Guangzhou Weigang”) obtained a “High and New Technology Enterprise” (the “HNTE”) in 2016 which Guangzhou Weigang was entitled to a preferential tax rate of 15% from 2016 to 2018 and eligible for renewal every three years.

The applicable tax rate of other PRC subsidiaries of the Company was 25% (2017: 25%) during the year ended 31 December 2018.

本公司及其附屬公司(即維港環境有限公司(「維港環境」)及杰發投資有限公司(「杰發」))分別於開曼群島及英屬維爾京群島註冊成立。於該等年度，所有該等實體在開曼群島、英屬維爾京群島或其他司法管轄區均無應課稅利潤。

由於本集團並無得自香港的收入，因此於該等年度，於綜合財務報表中並未確認香港利得稅撥備。

根據2008年1月1日生效的《企業所得稅法》，廣州維港環保科技有限公司(「廣州維港」)於2016年獲認定為「高新技術企業」，並在2016年至2018年間享受15%的優惠稅率，每三年可續期。

於截至2018年12月31日止年度，本公司其他中國附屬公司的適用稅率為25% (2017年：25%)。

## 7. PROFIT FOR THE YEAR

## 7. 年內利潤

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Profit for the year has been arrived at after charging (crediting):	扣除(計入)下列費用後的年內利潤：		
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
Directors' remuneration	董事薪酬	1,527	1,029
Other staff:	其他員工：		
— Salaries and other benefits	— 薪金與其他福利	23,317	11,845
— Bonus	— 花紅	2,397	2,051
— Contributions to retirement benefits scheme	— 退休福利計劃供款	2,261	846
— Share-based payment expenses	— 以股份為基礎的支付開支	1,954	—
Total staff costs	總員工成本	<u>31,456</u>	<u>15,771</u>
Auditors' remuneration	核數師薪酬	1,810	49
Research and development costs (included in other expenses)*	研發成本(計入其他開支)*	16,799	8,150
Listing expenses (included in other expenses)	上市開支(計入其他開支)	12,270	6,323
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,726	397
Amortisation of intangible assets	無形資產攤銷	413	34
Allowance for (reversal of allowance for) impairment of trade and note receivables	貿易應收款項及應收票據減值撥備(撥備撥回)	(1,174)	584
Allowance for impairment of contract assets	合約資產減值撥備	2,073	—
Impairment (reversed) loss on advance to a supplier	與向供應商作出的墊款有關的(撥回)減值虧損	(183)	183
Minimum lease payment in respect of office premises	辦公場所的最低租賃付款	<u>2,528</u>	<u>1,970</u>

\* Amount included staff costs of approximately RMB7,238,000 (2017: RMB5,590,000), and material and other related costs of approximately RMB9,561,000 (2017: RMB2,560,000) for the year ended 31 December 2018.

\* 該款項包括截至2018年12月31日止年度的員工成本約人民幣7,238,000元(2017年：人民幣5,590,000元)以及材料及其他相關成本約人民幣9,561,000元(2017年：人民幣2,560,000元)。

## 8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of calculating basic and diluted per share (profit for the year attributable to the owners of the Company)	用以計算每股基本及攤薄的盈利(本公司擁有人應佔年內利潤)	<u>49,799</u>	<u>30,195</u>
Number of shares	股份數量		
Number of shares for the purpose of calculating basic earnings per share	用以計算每股基本盈利的股份數量	<b>1,013,854,480</b>	943,906,118
Effect of dilutive potential ordinary shares:	攤薄潛在普通股的影响：		
Share options	購股權	<u>29,274,881</u>	<u>12,431,809</u>
Number of shares for the purpose of calculating diluted earnings per share	用以計算每股攤薄盈利的股份數量	<u><b>1,043,129,361</b></u>	<u><b>956,337,927</b></u>

The number of ordinary shares for the purpose of calculating basic earnings per share has been determined on the assumption that the group reorganisation, share consolidation and the bonus element of the shares issued for the loan capitalisation as detailed in the section headed "History, Reorganisation and Group Structure" to the prospectus had been effective on 1 January 2017.

In addition, the computation of diluted earnings per share during the year ended 31 December 2018 does not assume the exercise of put option by the non-controlling shareholder of a subsidiary as the exercise of the put option would result in an increase of earnings per share for the year ended 31 December 2018. The computation of diluted earnings per share during the year ended 31 December 2018 and 2017 has adjusted to reflect the effect of the exercise of all dilutive share options.

## 9. DIVIDENDS

No dividend has been paid or declared by the Company since its incorporation, nor has any dividend been proposed since the end of the year ended 31 December 2018.

## 8. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利的計算乃基於下列數據：

	<b>2018</b> <b>2018年</b> <b>RMB'000</b> 人民幣千元	2017 2017年 RMB'000 人民幣千元
盈利		
用以計算每股基本及攤薄的盈利(本公司擁有人應佔年內利潤)	<u>49,799</u>	<u>30,195</u>
股份數量		
用以計算每股基本盈利的股份數量	<b>1,013,854,480</b>	943,906,118
攤薄潛在普通股的影响：		
購股權	<u>29,274,881</u>	<u>12,431,809</u>
用以計算每股攤薄盈利的股份數量	<u><b>1,043,129,361</b></u>	<u><b>956,337,927</b></u>

用以計算每股基本盈利的普通股數目乃根據招股章程「歷史、重組及集團架構」一節所詳述集團重組、股份合併及就貸款資本化已發行股份的紅利成分於2017年1月1日生效的假設而釐定。

此外，由於行使認沽期權會導致截至2018年12月31日止年度的每股盈利增加，故計算截至2018年12月31日止年度的每股攤薄盈利時假設附屬公司的非控股股東並未行使認沽期權。計算截至2018年及2017年12月31日止年度的每股攤薄盈利時，已作出調整以反映行使所有攤薄購股權的影響。

## 9. 股息

本公司自註冊成立以來尚未支付或宣派股息，自截至2018年12月31日止年度末亦無建議宣派任何股息。



## 10. TRADE AND NOTE RECEIVABLES

## 10. 貿易應收款項及應收票據

		As at 31 December 2018 於2018年 12月31日 <i>RMB'000</i> 人民幣千元	As at 31 December 2017 於2017年 12月31日 <i>RMB'000</i> 人民幣千元
Trade receivables	貿易應收款項	130,252	53,795
<i>Less:</i> allowance for impairment	減：減值撥備	<u>(3,148)</u>	<u>(4,322)</u>
		127,104	49,473
Note receivables	應收票據	<u>15,731</u>	<u>8,310</u>
Total trade and note receivables	貿易應收款項及應收票據總額	<u><u>142,835</u></u>	<u><u>57,783</u></u>

The Group allows a credit year ranging from 0 to 42 days to its trade customers.

本集團向貿易客戶授予0至42日的信貸年期。

The following is an aged analysis of trade receivables net of allowance for impairment at the end of the reporting period presented based on payment schedule or invoice date stated in the contracts.

下文載有貿易應收款項(減去根據合約所述付款安排呈報的各報告期末或發票日期之減值撥備)的賬齡分析。

		2018 2018年 <i>RMB'000</i> 人民幣千元	2017 2017年 <i>RMB'000</i> 人民幣千元
0 - 90 days	0至90日	96,892	30,522
91 - 180 days	91至180日	19,213	17,380
181 - 365 days	181至365日	6,759	648
Over 365 days	365日以上	<u>4,240</u>	<u>923</u>
		<u><u>127,104</u></u>	<u><u>49,473</u></u>

Aging of trade receivables which are past due but not impaired:

		2017 2017年 RMB'000 人民幣千元
0 - 90 days	0至90日	30,522
91 - 180 days	91至180日	17,380
181 - 365 days	181至365日	648
Over 365 days	365日以上	923
		<u>49,473</u>

As at 31 December 2017, included in the Group's trade receivable balances are debtors with aggregate carrying amount of RMB49,473,000 which are past due at the reporting period for which the Group has not provided for impairment loss as the Group considers such balances have been substantially settled subsequent to the end of the respective reporting period or there were no historical default of payments by the respective customers. The Group does not hold any collateral over these balances.

Note receivables are bank acceptance notes and the average aging is with 30 to 90 day based on the issuance date, which management believes that no impairment allowance is necessary as there is no significant change in credit quality and the balances are considered fully recoverable. As at 31 December 2018, all the amounts of note receivable were endorsed to settle trade payables and not derecognised until the maturity date of the notes. As at 31 December 2017, an amount of RMB5,530,000 was endorsed to settle trade payables and an amount of RMB1,000,000 was discounted to bank, which were not derecognised until the maturity date of the endorsed and discounted notes.

The management of the Group considers the note receivables are issued by the banks with high credit rating and the probability of default is low.

Movement in the allowance for impairment for trade receivables:

已逾期但無減值的貿易應收款項的賬齡如下：

計入本集團貿易應收款項結餘的為於2017年12月31日應收賬款的賬面總額為人民幣49,473,000元，該款項於報告期間逾期，本集團並未就此作出減值虧損撥備，因本集團認為有關結餘大部分已於各報告期末後結算或個別客戶過往並無欠款記錄。本集團並無就該等結餘持有任何抵押品。

應收票據為銀行承兌票據，且基於發行日期的平均賬齡為30至90日，管理層認為，由於信用質量無重大變動及該等結餘被認為可悉數收回，故無必要作出減值撥備。於2018年12月31日，已背書所有應收票據的款項以結清貿易應付款項，直至票據到期日並未終止確認。於2017年12月31日，已背書一筆人民幣5,530,000元的款項以結清貿易應付款項，而一筆人民幣1,000,000元的款項已貼現予銀行，直至背書及貼現票據到期日並未終止確認。

本集團管理層認為，該等應收票據由具有高信貸評級及違約可能性較低的銀行予以發行。

貿易應收款項減值撥備之變動：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Balance at the beginning of the year	年初結餘	4,322	3,738
Impairment losses (reversed) recognised	(撥回)已確認減值虧損	(1,174)	584
Balance at the end of year	年末結餘	<u>3,148</u>	<u>4,322</u>

Included in the balance of allowance for impairment are individually impaired trade receivables with an aggregate balance of RMB3,148,000 and RMB4,322,000 as at 31 December 2018 and 2017, respectively, with reference to the historical experience of these receivables, the collection of these receivables may not be recoverable. During the year ended 31 December 2018, RMB3,680,000 impairment loss brought forward from 31 December 2017 was reversed as the balances were fully settled by respective debtors, additional RMB2,506,000 impairment loss was recognised for individually impaired trade receivables. The Group does not hold any collateral over these balances.

Upon the adoption of IFRS 9 on 1 January 2018, the Group applies the IFRS 9 simplified approach to measure expected credit losses (“ECL”) which uses a lifetime ECL model. Trade receivables have been assessed individually based on each customer’s credit risk characteristics and the historical observed default rates adjusted by forward looking estimates. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore estimated the expected loss rates for the trade receivables and contract assets on the same basis.

The estimated loss rates, which ranged from 0.1% to 19.5% for those not credit-impaired trade receivables and contract assets and was 100% for those credit-impaired trade receivables and contract assets, are estimated based on the exposure to default of each customer, payment history of the customer, the existing relationship with the customer and study on corporate default and recovery data from international credit-rating agencies including Moody’s and Standard and Poor’s, and are adjusted for forward-looking information (for example, the macroeconomic factors affecting the industry and the impact that may result in customer ability to make payments) that is available without undue cost or effort. Such forward-looking information is used by the management of the Group to assess both the current as well as the forecast direction of conditions at the reporting dates. The Group rebutted the presumption of default under ECL mode for trade receivables over 90 days past due based on the good repayment records for those customers and continuous business with the Group.

於2018年及2017年12月31日，減值撥備結餘中包括總結餘分別為人民幣3,148,000元及人民幣4,322,000元的個別減值貿易應收款項，根據該等應收款項的過往經驗，其或會無法收回。截至2018年12月31日止年度結轉的減值虧損人民幣3,680,000元已撥回，原因為相關債務人悉數結清有關結餘，額外減值虧損人民幣2,506,000元已就個別已減值貿易應收款項予以確認。本集團並無就該等結餘持有任何抵押品。

在於2018年1月1日採納《國際財務報告準則》第9號後，本集團採用《國際財務報告準則》第9號簡化方式計量預期信貸虧損，該方式採用整個存續期預期信貸虧損模式。貿易應收款項已根據客戶各自的信貸風險特徵及經前瞻性估計調整的歷史觀察違約率進行獨立評估。合約資產涉及未出賬單在建工程，且與合約類型相同的貿易應收款項具有大致相同的風險特徵。因此，本集團已按同一基準對貿易應收款項及合約資產估計預期虧損率。

估計虧損率(未出現信貸減值的貿易應收款項及合約資產的估計虧損率介乎0.1%至19.5%，出現信貸減值的貿易應收款項及合約資產的估計虧損率為100%)乃基於各客戶違約風險、客戶歷史付款記錄、與客戶的現有關係及國際信貸評級機構(包括穆迪及標準普爾)對公司違約及回收數據的研究進行估計，並就無需付出不必要的成本或努力而可得的前瞻性資料(例如，影響行業及影響客戶付款能力的宏觀經濟因素)進行調整。本集團管理層利用該前瞻性資料來評估報告日期時的當前狀況及其預測方向。本集團基於該等客戶的良好還款記錄及與本集團的持續業務駁回預期信貸虧損模式下貿易應收款項逾期90日以上的違約推定。

## 11. CONTRACT ASSETS/LIABILITIES

Contract assets	合約資產
Contract liabilities	合約負債

As at 31 December 2018 and 2017, contract assets include retention receivables of approximately RMB 9,209,000 and RMB9,427,000, respectively, were held by customers under contracts as set out below. The Group generally provide their customers with one to two years warranty period. Upon the expiration of retention period, if the relevant hazardous wastage processing plant has met the requirements in the contract, the customers provides a final inspection and acceptance certificate and pay the retention within the term specified in the contract.

As at 31 December 2018 and 2017, the allowance for impairment of contract assets is approximately RMB3,923,000 and RMB1,845,000, respectively.

The changes in contract assets and liabilities are due to i) adjustments arising from changes in the measure of progress of contracting work, or ii) reclassification to trade receivables when the Group has unconditional right to the consideration.

All the contract liabilities are expected to be recognised as revenue in the following year.

Upon the adoption of IFRS 9 on 1 January 2018, the contract assets are subject to ECL assessment same as the trade and note receivables as detailed in Note 10.

During the year ended 31 December 2018, the lifetime ECL allowance for contract assets amounting to RMB2,073,000 (2017: nil) is recognised in profit or loss.

## 11. 合約資產／負債

	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Contract assets	<u>176,973</u>	<u>69,372</u>
Contract liabilities	<u>72,885</u>	<u>67,779</u>

於2018年及2017年12月31日，合約資產中包括應收保留金約人民幣9,209,000元及人民幣9,427,000元。該等應收保留金性質如下所述，本集團一般向其客戶提供一至兩年的保修期。於保留期屆滿之時，若相關危險廢物處理廠已滿足合約所列要求，客戶將進行最後檢驗並提供驗收合格證書，且於合約規定的期限內支付保留金。

於2018年及2017年12月31日，合約資產減值撥備分別約為人民幣3,923,000元及人民幣1,845,000元。

合約資產及負債的變動乃由於i)因合約工程進度的衡量標準變動而產生的調整，或ii)本集團擁有無條件收款權時重新分類至貿易應收款項。

預期所有合約負債將於下一年度確認為收入。

於2018年1月1日採用《國際財務報告準則》第9號後，合約資產受預期信貸虧損評估所規限，與附註10所詳述的貿易應收款項及應收票據一致。

截至2018年12月31日止年度，人民幣2,073,000元(2017年：無)的合約資產整個存續期預期信貸虧損撥備已於損益中確認。

## 12. TRADE PAYABLES

The table below sets forth, as at the end of reporting periods indicated, the aging analysis of the trade payables:

0 - 90 days	0 至 90 日
91 - 180 days	91 至 180 日
181 - 365 days	181 至 365 日
Over 365 days	365 日以上

There is no specific credit period granted on purchase of goods and services.

## 12. 貿易應付款項

下表載列於所示報告期末的貿易應付款項賬齡分析：

	As at 31 December 2018 於 2018 年 12 月 31 日 RMB'000 人民幣千元	As at 31 December 2017 於 2017 年 12 月 31 日 RMB'000 人民幣千元
	80,692	30,729
	952	824
	2,271	16
	159	1,301
	<u>84,074</u>	<u>32,870</u>

本公司並無就購買商品及服務被授予特定的信貸期。



### I. BUSINESS REVIEW

The Group is a leading comprehensive hazardous waste incineration turnkey solution provider in China focused on the research, design, integration and commissioning of solid waste treatment systems, particularly for hazardous waste incineration. Leveraging its experience and expertise in hazardous waste incineration, the Group has expanded its offerings to other areas of solid waste treatment, such as thermal desorption of oil sludge, pyrolysis treatment of solid waste and cement plant parallel kiln co-treatment. The Group conduct research and development of technologies related to these new areas and have successfully applied some of them to its new solid waste treatment projects.

In 2018, the Group primarily engaged in and generated a substantial portion of the revenue from the design, integration and commissioning of hazardous waste incineration systems in China.

#### **Provision of Hazardous Waste Incineration Solutions**

Before 2018, the Group has 7 completed hazardous waste incineration projects with aggregate designed disposal capacity of 110,000 tonnes per annum which were passed to the Group's customers in normal operation. In 2018, the Group completed 5 more hazardous waste incineration projects which located in Hebei, Guangdong and Jiangxi with an aggregate designed disposal capacity of approximately 105,000 tonnes per annum. As at 31 December 2018, the Group took 17 outstanding hazardous waste incineration projects on hand, covering 17 cities in China with an aggregate designed disposal capacity of approximately 436,000 tonnes per annum. The table below sets out the summary of the completed hazardous waste incineration projects in 2018 and the outstanding hazardous waste incineration projects as at 31 December 2018:

### I. 業務回顧

本集團是中國領先的綜合危險廢物焚燒處置整體解決方案提供商，專注於固體廢物處理系統(尤其是危險廢物焚燒處置系統)的研究、設計、集成及調試。憑藉本集團在危險廢物焚燒處置方面的經驗及專業知識，本集團已將業務擴展至固體廢物處理的其他領域，如油泥熱脫附、固體廢物的無氧裂解處理及水泥回轉窯平行協同處置。本集團開展與該等新領域相關的技術研發，並已成功地將部分研發成果應用於新的固體廢物處理項目。

於2018年，本集團主要在中國提供危險廢物焚燒處置系統的設計、集成及調試，並自其中產生很大一部分收入。

#### **提供危險廢物焚燒處置解決方案**

於2018年前，本集團完成了7個危險廢物焚燒處置項目並已於正常運營下轉交予本集團的客戶，累計設計處置能力為110,000噸/年。於2018年，本集團額外完成了5個位於河北、廣東及江西的危險廢物焚燒處置項目，累計設計處置能力約為105,000噸/年。於2018年12月31日，本集團手上有17個危險廢物焚燒處置項目尚未完工，遍佈中國17個城市，累計設計處置能力約為436,000噸/年。下表載列於2018年竣工危險廢物焚燒處置項目及於2018年12月31日尚未完工危險廢物焚燒處置項目的概要：



Completed hazardous waste incineration projects in 2018:

於2018年竣工的危險廢物焚燒處置項目：

No.	Project		Designed Disposal/Treatment Capacity (tonnes per annum) 設計處置／處理能力 (噸／年)
編號	項目		
1	Hebei Hengshui hazardous waste incineration project	河北衡水危廢焚燒處置項目	20,000
2	Solid Waste Comprehensive Treatment Centre of Qingyuan Overseas Chinese Industrial Park hazardous waste incineration project	清遠華僑工業園固體廢物綜合處置中心危廢焚燒處置項目	20,000
3	Fujian Quanzhou hazardous waste incineration project	福建泉州危廢焚燒處置項目	20,000
4	Jiujiang hazardous waste incineration project	九江危廢焚燒處置項目	20,000
5	Fujian Nanping hazardous waste incineration project	福建南平危廢焚燒處置項目	25,000
	<b>Total</b>	<b>總計</b>	<b>105,000</b>

\* Completed project is defined as which the system functionality evaluation is completed.

\* 已竣工項目界定為完成系統功能性評估的項目。

Outstanding hazardous waste incineration projects as at 31 December 2018:

於2018年12月31日尚未完工的危險廢物焚燒處置項目：

No.	Project		Designed Disposal/Treatment Capacity (tonnes per annum) 設計處置／處理能力 (噸／年)
編號	項目		
1	Shandong Weifang hazardous waste incineration project	山東濰坊危險廢物焚燒處置項目	50,000
2	Taixing Economic Development Zone hazardous waste Incineration project	江蘇省泰興經濟開發區危險廢物焚燒處置項目	30,000
3	Jiangxi Ganzhou hazardous waste incineration project	江西贛州危廢焚燒處置項目	20,000
4	Shanghai hazardous waste incineration project	上海危廢焚燒處置項目	25,000
5	Yantai hazardous waste incineration project	煙台危廢焚燒處置項目	30,000
6	Nantong hazardous waste incineration project	南通危廢焚燒處置項目	25,000
7	Xiamen hazardous waste incineration project	廈門危廢焚燒處置項目	20,000
8	Shaoxing hazardous waste incineration project	紹興危廢焚燒處置項目	20,000
9	Suzhou Industrial Park solid waste comprehensive treatment project	蘇州工業園固廢危綜合處理項目	30,000

No.	Project		Designed Disposal/Treatment Capacity (tonnes per annum) 設計處置／處理能力 (噸／年)
編號	項目		
10	Fuzhou hazardous waste incineration project	福州危廢焚燒處置項目	20,000
11	Hubei Yaojiagang industrial waste treatment and utilisation project I	湖北姚家港工業廢物處理及資源化項目一期	30,000
12	Hebei Tangshan Caofeidian hazardous waste incineration project	河北唐山曹妃甸危險廢物焚燒處置項目	20,000
13	Sichuan Chengdu hazardous waste incineration project II	四川成都危險廢物處置中心二期	30,000
14	Jiangsu Nanjing hazardous waste incineration project	江蘇南京危險廢物焚燒處置項目	21,000
15	Foshan hazardous waste incineration project	佛山危廢焚燒處置項目	30,000
16	Dongguan hazardous waste incineration project	東莞危廢焚燒處置項目	20,000
17	Henan Puyang hazardous waste incineration project	河南濮陽危廢焚燒處置項目	15,000
	<b>Total</b>	<b>總計</b>	<b>436,000</b>

**(i) General increase in market demand**

There was a general increase in market demand driven by various factors such as the increasing hazardous waste suitable for incineration, the increasing number of centralised incineration facilities as well as favourable government policy support.

**(ii) Increased customer recognition**

The Group has been focusing on hazardous waste incineration treatment solutions to the facility operators and other customers with large solid waste output and environmental compliance needs. With many years of experience, the Group has gradually accumulated an extensive knowledge pool and has built its brand recognition among hazardous waste treatment facility operators in China. The increased customer recognition facilitates the Group's exploration of new customers and it is able to obtain more projects through customers' referral.

**(i) 市場需求整體增長**

市場需求受各項因素推動而整體增長，如適用於焚燒的危險廢物增加、集中焚燒設施數量增加及政府有利政策支持。

**(ii) 客戶認可度提升**

本集團一直專注於為設施運營商及具有大量固體廢物產生量及環境合規需求的其他客戶提供危險廢物焚燒處置解決方案。憑藉多年經驗，本集團已逐步積累廣泛的知識庫，並在中國危險廢物處理設施運營商中建立我們的品牌知名度。客戶認可度的提升促使本集團挖掘新客戶，而且本集團有能力通過客戶的轉介獲得更多項目。

### **Provision of Oil Sludge Thermal Desorption Solution**

In the 4th quarter of 2018, the first thermal desorption project of the Group which located in Karamay, Xinjiang, has already commenced operation and generated revenue amounted to RMB10.7 million.

### **Provision of Pyrolysis Treatment of Solid Waste Solution**

In 2018, we had entered into a service contract with a paper manufacturer in Shandong province for the commissioning and operation of waste paper residues pyrolysis project with designed disposal capacity of approximately 15,000 tonnes per annum. Up to 26 March 2019, this project is in the process of environmental assessment and expected to commence operation in 2019.

We also entered into a contract with a waste new energy batteries recycling company in Hunan province for the design, integration and commissioning of waste new energy batteries pyrolysis project with designed disposal capacity of approximately 14,000 tonnes per annum. The contract amount is RMB27.0 million and up to 26 March 2019, this project is in the process of solution design.

### **Provision of Cement Plant Co-treatment of Hazardous Waste Solution**

In 2018, we had entered into a letter of intent with the cement producer and we were in the process of negotiating the commercial terms with this cement producer for the Co-treatment Cooperation.

### **提供油泥熱脫附解決方案**

於2018年第四季度，本集團首個新疆克拉瑪依熱脫附項目已開始營運，並產生了收入人民幣10.7百萬元。

### **提供固體廢物的無氧裂解處理解決方案**

於2018年，我們就廢紙渣無氧裂解項目的調試及運營與山東省的一家造紙商訂立服務合約，設計處置能力約為15,000噸／年。截至2019年3月26日，該項目正在進行環境評估，預計將於2019年開始營運。

我們亦就廢舊新能源電池無氧裂解項目的設計、集成及調試與湖南省的一家廢舊新能源電池回收商訂立合約，設計處置能力約為14,000噸／年。合約金額為人民幣27.0百萬元，而截至2019年3月26日，該項目正處於設計解決方案階段。

### **提供水泥廠協同處理危險廢物解決方案**

於2018年，我們已與水泥生產商簽訂意向書，且正在與該水泥生產商就協同處置合作協商商業條款。

## II. FINANCIAL POSITION AND OPERATING RESULTS

The overall operating results of the Group for 2018 has grown substantially as compared with 2017; and the financial conditions of the Group for 2018 maintained steady which strongly supported the Group's strategic development. The operating revenue increased significantly as the Group successfully seized strategic opportunities under the enhanced environmental management in the PRC. After deduction of the effects from decrease in gross profit margin rate, the profit increased substantially as compared to that of 2017. The Group continued to low asset-liability ratio and maintain sufficient cash resource to lay a solid foundation for the Group's development. The Group also successfully tapped into new areas of thermal desorption of oil sludge, pyrolysis treatment of solid waste and cement plant parallel kiln co-treatment.

### Revenue

Revenue increased by 153.5% from RMB189.4 million for the year ended 31 December 2017 to RMB480.1 million for the year ended 31 December 2018. This increase was mainly attributable to the rapid growth of our hazardous waste incineration treatment business.

The Group derived the majority of its revenue from provision of hazardous waste incineration solutions and the remainder from provision of oil sludge thermal desorption solution, pyrolysis solid waste treatment solutions and other services including technical upgrading and maintenance services.

## II. 財務狀況及經營業績

與2017年相比，本集團於2018年的整體經營業績錄得大幅增長，而本集團於2018年的財務狀況維持穩定，為本集團的戰略發展提供強而有力的支持。本集團把握中國加強環境管理所帶來的戰略機遇，經營收入因而大幅增加。撇除毛利率下降的影響後，利潤較2017年大幅增長。本集團資產負債率持續低企維持足夠現金資源，為本集團的發展奠定了堅實的基礎。本集團亦成功開拓新範疇，包括油泥熱脫附、固體廢物的無氧裂解處理及水泥回轉窯平行協同處置。

### 收入

收入從截至2017年12月31日止年度的人民幣189.4百萬元增加153.5%至截至2018年12月31日止年度的人民幣480.1百萬元。該增長主要歸因於危險廢物焚燒處置業務快速增長。

本集團的大部分收入來自提供危險廢物焚燒處置解決方案，剩餘收入來自提供油泥熱脫附解決方案、固體廢物的無氧裂解處理解決方案及其他服務（包括技術升級及維護服務）。

Revenue from hazardous waste incineration solutions increased by 152.6% from RMB176.1 million for the year ended 31 December 2017 to RMB444.8 million for the year ended 31 December 2018. This increase was mainly driven by a combination of favourable factors below:

**(i) General increase in market demand**

According to Frost & Sullivan, the total revenue of solution providers for large-scale centralized hazardous waste incineration facilities in China increased at a CAGR of 42.3% from 2013 to 2017, and is expected to increase from 2018 to 2022 at a CAGR of 7.7% and achieve RMB1,688 million in 2022.

**(ii) Increased customer recognition**

As at 31 December 2018, the Group had business relationships with five of the ten largest centralized hazardous waste treatment facility operators in China and established stable partnership relationship with them. Benefit from the Group's outstanding industry reputation, the Group won 4 new customers in 2018.

The Group's revenue generated from the provision of oil sludge thermal desorption solution for the year ended 31 December 2018 amounted to RMB10.7 million (2017: nil), which were attributable to the Group's first oil sludge thermal desorption project commenced operation in 2018.

The Group recognized revenue from the provision of pyrolysis treatment of solid waste solution amounted to RMB4.1 million (2017: nil) due to the Jiangmen project progress in 2018.

危險廢物焚燒處置解決方案的收入從截至2017年12月31日止年度的人民幣176.1百萬元增加152.6%至截至2018年12月31日止年度的人民幣444.8百萬元。該增長主要由下列各項有利因素共同推動：

**(i) 市場需求整體增長**

根據弗若斯特沙利文的資料，中國大型危險廢物集中焚燒處置設施的解決方案提供商的總收入自2013年至2017年以42.3%的年複合增長率增加，並預計將自2018年至2022年以7.7%的年複合增長率增加，並於2022年達至人民幣1,688百萬元。

**(ii) 客戶認可度提升**

於2018年12月31日，中國十大集中危廢處理設施運營商中有五家與本集團有業務關係，且合作關係穩定。憑藉本集團於業界享有良好聲譽，本集團於2018年贏得4名新客戶。

截至2018年12月31日止年度，本集團來自提供油泥熱脫附解決方案的收入為人民幣10.7百萬元(2017年：無)，歸因於本集團首個油泥熱脫附項目已於2018年開始營運。

由於江門項目於2018年取得進展，本集團已確認來自提供固體廢物的無氧裂解處理解決方案的收入人民幣4.1百萬元(2017年：無)。



Revenue from other services (including technical upgrading services and maintenance services) increased by 55.3% from RMB13.2 million for the year ended 31 December 2017 to RMB20.5 million for the year ended 31 December 2018. This increase was attributable to the customer demand for maintenance of hazardous waste incineration projects increase, which is in line with the Group's expansion in hazardous waste incineration business.

### Cost of Services

Cost of services increased by 179.2% from RMB127.3 million for the year ended 31 December 2017 to RMB355.4 million for the year ended 31 December 2018. This increase was mainly attributable to the increase in cost of services for the Group's hazardous waste incineration treatment business.

Cost of services for the Group's hazardous waste incineration treatment business consists primarily of (i) cost of equipment and materials; (ii) direct labour costs; (iii) sub-contracting costs; and (iv) others.

The cost of services for the Group's hazardous waste incineration treatment business increased by 188.5% from RMB114.8 million for the year ended 31 December 2017 to RMB331.2 million for the year ended 31 December 2018. This increase was mainly due to the Group's expansion in hazardous waste incineration business.

來自其他服務的收入(包括技術升級及維護服務)從截至2017年12月31日止年度的人民幣13.2百萬元增加55.3%至截至2018年12月31日止年度的人民幣20.5百萬元。該增長歸因於客戶對維護危險廢物焚燒處置項目的需求有所增加，符合本集團在危險廢物焚燒處置業務的業務擴展。

### 服務成本

服務成本從截至2017年12月31日止年度的人民幣127.3百萬元增加179.2%至截至2018年12月31日止年度的人民幣355.4百萬元。該增長主要歸因於本集團的危險廢物焚燒處置業務的服務成本上漲。

本集團危險廢物焚燒處置業務的服務成本主要包括：(i)設備及材料成本；(ii)直接人工成本；(iii)分包成本；及(iv)其他。

本集團危險廢物焚燒處置業務的服務成本從截至2017年12月31日止年度的人民幣114.8百萬元增加188.5%至截至2018年12月31日止年度的人民幣331.2百萬元。該增長主要歸因於本集團在危險廢物焚燒處置的業務擴展。



The Group's cost of services generated for provision of oil sludge thermal desorption solution for the year ended 31 December 2018 amounted to RMB2.8 million (2017: nil), which were attributable to the Group's first oil sludge thermal desorption project commenced operation in 2018. The cost of services for provision of oil sludge thermal desorption solution primarily consist of energy consumption, depreciation, staff cost and other miscellaneous expenses.

Cost of services for other services increased by 48% from RMB12.5 million for the year ended 31 December 2017 to RMB18.5 million for the year ended 31 December 2018. This increase was attributable to the customer demand for maintenance of hazardous waste incineration projects increase, which is in line with the Group's expansion in hazardous waste incineration business.

### **Gross Profit and Gross Profit Margin**

The Group's gross profit increased by 100.8% from RMB62.1 million for the year 2017 to RMB124.7 million for the year 2018, while the gross profit margin decrease from 32.8% for the year ended 31 December 2017 to 26.0% for the year ended 31 December 2018.

The following table sets out the Group's gross profit and gross profit margin for each of the business segments for the periods stated.

截至2018年12月31日止年度，本集團來自提供油泥熱脫附解決方案的服務成本為人民幣2.8百萬元(2017年：無)，歸因於本集團首個油泥熱脫附項目已於2018年開始營運。提供油泥熱脫附解決方案的服務成本主要包括能源耗用、折舊、人工成本及其他雜項開支。

來自其他服務的服務成本從截至2017年12月31日止年度的人民幣12.5百萬元增加48%至截至2018年12月31日止年度的人民幣18.5百萬元。該增長歸因於客戶對維護危險廢物焚燒處置項目的需求有所增加，符合本集團在危險廢物焚燒處置的業務擴展。

### **毛利及毛利率**

本集團的毛利從2017年的人民幣62.1百萬元增加100.8%至2018年的人民幣124.7百萬元，而毛利率從截至2017年12月31日止年度的32.8%減少至截至2018年12月31日止年度的26.0%。

下表載列於所述期間本集團各業務分部的毛利及毛利率。

		Gross profit 毛利		GP margin 毛利率	
		2018 2018年 RMB million 人民幣百萬元	2017 2017年 RMB million 人民幣百萬元	2018 2018年 RMB million 人民幣百萬元	2017 2017年 RMB million 人民幣百萬元
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案	113.6	61.4	25.5%	34.8%
Pyrolysis solid waste treatment solutions	無氧裂解固體廢物處置 解決方案	1.2	—	29.3%	N/A 不適用
Oil sludge thermal desorption treatment services	油泥熱脫附處理服務	7.9	—	73.8%	N/A 不適用
Technical upgrading services	技術升級服務	0.6	0.4	5.4%	3.5%
Maintenance services	維護服務	1.4	0.3	14.9%	16.7%
Total	合計	<u>124.7</u>	<u>62.1</u>	26.0%	32.8%

The gross profit of hazardous waste incineration solutions increased by 85.0% from RMB61.4 million for the year ended 31 December 2017 to RMB113.6 million for the year ended 31 December 2018. This increase was mainly attributable to the rapid growth of our hazardous waste incineration treatment business. The gross profit margin of hazardous waste incineration solutions decreased from 34.8% for the year ended 31 December 2017 to 25.5% for the year ended 31 December 2018 primarily due to (i) the Company has adjusted the project price of the hazardous waste incineration solutions in view of the intense competition in the market and in order to scale up our operations and obtain more market share; and (ii) the Company has procured equipment and materials with higher cost for installation of certain hazardous incineration systems so as to improve the quality of our systems, enhance our corporate brand and maintain better relationship with our customers.

危險廢物焚燒處置解決方案的毛利從截至2017年12月31日止年度的人民幣61.4百萬元增加85.0%至截至2018年12月31日止年度的人民幣113.6百萬元。該增長主要歸因於危險廢物焚燒處置業務快速增長。危險廢物焚燒處置解決方案的毛利率從截至2017年12月31日止年度的34.8%減少至截至2018年12月31日止年度的25.5%，主要由於(i)鑒於市場競爭激烈及為擴大我們的業務規模並取得更多市場份額，本公司已調整危險廢物焚燒處置解決方案的項目價格；及(ii)為提高我們系統的質量、提升我們的公司品牌及維持與客戶的良好關係，本公司以較高的成本採購了用於安裝若干危險廢物焚燒系統的設備及材料。

The gross profit of provision of oil sludge thermal desorption solution for the year ended 31 December 2018 amounted to RMB7.9 million (2017: nil), which were attributable to the Group's first oil sludge thermal desorption project commenced operation in 2018. The gross profit margin of provision of oil sludge thermal desorption solution was 73.8% for the year ended 31 December 2018 (2017: nil).

The gross profit of other services increased by 185.7% from RMB0.7 million for the year ended 31 December 2017 to RMB2.0 million for the year ended 31 December 2018. This increase was attributable to the customers' demand for maintenance of hazardous waste incineration projects increase, which is in line with the Group's expansion in hazardous waste incineration business. The gross profit margin of other services increased from 5.3% for the year ended 31 December 2017 to 9.8% for the year ended 31 December 2018 primarily due to the proportion of the maintenance services in the total other services increase, which had higher gross profit margin than the technical upgrading services.

### **Other Income, Gains and Losses**

The Group's other income and gains increased by 237.5% from RMB2.4 million for the year ended 31 December 2017 to RMB8.1 million for the year ended 31 December 2018, primarily attributable to 1) compensation revenue amounted to RMB3.8 million by a counterparty for its default of contract in relation to a hazardous waste incineration project in Suzhou; 2) foreign exchange gains amounted to RMB3.2 million due to depreciation of HK Dollars against RMB which affected the monetary assets and liabilities denominated in HK Dollars.

截至2018年12月31日止年度，提供油泥熱脫附解決方案的毛利為人民幣7.9百萬元(2017年：無)，歸因於本集團首個油泥熱脫附項目已於2018年開始營運。截至2018年12月31日止年度，提供油泥熱脫附解決方案的毛利率為73.8%(2017年：無)。

其他服務的毛利從截至2017年12月31日止年度的人民幣0.7百萬元增加185.7%至截至2018年12月31日止年度的人民幣2.0百萬元。該增長歸因於客戶對維護危險廢物焚燒處置項目的需求有所增加，符合本集團向其他固體廢物處理的業務擴展。其他服務的毛利率從截至2017年12月31日止年度的5.3%增加至截至2018年12月31日止年度的9.8%，主要由於維護服務於全部其他服務的所佔百分比增加，並取得高於技術升級服務的毛利率。

### **其他收入、收益及虧損**

本集團的其他收入及收益從截至2017年12月31日止年度的人民幣2.4百萬元增加237.5%至截至2018年12月31日止年度的人民幣8.1百萬元，主要歸因於1)因對手方違反有關蘇州的危險廢物焚燒處置項目合約而產生賠償收入人民幣3.8百萬元；2)於因港元兌人民幣貶值影響了以港元計值的貨幣資產及負債，導致外匯收益錄得人民幣3.2百萬元。

## Administrative Expenses

The Group's administrative expenses increased by 138.5% from RMB11.7 million for the year ended 31 December 2017 to RMB27.9 million for the year ended 31 December 2018, primarily attributable to (i) an increase in staff salaries and benefits of RMB7.1 million as the Company has hired more staff for role of management, finance and administration for the business growth, and recognised share option expense amounted to RMB2.2 million; (ii) an increase in professional fees of RMB3.0 million as more professionals has been engaged to provide consultancy services in relation to the business operations, financial management and strategic development; and (iii) an increase of approximately RMB2.0 million for certain advertising activities with an aim to enhance corporate recognition of the Company and for other miscellaneous administrative expenses for the expanded business.

## Other Expenses

Other expenses include (i) listing expenses; and (ii) research and development expenses, including staff costs, material and other related costs mainly in connection with the research and development of solid waste treatment applications.

The listing expenses of the Company was approximately RMB12.3 million in connection for the year ended 31 December 2018, which included in the professional fees and other fees.

The Group's research and development expenses increased by 104.9% from RMB8.2 million for the year ended 31 December 2017 to RMB16.8 million for the year ended 31 December 2018, primarily attributable to the Group continued our focus of research and development on hazardous waste incineration solutions and new area.

## 行政開支

本集團的行政開支從截至2017年12月31日止年度的人民幣11.7百萬元增加138.5%至截至2018年12月31日止年度的人民幣27.9百萬元，主要歸因於於(i)本公司因業務增長而增聘管理、財務及行政職能方面的人員，並已確認購股權開支人民幣2.2百萬元，令員工薪資及福利增加人民幣7.1百萬元；(ii)就業務營運、財務管理及戰略發展委聘更多專業人士以提供諮詢服務，令專業費用增加人民幣3.0百萬元；及(iii)若干廣告活動費用增加約人民幣2.0百萬元，以提高本公司的企業知名度及用於業務擴張的其他雜項行政開支。

## 其他開支

其他開支包括(i)上市開支；及(ii)研發開支(包括主要與固體廢物處理應用研發有關的人工成本、材料及其他相關成本)。

截至2018年12月31日止年度，本公司的上市開支約為人民幣12.3百萬元，當中已計入專業費用及其他費用。

本集團的研發開支從截至2017年12月31日止年度的人民幣8.2百萬元增加104.9%至截至2018年12月31日止年度的人民幣16.8百萬元，主要歸因於本集團繼續專注於研發危險廢物焚燒處置解決方案及新技術領域。

## Finance costs

The Group's finance costs increased by 1,400% from RMB0.4 million for the year ended 31 December 2017 to RMB6.0 million for the year ended 31 December 2018, primarily attributable to the interest on obligation arising from a put option amounted to RMB5.5 million for the year ended 31 December 2018.

On 4 April 2018, the Group entered into two joint venture agreements with Orient Landscape Group Environmental Protection Co., Ltd. ("Orient Landscape") for the investment in Guangzhou Weigang. Pursuant to such agreements, the Group granted Orient Landscape a put option, which if the Listing does not take place on or before 3 April 2020, Orient Landscape is entitled to require the Group to purchase all of the equity interest in Guangzhou Weigang held by Orient Landscape at a price equal to the sum of (i) the Subscription Price plus an interest of 8% per annum and (ii) any declared but unpaid dividends.

Pursuant to the put option aforementioned, the investment from Orient Landscape is recognised as obligation arising from a put option, and the corresponding interest of 8% per annum during 2018 is recognised in obligation arising from a put option and profit or loss. Pursuant to such agreements aforementioned, as the Listing of the Company already succeeded, the put option lapsed and all the previously recognised interest expenses will be reversed through equity at the Listing date of the Company in 2019 without any payment to Orient Landscape.

## Income Tax Expense

Income tax expense consists of current tax and deferred tax for PRC enterprise income tax.

## 融資成本

本集團的融資成本自截至2017年12月31日止年度的人民幣0.4百萬元增加1,400%至截至2018年12月31日止年度的人民幣6.0百萬元，主要歸因於認沽期權所產生責任的利息截至2018年12月31日止年度錄得人民幣5.5百萬元。

於2018年4月4日，本集團與東方園林集團環保有限公司（「東方園林」）就投資廣州維港訂立兩份合資協議。根據該等協議，本集團向東方園林授予一項認沽期權，而倘上市未在2020年4月3日或之前進行，則東方園林有權要求本集團購買東方園林所持廣州維港的全部股本權益，價格等於以下各項的總和：(i)認購價加8%的年息；及(ii)任何已宣派但未支付的股息。

根據上述認沽期權，東方園林的投資確認為認沽期權產生的責任，以及於2018年相應的8%年息於認沽期權產生的責任及損益中確認。根據上述該等協議，由於本公司已成功上市，認沽期權已失效，而所有過往確認的利息費用將於2019年公司上市之日起全部通過權益科目轉回而毋須向東方園林作任何付款。

## 所得稅開支

所得稅開支包括中國企業所得稅的即期稅項及遞延稅項。



The Company operated business principally through its PRC subsidiaries which were subject to the PRC enterprise income tax at a statutory rate of 25% on its estimated assessable profits for the year ended 31 December 2018 (2017: 25%). Guangzhou Weigang was recognised as a “High and New Technology Enterprise” in 2016 and was entitled to a preferential PRC income tax rate of 15% for each of 2016, 2017 and 2018 and such recognition can be applied for renewal every three years.

The Group’s effective tax rate decreased from 18.1% for the year ended 31 December 2017 to 15.6% for the year ended 31 December 2018, primarily due to the Group had super-deduction on R&D expenses for income tax amounted to RMB3.1 million for the year ended 31 December 2018.

### **Profit for the Year**

Profit for the year increased by 92.6% from RMB29.8 million for the year ended 31 December 2017 to RMB57.4 million for the year ended 31 December 2018 mainly due to the Groups rapid growth in business. The net profit margin decrease from 15.7% for the year ended 31 December 2017 to 12.0% for the year ended 31 December 2018 mainly due to the decrease of gross profit margin.

### **Liquidity and Capital Resources**

The Group’s principal capital requirements are to pay for working capital needs and capital expenditures on equipment and intangible assets. The Group met these capital requirements by relying on its cash at banks, net cash flows from operating activities and net proceeds from the Listing as its principal source of funding. The Directors are of the view that the Group has sufficient working capital required for the Group’s operations at present and for the year ending 31 December 2019.

本公司主要透過中國附屬公司運營業務，該等附屬公司於截至2018年12月31日止年度就估計應課稅利潤按25%（2017年：25%）的法定稅率繳納中國企業所得稅。廣州維港於2016年被評為「高新技術企業」，並有權於2016年、2017年及2018年各年度享受15%的中國所得稅稅率優惠。該項認可每三年可申請續期。

本集團的實際稅率從截至2017年12月31日止年度的18.1%減少至截至2018年12月31日止年度的15.6%，主要由於本集團截至2018年12月31日止年度有關所得稅的加計扣除研發開支為人民幣3.1百萬元。

### **年內利潤**

年內利潤從截至2017年12月31日止年度的人民幣29.8百萬元增加92.6%至截至2018年12月31日止年度的人民幣57.4百萬元，主要由於本集團的業務快速增長。淨利率從截至2017年12月31日止年度的15.7%減少至截至2018年12月31日止年度的12.0%，主要由於毛利率減少。

### **流動性及資本資源**

本集團的主要資金需求乃為營運資金需求以及設備及無形資產的資本開支付款。本集團依靠銀行存款、經營活動所得現金流量淨額及上市所得款項淨額作為其主要資金來源來滿足該等資金需求。董事認為，本集團具有充裕營運資金以應付本集團目前及截至2019年12月31日止年度的運營所需。

## Trade and note receivables

The increase in trade and note receivables from RMB57.8 million as at 31 December 2017 to RMB142.8 million as at 31 December 2018 was primarily due to an increase in the total number of ongoing hazardous waste incineration projects.

The average trade receivables turnover days decreased from 76.9 days in 2017 to 67.1 days in 2018 as the Group continued to spend more efforts in collecting trade receivables in a timely manner.

## Trade payables

The increase in trade payables from RMB32.9 million as at 31 December 2017 to RMB84.1 million as at 31 December 2018 was primarily due to an increase in the procurement of equipment and materials, as well as subcontracting services which was generally in line with the expanded business and number of outstanding projects of hazardous waste incineration at the end of 2018.

The average trade payables turnover days decreased from 61.4 days in 2017 to 60.1 days in 2018 as the Group intended to maintain steady trade payables turnover days.

## Contract assets

The increase in contract assets from RMB69.4 million as at 31 December 2017 to RMB177.0 million as at 31 December 2018 was primarily due to an increase in our total number of ongoing hazardous waste incineration projects.

## Contract liabilities

The increase in contract liabilities from RMB67.8 million as at 31 December 2017 to RMB72.9 million as at 31 December 2018 was primarily due to an increase in our total number of ongoing hazardous waste incineration projects.

## 貿易應收款項及應收票據

貿易應收款項及應收票據自2017年12月31日的人民幣57.8百萬元增加至2018年12月31日的人民幣142.8百萬元，主要原因是正在進行的危險廢物焚燒處置項目總數增加。

貿易應收款項的平均周轉日數自2017年的76.9日減至2018年的67.1日，原因是本集團繼續加倍努力及時收回貿易應收款項。

## 貿易應付款項

貿易應付款項自2017年12月31日的人民幣32.9百萬元增加至2018年12月31日的人民幣84.1百萬元，主要原因是我們採購的設備和材料增加以及分包服務總體符合我們的業務擴張及2018年底正在進行的危險廢物焚燒處置項目數量。

貿易應付款項的平均周轉日數自2017年的61.4日減至2018年的60.1日，原因是本集團有意保持穩定的貿易應付款項平均周轉日數。

## 合約資產

合約資產自2017年12月31日的人民幣69.4百萬元增加至2018年12月31日的人民幣177.0百萬元，主要原因是正在進行的危險廢物焚燒處置項目總數增加。

## 合約負債

合約負債自2017年12月31日的人民幣67.8百萬元增加至2018年12月31日的人民幣72.9百萬元，主要原因是正在進行的危險廢物焚燒處置項目總數增加。

## Bank Borrowings

As at 31 December 2018, the Group had bank borrowings of RMB10.0 million provided by a commercial bank in China with personal guarantees provided by the Group's controlling shareholder, Mr. Cai, and his spouse, Ms. Huang Ying (2017: RMB11.0 million).

## Capital Expenditure

For the year ended 31 December 2018, the Group's material capital expenditure amounted to approximately RMB11.7 million (2017: RMB17.3 million), mainly used for (1) the purchase of oil sludge treatment facility for the Group's first thermal desorption project in Karamay, which has commenced operation in 2018; (2) the purchase of patents for pyrolysis solid waste treatment methods, which is the Group's key R&D area in the future.

## Capital Commitment

As at 31 December 2018, the Group had capital commitment amounted to RMB4.6 million (2017: RMB6.5 million) which consisted mainly of payments to be made for the waste paper residues pyrolysis project in Shandong province.

## Pledge of Assets

As at 31 December 2018, the Group had pledged deposits of RMB43.9 million (2017: RMB8.9 million) mainly for (1) deposit for bank acceptance which the Groups issued to its suppliers amounted to RMB10.3 million; and (2) deposit for bank guarantee given to several customers for performance obligation fulfilment amounted to RMB33.6 million.

## Contingent Liabilities

As at 31 December 2018, the Group had no material contingent liabilities.

## 銀行借款

於2018年12月31日，本集團獲一家中國商業銀行提供銀行借款為人民幣10.0百萬元，有關借款由本集團控股股東蔡先生及其配偶黃瑛女士提供個人擔保(2017年：人民幣11.0百萬元)。

## 資本開支

截至2018年12月31日止年度，本集團的重大資本開支約為人民幣11.7百萬元(2017年：人民幣17.3百萬元)，主要用於(1)就本集團首個新疆克拉瑪依熱脫附項目購買油泥處理設施，該項目已於2018年開始營運；(2)購買無氧裂解技術固體廢物處理方法的專利，其屬本集團日後的主要研發範疇。

## 資本承擔

於2018年12月31日，本集團的資本承擔為人民幣4.6百萬元(2017年：人民幣6.5百萬元)，主要包括為就山東省廢紙渣無氧裂解項目所作的付款。

## 資產抵押

於2018年12月31日，本集團已抵押存款人民幣43.9百萬元(2017年：人民幣8.9百萬元)，主要有關(1)本集團向其供應商發出的銀行承兌匯票按金人民幣10.3百萬元；及(2)出具給若干客戶履行履約義務的銀行保函按金人民幣33.6百萬元。

## 或有負債

於2018年12月31日，本集團概無重大或有負債。

## Gearing Ratio

As at 31 December 2018, the current assets of the Group were approximately RMB400.8 million, total assets were approximately RMB469.7 million, current liabilities were approximately RMB210.5 million and total liabilities were approximately RMB310.4 million. The gearing ratio (total liabilities/total assets) of the Group was approximately 66.1% (2017: 86.3%).

## III. PROSPECTS

Looking forward to 2019, the Group will continue to capture the opportunities brought by the policies for the development of the environmental protection industry, and actively seize more business opportunities from solid waste treatment by commercialising its advanced solid waste treatment technologies to market with the resources from strategic shareholders, the capital market network, and its strong R&D capabilities. The Group will still continue to focus on the technology innovation to further expand the Group's business scope, maintain the Group's leading position in the market, maximize shareholder returns and optimize the Group's commitment of becoming a leading solid waste treatment solutions provider in China.

Leveraging on our comprehensive understanding of the market environment, in 2019 the Group has planned to focus on the following tasks in order to achieve its goals:

### **Establish and utilize our research and engineering centre to enhance service standards**

Many of the various solid waste treatment technologies under developing are at a relatively early development stage and face uncertainties with respect to experiment process and prototyping outcomes, so the Group needs to establish an internal R&D centre. The Group will conduct targeted and application oriented researches either by its own team or in collaboration with experts from industry-

## 資本負債比率

於2018年12月31日，本集團有流動資產約人民幣400.8百萬元、資產總額約人民幣469.7百萬元、流動負債約人民幣210.5百萬元及負債總額約人民幣310.4百萬元。本集團的資本負債比率(負債總額/資產總額)約為66.1%(2017年：86.3%)。

## III. 前景

展望2019年，本集團將繼續抓住環保行業發展政策所帶來的機遇，依托戰略股東資源，以資本市場為紐帶，以強大的研發能力為輔，將先進的固體廢物處理技術商業化，積極把握更多來自固體廢物處理的商機。本集團將繼續專注於技術創新，進一步拓展本集團的業務範疇，維持本集團的市場領先地位，為股東帶來最大回報，並致力實踐本集團成為中國領先的固體廢物處理解決方案提供商的承諾。

憑藉我們對市場環境的全面了解，本集團計劃於2019年專注進行以下任務，以達致其目標：

### **建立並利用工程研究中心提升服務標準**

多項固體廢物處置技術尚處於初步開發階段，在試驗流程及原型設計結果方面存在不確定性，因此，本集團需要成立一個內部研發中心。本集團將透過自有團隊或與業內知名的國內大學及機構的專家合作進行有針對性的



renowned universities and institutions in China, and carry out, through inhouse pilot systems, prototyping, integration and testing of system components to enhance the feasibility and adaptability of the technology.

**Continue to consolidate the leading market position and expand the market share on hazardous waste incineration**

The Group focus to: (1) Further improving technics on hazardous waste incineration treatments; (2) Continue to cultivate customer relationships as well as explore new customers in both China and oversea markets; (3) Facilitate more frequent communications and provide more comprehensive value-add services with industry participants; and (4) Further investment on other area of hazardous waste treatment, including applying the facilities of oil sludge thermal desorption technology, upgrading cement production facilities to implement hazardous waste cooperative disposal system and etc.

**Grasp more business opportunities on solid waste treatment through industrialization of pyrolysis technology**

The Group will explore the demand of market by developing and commercializing solutions for a number of new solid waste treatment applications such as with respect to waste new energy batteries and waste paper residues.

**Further enhance our competitiveness and risk management with the adoption of more project models**

The Group seeks the chance to participate in solid waste treatment projects by exploring different project models, such as the first operation and maintenance services project, an oil sludge treatment facility designed and commissioned in Karamay. In future, the Group may also consider investing in and/or operating its own solid waste treatment projects as primary or joint project owner in other new area of solid waste treatment industry.

應用型研究，並透過內部試點系統、系統組件的原型設計、集成及測試，旨在提高技術的可行性及適用性。

**繼續鞏固領先市場地位，並擴大在危險廢物處置領域的市場份額**

本集團專注於：(1)進一步提高危險廢物焚燒處理技術；(2)於國內外市場繼續培養客戶關係及發掘新客戶；(3)與行業參與者進行更頻繁的溝通及提供更全面的增值服務；及(4)進一步投資危險廢物處理的其他範疇，包括應用油泥熱脫附技術及升級水泥生產設施以推行協作處置系統等。

**通過將無氧裂解技術工業化，把握更多來自固體廢物處理領域的商機**

本集團將通過開發及商業化其他多種新固體廢物處置應用解決方案(例如廢舊新能源電池及廢紙渣處置等)，以挖掘市場需求。

**我們將採用更多的項目模式，進一步提升競爭力並加強風險管理**

本集團通過發掘不同項目模式，以尋求參與固體廢物處置項目的機遇，例如首個運營及維護服務項目以及於克拉瑪依設計和調試的油泥處理設施。將來，本集團亦可能會考慮以項目主要或聯合擁有人的身份投資及／或運營自有的固體廢物處理項目的其他新範疇。



## EMPLOYEE AND REMUNERATION POLICIES

A remuneration committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

As at 31 December 2018, the Group employed 200 employees (2017: 107 employees), among which approximately 150 were personnel conducting R&D, project management and execution for our business.

Remuneration of Directors is determined based on their roles and duties and with reference to the market conditions, the Company's remuneration policy and the prevailing market conditions, subject to the approval of the shareholders general meeting.

## USE OF PROCEEDS

The shares of the Company were listed on the Stock Exchange on 3 January 2019 ("Listing Date") and the net proceeds raised from the global offering were approximately HK\$285.5 million. We intend to use approximately HK\$114.2 million for the continual utilization of the pyrolysis technology for the treatment of various types of solid waste by pyrolysis treatment systems; approximately HK\$57.1 million for the establishment of a research and engineering centre in Guangdong province; approximately HK\$42.8 million for further commercialisation of oil sludge thermal desorption technology; approximately HK\$42.90 million for cooperation with cement producers in China to invest in and operate the business of cement plant parallel kiln co-treatment solutions. Due to the fact that the Company was listed on 3 January 2019, there were no proceeds raised as at 31 December 2018. After the Listing Date, such net proceeds will be applied in accordance with the proposed application as disclosed in the prospectus dated 19 December 2018.

## 僱員及薪酬政策

薪酬委員會已告成立，以檢討本集團的酬金政策以及董事及本集團高級管理層整體薪酬的架構，其中已考慮到本集團的經營業績、董事及高級管理層的個人工作表現以及相若市場慣例。

於2018年12月31日，本集團聘有200名僱員(2017年：107名僱員)，其中約150名僱員負責我們業務的研發、項目管理及執行。

董事的薪酬乃根據彼等的職責及職務並經參考市況、本公司的薪酬政策及現行市況後釐定，惟須待股東於股東大會上批准方可作實。

## 所得款項用途

本公司股份於2019年1月3日(「上市日期」)於聯交所上市，而自全球發售所籌集的所得款項淨額約為285.5百萬港元。我們擬將約114.2百萬港元用於通過無氧裂解處理系統持續利用各類固體廢物處理的無氧裂解技術；約57.1百萬港元用作在廣東省設立工程研究中心；約42.8百萬港元用於油泥熱脫附技術的進一步商業化；約42.90百萬港元用作與中國水泥生產商合作投資及經營水泥回轉窯平行協同處置解決方案業務。由於本公司於2019年1月3日上市，於2018年12月31日概無籌集所得款項。於上市日期後，有關所得款項淨額將按照日期為2018年12月19日的招股章程所披露的建議用途應用。

## OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD

### Adoption of Dividend Policy

The Board has approved and adopted a dividend policy on 26 March 2019 (“**Dividend Policy**”) that aims to set out the principles and guidelines of the Company in relation to the declaration, recommendation and payment of dividends to its shareholders.

Under the Dividend Policy, the Company does not have any pre-determined dividend payout ratio. Distribution of dividends should be in the interests of the Company and its shareholders as a whole. When considering dividend declaration recommendation, the Board shall take into account of the following factors:

- (i) business condition and strategy of the Group;
- (ii) capital requirement for the Group’s existing/potential project or investment;
- (iii) earnings, financial and cash flow position and distributable reserves of the Company and the Group; and
- (iv) other factors that the Board deem relevant.

The declaration and payment of dividends is subject to the provisions of the Articles of the Company, the Companies Law of the Cayman Islands and any other applicable laws, rules and regulations.

The Board has the sole discretion to recommend or not to recommend final dividends to the shareholders for approval; and to declare or not to declare any other dividends, including but not limited to interim and/or special dividends, after taking into consideration the factors as stated in the Dividend Policy.

The Dividend Policy may be updated, amended and modified from time to time as the Board may think fit and necessary.

## 其他資料及報告期後事件

### 採納股息政策

董事會已於2019年3月26日批准並採納股息政策(「**股息政策**」)，旨在列明有關本公司向其股東宣派、建議及派付股息的原則及指引。

根據股息政策，本公司並無任何預定的派息比率。派付股息應符合本公司及其股東的整體利益。於考慮宣派股息的建議時，董事會應考慮以下因素：

- (i) 本集團的業務狀況及戰略；
- (ii) 本集團現有／潛在項目或投資的資金需求；
- (iii) 本公司及本集團的盈利、財務及現金流量狀況以及可供分派儲備；及
- (iv) 董事會認為相關的其他因素。

宣派及派付股息須遵守以下文件的規定：本公司的章程細則、開曼群島《公司法》以及任何其他適用法律、規則及法規。

經考慮股息政策所述因素後，董事會可全權酌情向股東建議或不建議派付末期股息以供批准；及宣派或不宣派任何其他股息，包括但不限於中期及／或特別股息。

倘董事會認為適當及必要，可不時更新、修訂及修改股息政策。

## **PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

The shares of the Company were first listed on the Main Board of the Stock Exchange on Listing Date. Neither the Company nor any member of the Group has purchased, sold or redeemed any of the Company's shares during the period from the Listing Date and up to the date of this announcement.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE ("CG CODE")**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as set out in Appendix 14 to the Listing Rules.

As the Company was not yet listed on the Main Board of the Stock Exchange until the Listing Date, the CG Code was not applicable to the Company during the period under review. However, in the opinion of the Directors, the Company deviates from the code provision A.2.1 of the CG Code as it provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. CAI Zhuhua serves as chairman as well as chief executive officer of the Company and this dual role leadership has been in practice by the Company for a decade. Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be chairman of the Company as well as to discharge the executive functions of a chief executive thereby enabling more effective planning and better execution of long-term strategies. The Board believes that the balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive directors of the Company. The Company will review the current structure when and as it becomes appropriate.

## **購買、出售及贖回本公司的上市證券**

本公司的股份於上市日期首次在聯交所主板上市。於上市日期起及直至本公告日期止期間，本公司或本集團任何成員公司並無購買、出售或贖回本公司任何股份。

## **遵守《企業管治守則》**

本集團致力維持高水平的企業管治，以維護股東的權益並改善企業價值及問責性。本公司已採納《上市規則》附錄十四所載《企業管治守則》。

由於本公司直至上市日期方於聯交所主板上市，故於回顧期間的《企業管治守則》並不適用於本公司。然而，董事認為本公司偏離《企業管治守則》的守則條文A.2.1，原因是該條文規定，董事長與行政總裁的角色應有區分，並不應由一人同時兼任。蔡珠華先生為本公司董事長兼行政總裁，而此雙角色領導模式於本公司推行已久。有關偏離情況被視為恰當，原因是由同一人擔任本公司董事長兼履行行政總裁的執行職能被視為更具效率，能提高長遠戰略的有效規劃及執行表現。董事會認為，董事會成員不乏經驗豐富及具才幹之人士，且獨立非執行董事數目充足，其營運及管治足以確保權力及職能平衡。本公司將於適當時候檢討現行架構。

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company. Having made specific enquiry of all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the period.

The Board has also adopted the Model Code to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision A.6.4 of the CG Code. No incident of non-compliance with the Model Code by the Company's relevant employees has been noted during the period after making reasonable enquiry.

## **FINAL DIVIDEND**

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 December 2018.

## **AUDIT COMMITTEE**

The Group's annual results for 2018 have been reviewed by the Audit Committee of the Company.

## **證券交易的《標準守則》**

本公司已採納《上市規則》附錄十所載《標準守則》，作為其買賣本公司證券時的行為準則。在向本公司全體董事作出特定查詢後，全體董事已確認彼等於期內已嚴格遵守《標準守則》所載的必守準則。

董事會亦已採納《標準守則》，規範可能擁有本公司有關本公司證券的未公開內幕消息的相關僱員的所有交易(如《企業管治守則》的守則條文第A.6.4條所述)。經作出合理查詢後，期內並無發現本公司的相關僱員未有遵守《標準守則》的情況。

## **末期股息**

董事會議決不會建議派付截至2018年12月31日止年度的任何末期股息。

## **審核委員會**

本集團2018年的年度業績已由本公司的審核委員會審閱。



## SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2018 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## ANNUAL GENERAL MEETING

The forthcoming Annual General Meeting ("AGM") will be held on Wednesday, 5 June 2019. A notice convening the AGM and all other relevant documents will be published and despatched to shareholders.

## CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend the vote at the AGM to be held on Wednesday, 5 June 2019, the registers of members of the Company will be closed from Friday, 31 May 2019 to Wednesday, 5 June 2019, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 30 May 2019.

## 德勤 • 關黃陳方會計師行的工作範疇

有關初步公告所載本集團截至2018年12月31日止年度的綜合財務狀況表、綜合損益及其他全面收益表及相關附註的數字，已由本集團核數師德勤•關黃陳方會計師行與本集團於本年度的經審核綜合財務報表所載金額核對一致。德勤•關黃陳方會計師行就此進行的工作不構成按照香港會計師公會頒佈的香港核數準則、香港審閱工作準則或香港保證工作準則的保證工作，因此德勤•關黃陳方會計師行概不就初步公告作出任何保證。

## 股東週年大會

應屆股東週年大會(「股東週年大會」)將於2019年6月5日(星期三)舉行。召開股東週年大會的通告及其他相關文件將予刊發並寄發予股東。

## 暫停辦理股份過戶登記

為釐定有權出席將於2019年6月5日(星期三)舉行的股東週年大會並於會上投票的資格，本公司的股份過戶登記將於2019年5月31日(星期五)至2019年6月5日(星期三)(包括首尾兩日)期間暫停，期間不會進行股份過戶登記。為合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票及正式填妥的過戶表格須於2019年5月30日(星期四)下午四時三十分前送交本公司於香港的股份過戶登記分處卓佳證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心22樓，以辦理過戶登記手續。



## PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares as at the date of this announcement, which was in line with the requirement under the Listing Rules.

## PUBLICATION OF 2018 ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement of the Group for 2018 is published on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.gzweigang.com](http://www.gzweigang.com). The 2018 Annual Report containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites in April 2019.

## APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to the management and staff of the Group for their commitment and contribution during the year. I would also like to express my appreciation to the guidance from the regulators and continued support from our shareholders and customers

By Order of the Board  
**Weigang Environmental Technology Holding Group Limited**

**CAI Zhuhua**

*Chairman & Executive Director*

PRC, 26 March 2019

*As at the date hereof, the Board comprises Mr. CAI Zhuhua, Mr. DONG Honghui and Mr. DENG Zhaoshan as executive directors; Mr. REN Jingfeng and Mr. YANG Zhiqiang as non-executive directors; and Mr. YANG Zhifeng; Mr. JIANG Guoliang and Mr. FENG Tao as independent non-executive directors.*

## 公眾持股量

根據本公司所得公開資料及就董事所知，於本公告日期，本公司已維持已發行股份不少於25%的公眾持股量，符合《上市規則》的規定。

## 刊發2018年年度業績及年報

本集團2018年的年度業績公告刊登於聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站([www.gzweigang.com](http://www.gzweigang.com))。載有《上市規則》規定所有適用資料的2018年年報將於2019年4月寄發予本公司股東及刊登於上述網站。

## 致謝

本人謹藉此機會代表董事會，向本集團管理層及員工於年內的努力及奉獻致以謝意。本人亦謹此答謝監管機構的指導以及股東與客戶的長期支持。

承董事會命  
**維港環保科技控股集团有限公司**

董事長兼執行董事  
**蔡珠華**

中國，2019年3月26日

於本公告日期，董事會包括執行董事蔡珠華先生、董紅暉先生及鄧兆善先生；非執行董事任景豐先生及楊志强先生；以及獨立非執行董事楊志峰先生、蔣國良先生及馮濤先生。