

The Singapore Exchange Securities Trading Limited, Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SIIC ENVIRONMENT HOLDINGS LTD.

上海實業環境控股有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong stock code: 807)

(Singapore stock code: BHK)

Unaudited Financial Statements and Dividend Announcement for the Fourth Quarter and Twelve Months ended 31 December 2020

This overseas regulatory announcement is issued by SIIC Environment Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This results announcement is made in accordance to Listing Manual of the Singapore Exchange Securities Trading Limited. This results announcement contains financial information based on Singapore Financial Reporting Standards (International) and International Financial Reporting Standards. The figures in respect of the Group’s consolidated financial position, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2020 as set out in this announcement have been agreed by the Group’s auditors, Deloitte & Touche LLP, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by Deloitte & Touche LLP in this respect did not constitute an assurance engagement in accordance with Singapore Standards on Auditing or Singapore Standards on Review Engagements and consequently no assurance has been expressed by Deloitte & Touche LLP on this announcement. Shareholders and potential investors of the Company should be cautious trading in the shares of the Company.

By Order of the Board
SIIC ENVIRONMENT HOLDINGS LTD.
Mr. Yang Jianwei
Executive Director

Singapore and Hong Kong, 26 February 2021

As at the date of this announcement, the non-executive Chairman is Mr. Zhou Jun; the executive Directors are Mr. Yang Jianwei, Mr. Feng Jun, Mr. Xu Xiaobing, Mr. Huang Hanguang and Mr. Zhao Youmin; and the independent non-executive Directors are Mr. Yeo Guat Kwang, Mr. An Hongjun and Mr. Zhong Ming.

** For identification purpose only*



SIIC ENVIRONMENT HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200210042R)

Unaudited Financial Statements and Dividend
Announcement for the Fourth Quarter and Twelve
Months ended 31 December 2020

26 February 2021

Table of Contents

	Page No
Business Review	1
Review of Annual Results	1
Corporate Governance	1
Purchase, Sale or Redemption of Listed Securities	1
Consolidated Statement of Comprehensive Income	2
Statements of Financial Position	3
Consolidated Statement of Cash Flows	5
Statements of Changes in Equity	7
Review of Performance	16
Outlook	22
Segment Reporting	25
Board Confirmation	27



SIIC Environment Holdings Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200210042R)

Fourth Quarter and Financial Year 2020 Financial Statements And Dividend Announcement

Business Review

The board of SIIC Environment Holdings Ltd. (the "Company") is pleased to announce the unaudited consolidated annual results of the Company and its subsidiaries (collectively, the "Group") for the twelve months ended 31 December 2020 ("FY2020"). The Group posted a 4.9% increase in its full year revenue to RMB6.25 billion FY2020.

The growth in revenue can be attributed by the increased operating and maintenance, and financial income from service concession arrangements and higher service income. Gross profit increased 13.0% from RMB1.93 billion in FY2019 to RMB2.18 billion in FY2020 mainly due to increased operation activities on an overall basis.

Consequently, net profit attributable to shareholders grew 5.8% to RMB635.3 million in FY2020. Earnings per share increased by 5.9 percentage points year-on-year in FY2020.

Net asset value per share edged up to RMB343.00 cents as at 31 December 2020, from RMB320.63 cents from a year ago.

Review of Annual Results

The audit committee of the Company has reviewed the Company's unaudited consolidated annual results for the twelve months ended 31 December 2020.

The figures in respect of the Group's consolidated financial position, consolidated statement of comprehensive income, and the related notes thereto for FY2020 as set out in this announcement have been agreed by the Group's auditors, Deloitte & Touche LLP, to the amounts set out in the Group's draft consolidated financial statements for FY2020.

Corporate Governance

The Company has complied with all the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited (the "Stock Exchange") throughout the twelve months ended 31 December 2020.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities for the financial year ended 31 December 2020.

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2&Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED RESULTS FOR THE FOURTH QUARTER ("4QFY2020") AND FINANCIAL YEAR ENDED 31 December 2020 ("FY2020")

	Note	Group					
		3 Months Ended		Changes	12 Months Ended		Changes
		31.12.20	31.12.19		31.12.20	31.12.19	
		RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	8(A)	2,105,768	1,466,500	43.6	6,251,939	5,959,521	4.9
Cost of sales		(1,397,241)	(972,777)	43.6	(4,067,575)	(4,026,072)	1.0
Gross profit	8(B)	708,527	493,723	43.5	2,184,364	1,933,449	13.0
Other income	8(C)	4,100	101,780	(96.0)	169,472	274,308	(38.2)
Other gains and losses	8(D)	10,199	1,435	610.7	21,848	(896)	N.M
Selling and distribution costs	8(E)	(20,427)	(18,143)	12.6	(72,932)	(72,585)	0.5
Administrative expenses	8(F)	(161,996)	(139,719)	15.9	(454,623)	(464,255)	(2.1)
Finance expenses	8(G)	(173,642)	(180,797)	(4.0)	(698,845)	(687,267)	1.7
Share of results of joint ventures	8(H)	2,893	12,276	(76.4)	30,335	46,550	(34.8)
Share of results of associates	8(H)	2,363	(4,336)	N.M	4,811	(9,737)	N.M
Profit before tax	8(I)	372,017	266,219	39.7	1,184,430	1,019,567	16.2
Income tax expense	8(J)	(76,764)	(76,837)	(0.1)	(266,592)	(265,174)	0.5
Profit for the period		295,253	189,382	55.9	917,838	754,393	21.7
Other comprehensive income: <i>Items that will not be reclassified to profit or loss:</i>							
Exchange difference arising from translation		2,897	127,718	(97.7)	50,424	66,375	(24.0)
Fair value change on investments in equity instruments designated as at FVTOCI		(4,254)	(165)	2,478.2	(96)	(2,883)	(96.7)
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences arising from translation of foreign operations		15,243	(10,560)	N.M.	23,248	(26,868)	N.M
Total comprehensive income for the period		309,139	306,375	0.9	991,414	791,017	25.3
Profit for the period attributable to:							
Owners of the Company		190,614	150,057	27.0	635,344	600,251	5.8
Non-controlling interests		104,639	39,325	166.1	282,494	154,142	83.3
		295,253	189,382	55.9	917,838	754,393	21.7
Total comprehensive income attributable to:							
Owners of the Company		204,500	267,050	(23.4)	708,920	636,875	11.3
Non-controlling interests		104,639	39,325	166.1	282,494	154,142	83.3
		309,139	306,375	0.9	991,414	791,017	25.3
Earnings per share (RMB cents)	6						
-Basic		7.32	5.77	26.9	24.41	23.04	5.9
-Dilute		7.32	5.77	26.9	24.41	23.04	5.9

N.M. – Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	Group		Company	
		As At 31.12.20	As At 31.12.19	As At 31.12.20	As At 31.12.19
		RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Cash and cash equivalents		2,668,525	2,374,770	94,528	172,687
Pledged bank deposits		161,729	234,672	-	-
Trade and other receivables	8(K)	2,633,585	2,336,371	1,075	5,146
Bills receivables		3,617	13,747	-	-
Prepayments		71,565	60,303	-	2,399
Inventories		221,390	159,115	-	-
Receivables under service concession arrangements		677,871	476,970	-	-
Amounts due from customers for contract work		69,317	66,772	-	-
Amounts due from subsidiaries		-	-	1,680,734	1,171,378
Amounts due from joint venture		137	137	137	137
Amounts due from associate		10,902	10,902	-	-
Financial assets at fair value through profit or loss		3,167	3,353	-	-
Assets classified as held for sale		210,952	202,150	-	-
Total current assets	8(L)	6,732,757	5,939,262	1,776,474	1,351,747
Non-current assets					
Financial assets at fair value through other comprehensive income		26,433	45,306	-	15,470
Prepayments		159,036	501,275	-	-
Receivables under service concession arrangements		19,306,418	17,193,272	-	-
Property, plant and equipment		324,656	318,413	100	511
Intangible assets		6,631,481	6,741,574	-	-
Long term receivables		351,109	350,058	-	-
Deferred tax assets		67,518	70,996	-	-
Investment in subsidiaries		-	-	5,500,122	5,762,344
Interest in joint ventures		523,961	532,607	326,334	342,043
Interest in associates		99,496	99,078	-	-
Goodwill on consolidation		457,241	457,241	-	-
Amounts due from associate		24,074	56,648	-	-
Right-of-use assets		47,451	60,903	8,436	17,561
Total non-current assets	8(M)	28,018,874	26,427,371	5,834,992	6,137,929
Total assets		34,751,631	32,366,633	7,611,466	7,489,676
Current liabilities					
Trade and other payables	8(N)	3,764,190	3,615,054	43,976	48,406
Bills payable to banks		45,342	42,557	-	-
Tax payable		165,727	127,713	-	-
Amounts due to customers for contract work		41,619	11,075	-	-
Amounts due to subsidiaries		-	-	222,383	70,589
Bank and other borrowings		4,710,362	5,283,615	1,056,928	991,791
Liabilities directly associated with assets classified as held for sale		151,884	156,195	-	-
Lease liabilities		10,598	9,995	6,946	6,515
Total current liabilities	8(O)	8,889,722	9,246,204	1,330,233	1,117,301
Non-current liabilities					
Bank and other borrowings		10,542,101	9,066,342	-	-
Deferred tax liabilities		2,089,843	2,009,597	-	-
Other non-current liabilities		174,914	138,812	-	-
Lease liabilities		33,052	45,948	1,925	11,169
Total non-current liabilities	8(P)	12,839,910	11,260,699	1,925	11,169
Capital, reserves and non-controlling interest					
Share capital		5,947,420	5,947,420	5,947,420	5,947,420
Retained earnings		2,805,242	2,356,306	156,405	(54,850)
Other reserves		175,112	41,793	175,483	468,636
Equity attributable to owners of the Company		8,927,774	8,345,519	6,279,308	6,361,206
Non-controlling interests		4,094,225	3,514,211	-	-
Total equity		13,021,999	11,859,730	6,279,308	6,361,206
Total liabilities and equity		34,751,631	32,366,633	7,611,466	7,489,676

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, please specify the following at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 31.12.20 RMB'000		As at 31.12.19 RMB'000	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
2,111,460	2,644,244	3,042,482	2,283,690

Amount repayable after one year

As at 31.12.20 RMB'000		As at 31.12.19 RMB'000	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
9,229,311	1,312,790	7,418,498	1,647,844

Details of any collateral

The Group's borrowings comprise bills payable to banks and bank and other borrowings.

Bills payable to banks are secured by certain bank deposits placed with the respective issuing banks. The bank and other borrowings are secured/ guaranteed on concessionary arrangements, trade receivables (relating to concessionary arrangements) collection rights, guarantees by subsidiaries, guarantees by third party company and/or secured by a corporate guarantee by SIIC Environment Holdings Ltd.

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	For 3 Months Ended		For 12 Months Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit before tax	372,017	266,219	1,184,430	1,019,567
Adjustments for:				
Loss/(Reversal of) allowance for trade receivables, net	5,313	(79)	7,319	231
Loss allowance for non-trade receivables, net	2,000	-	2,000	-
Bad debts written off (trade)	-	5,938	-	5,938
Bad debts written off (non-trade)	116	-	116	-
Depreciation of property, plant and equipment	9,384	6,342	36,720	32,834
Amortisation of intangible assets	83,187	84,896	306,447	298,490
Depreciation of right-of-use asset	8,190	6,783	13,452	7,002
Loss on disposal of property, plant and equipment	14	4,505	62	4,625
Loss on disposal of intangible assets	953	-	953	-
Gain on disposal of associate	-	-	(1,678)	-
Gain on disposal of subsidiary	-	-	(48)	-
Finance income	(4,371)	(4,475)	(20,583)	(21,397)
Finance expenses	173,642	180,797	698,845	687,267
Share of results of associates	(2,363)	4,336	(4,811)	9,737
Share of results of joint ventures	(2,893)	(12,276)	(30,335)	(46,550)
Foreign exchange loss	-	71	-	206
Gain on disposal of financial asset held at fair value through other comprehensive income	-	-	(9,953)	-
Fair value (gain)/loss on financial assets at fair value through profit or loss	(288)	28	186	(286)
Operating cash flow before working capital changes	644,901	543,085	2,183,122	1,994,664
(Increase)/decrease in:				
Inventories	(19,989)	(32,084)	(62,275)	(35,267)
Amounts due from/to customers for contract work, net	122,557	32,367	27,998	(6,869)
Trade receivables, other receivables and prepayments	(95,644)	66,951	(441,774)	(166,167)
Bills receivables	5,047	(8,868)	10,130	(11,783)
Amounts due from joint ventures	(917)	(20)	-	896
Amounts due from associates	(268)	790	32,574	(2,419)
Increase/(decrease) in:				
Trade payables and other payables(inclusive of non-current liabilities)	204,405	24,473	358,288	329,375
Bills payable to banks	20,058	(8,782)	2,785	13,135
Cash from operating activities before service concession arrangement projects	880,150	617,912	2,110,848	2,118,565
Change in receivables under service concession arrangements (Note A)	(689,127)	(216,031)	(1,833,268)	(1,824,496)
Cash generated from operating activities after service concession arrangement projects	191,023	401,881	277,580	294,069
Interest received	3,965	3,029	14,282	15,497
Income tax refund	9,290	-	14,444	-
Income tax paid	(41,152)	(24,271)	(153,412)	(157,632)
Net cash generated from operating activities	163,126	380,639	152,894	151,934
Cash flows from investing activities:				
Purchase of property, plant and equipment	(10,247)	(20,087)	(38,485)	(53,724)
Purchase of intangible assets, net of amount on credit terms	(81,045)	(27,813)	(195,294)	(315,627)
Decrease/(increase) in prepayment for property, plant and equipment and intangible assets	164,555	(373,789)	(27,952)	(407,896)
Proceeds from disposal of property, plant and equipment	480	521	530	684
Proceeds from disposal of financial asset held at fair value through other comprehensive income	-	-	23,196	-
Proceeds from capital reduction from joint venture	-	-	-	225,000
Proceeds from disposal of intangible assets	9	-	9	-
Net cash outflow on disposal of subsidiaries	(6,603)	-	(631)	-
Net cash inflow on disposal of an associate	-	-	4,160	-
Net cash outflow on acquisition of an associate	-	(28,607)	-	(28,607)
Purchase of financial assets at fair value through other comprehensive income	-	-	-	(3,000)
Dividend received from joint ventures	27	12,221	19,199	35,109
Net cash generated from/(used in) investing activities	67,176	(437,554)	(215,268)	(548,061)

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

	Group		Group	
	For 3 Months Ended		For 12 Months Ended	
	31.12.20 RMB'000	31.12.19 RMB'000	31.12.20 RMB'000	31.12.19 RMB'000
Cash flows from financing activities:				
Proceeds from bank and other borrowings	1,594,687	964,202	4,702,828	4,382,623
Repayment of bank and other borrowings	(1,237,563)	(675,345)	(3,608,914)	(3,136,004)
Interest paid	(160,412)	(178,528)	(671,175)	(662,931)
Dividend paid to equity shareholders	-	-	(131,989)	(131,779)
Dividend paid to non-controlling interest in subsidiaries	-	-	(15,840)	(6,560)
Contribution from non-controlling interests upon capital injection of subsidiaries	-	296,682	32,150	299,255
Repurchase of shares	-	-	-	(4,373)
Acquisition of non-controlling interests	(5,243)	-	(5,243)	-
Return of capital to non-controlling interest on capital reduction of a subsidiary	-	-	-	(1,500)
Principal and interest elements of lease payments	(9,248)	(8,189)	(15,390)	(8,189)
(Increase)/Decrease in deposits pledged to banks	(64,879)	(135,474)	72,943	(115,318)
Net cash generated from financing activities	117,342	263,348	359,370	615,224
Net increase in cash and cash equivalents	347,644	206,433	296,996	219,097
Cash and cash equivalents at beginning of period	2,317,716	2,147,581	2,374,770	2,133,225
Effects of exchange rate changes on the balance of cash held in foreign currencies	3,165	20,756	(3,241)	22,448
Cash and cash equivalents at end of period	2,668,525	2,374,770	2,668,525	2,374,770
Cash and cash equivalents at end of period				
Cash and bank balances	2,830,254	2,609,442	2,830,254	2,609,442
Less: Pledged bank deposits	(161,729)	(234,672)	(161,729)	(234,672)
Cash and cash equivalents	2,668,525	2,374,770	2,668,525	2,374,770

Note A

In accordance with the application of SFRS(I) INT 12 *Service Concession Arrangements* and SFRS(I) 1-7 *Statement of Cash Flows*, the movement in the receivables under service concession arrangements has been classified under operating activities. The movement in the receivables under service concession arrangements was mainly arising from the construction of new or existing water treatment and waste incineration facilities for FY2020 and 4QFY2020 respectively.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the Company								Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Retained earnings	Other reserves, total	General Reserve	Investment revaluation reserve	Translation reserve	Effects of changes in ownership interest in subsidiaries where there is no change in control	Merger reserve			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1.1.20	5,947,420	2,356,306	41,793	351,003	(10,152)	(83,253)	(15,490)	(200,315)	8,345,519	3,514,211	11,859,730
Profit for the period	-	130,108	-	-	-	-	-	-	130,108	38,073	168,181
<u>Other comprehensive loss</u>											
Exchange differences arising on translation	-	-	(74,465)	-	-	(74,465)	-	-	(74,465)	-	(74,465)
Exchange differences arising on translation of foreign operations	-	-	9,358	-	-	9,358	-	-	9,358	-	9,358
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(1,918)	-	(1,918)	-	-	-	(1,918)	-	(1,918)
Other comprehensive loss for the period, net of tax	-	-	(67,025)	-	(1,918)	(65,107)	-	-	(67,025)	-	(67,025)
Total comprehensive income for the period	-	130,108	(67,025)	-	(1,918)	(65,107)	-	-	63,083	38,073	101,156
<u>Transactions with owners recognised directly in equity</u>											
Transfer to general reserve	-	(8,883)	8,883	8,883	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	(1,477)	(1,477)
Total	-	(8,883)	8,883	8,883	-	-	-	-	-	(1,477)	(1,477)
<u>Others</u>											
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(6,000)	(6,000)
Total	-	-	-	-	-	-	-	-	-	(6,000)	(6,000)
Balance at 31.3.20	5,947,420	2,477,531	(16,349)	359,886	(12,070)	(148,360)	(15,490)	(200,315)	8,408,602	3,544,807	11,953,409
Profit for the period	-	151,131	-	-	-	-	-	-	151,131	71,993	223,124
<u>Other comprehensive income</u>											
Exchange differences arising on translation	-	-	29,792	-	-	29,792	-	-	29,792	-	29,792
Exchange differences arising on translation of foreign operations	-	-	(3,109)	-	-	(3,109)	-	-	(3,109)	-	(3,109)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	3,737	-	3,737	-	-	-	3,737	-	3,737
Other comprehensive income for the period, net of tax	-	-	30,420	-	3,737	26,683	-	-	30,420	-	30,420
Total comprehensive income for the period	-	151,131	30,420	-	3,737	26,683	-	-	181,551	71,993	253,544
<u>Transactions with owners recognised directly in equity</u>											
Transfer to general reserve	-	(8,134)	8,134	8,134	-	-	-	-	-	-	-
Contribution from non-controlling interests upon additional capital injection of a subsidiary	-	-	-	-	-	-	-	-	-	32,150	32,150
Total	-	(8,134)	8,134	8,134	-	-	-	-	-	32,150	32,150
<u>Others</u>											
Dividend declared to equity shareholders	-	(131,989)	-	-	-	-	-	-	(131,989)	-	(131,989)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(9,840)	(9,840)
Total	-	(131,989)	-	-	-	-	-	-	(131,989)	(9,840)	(141,829)
Balance at 30.6.20	5,947,420	2,488,539	22,205	368,020	(8,333)	(121,677)	(15,490)	(200,315)	8,458,164	3,639,110	12,097,274

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Attributable to owners of the Company										
	Share capital	Retained earnings	Other reserves, total	General Reserve	Investment revaluation reserve	Translation reserve	Effects of changes in ownership interest in subsidiaries where there is no change in control	Merger reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 30.6.20	5,947,420	2,488,539	22,205	368,020	(8,333)	(121,677)	(15,490)	(200,315)	8,458,164	3,639,110	12,097,274
Profit for the period	-	163,491	-	-	-	-	-	-	163,491	67,789	231,280
<u>Other comprehensive income</u>											
Exchange differences arising on translation	-	-	92,200	-	-	92,200	-	-	92,200	-	92,200
Exchange differences arising on translation of foreign operations	-	-	1,756	-	-	1,756	-	-	1,756	-	1,756
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	2,339	-	2,339	-	-	-	2,339	-	2,339
Other comprehensive income for the period, net of tax	-	-	96,295	-	2,339	93,956	-	-	96,295	-	96,295
Total comprehensive income for the period	-	163,491	96,295	-	2,339	93,956	-	-	259,786	67,789	327,575
<u>Others</u>											
Contribution from non-controlling interests upon additional capital injection of a subsidiary	-	-	-	-	-	-	-	-	-	219,672	219,672
Total	-	-	-	-	-	-	-	-	-	219,672	219,672
Balance at 30.9.20	5,947,420	2,652,030	118,500	368,020	(5,994)	(27,721)	(15,490)	(200,315)	8,717,950	3,926,571	12,644,521
Profit for the period	-	190,614	-	-	-	-	-	-	190,614	104,639	295,253
<u>Other comprehensive income</u>											
Exchange differences arising on translation	-	-	2,897	-	-	2,897	-	-	2,897	-	2,897
Exchange differences arising on translation of foreign operations	-	-	15,243	-	-	15,243	-	-	15,243	-	15,243
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(4,254)	-	(4,254)	-	-	-	(4,254)	-	(4,254)
Other comprehensive income for the period, net of tax	-	-	13,886	-	(4,254)	18,140	-	-	13,886	-	13,886
Total comprehensive income for the period	-	190,614	13,886	-	(4,254)	18,140	-	-	204,500	104,639	309,139
<u>Others</u>											
Transfer to general reserve	-	(37,402)	37,402	37,402	-	-	-	-	-	-	-
Contribution from non-controlling interests upon capital injection of a subsidiary	-	-	-	-	-	-	-	-	-	93,582	93,582
Acquisition of non-controlling interests	-	-	5,324	-	-	-	5,324	-	5,324	(10,567)	(5,243)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(20,000)	(20,000)
Total	-	(37,402)	42,726	37,402	-	-	5,324	-	5,324	63,015	68,339
Balance at 31.12.20	5,947,420	2,805,242	175,112	405,422	(10,248)	(9,581)	(10,166)	(200,315)	8,927,774	4,094,225	13,021,999

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'

GROUP	Attributable to owners of the Company										
	Share capital	Retained earnings	Other reserves, total	General Reserve	Investment revaluation reserve	Translation reserve	Effects of changes in ownership interest in subsidiaries where there is no change in control	Merger reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1.1.19	5,951,793	1,942,675	(49,672)	296,162	(7,269)	(122,760)	(15,490)	(200,315)	7,844,796	3,068,874	10,913,670
Profit for the period	-	150,085	-	-	-	-	-	-	150,085	40,628	190,713
Other comprehensive income											
Exchange differences arising on translation	-	-	45,372	-	-	45,372	-	-	45,372	-	45,372
Exchange differences arising on translation of foreign operations	-	-	3,606	-	-	3,606	-	-	3,606	-	3,606
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(1,781)	-	(1,781)	-	-	-	(1,781)	-	(1,781)
Other comprehensive income for the period, net of tax	-	-	47,197	-	(1,781)	48,978	-	-	47,197	-	47,197
Total comprehensive income for the period	-	150,085	47,197	-	(1,781)	48,978	-	-	197,282	40,628	237,910
Transactions with owners recognised directly in equity											
Transfer to general reserve	-	(11,500)	11,500	11,500	-	-	-	-	-	-	-
Total	-	(11,500)	11,500	11,500	-	-	-	-	-	-	-
Others											
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,480)	(3,480)
Total	-	-	-	-	-	-	-	-	-	(3,480)	(3,480)
Balance at 31.3.19	5,951,793	2,081,260	9,025	307,662	(9,050)	(73,782)	(15,490)	(200,315)	8,042,078	3,106,022	11,148,100
Profit for the period	-	150,098	-	-	-	-	-	-	150,098	32,743	182,841
Other comprehensive loss											
Exchange differences arising on translation	-	-	(38,796)	-	-	(38,796)	-	-	(38,796)	-	(38,796)
Exchange differences arising on translation of foreign operations	-	-	(9,428)	-	-	(9,428)	-	-	(9,428)	-	(9,428)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(787)	-	(787)	-	-	-	(787)	-	(787)
Other comprehensive loss for the period, net of tax	-	-	(49,011)	-	(787)	(48,224)	-	-	(49,011)	-	(49,011)
Total comprehensive income for the period	-	150,098	(49,011)	-	(787)	(48,224)	-	-	101,087	32,743	133,830
Others											
Dividend declared to equity shareholders	-	(131,779)	-	-	-	-	-	-	(131,779)	-	(131,779)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,610)	(1,610)
Total	-	(131,779)	-	-	-	-	-	-	(131,779)	(1,610)	(133,389)
Balance at 30.6.19	5,951,793	2,099,579	(39,986)	307,662	(9,837)	(122,006)	(15,490)	(200,315)	8,011,386	3,137,155	11,148,541

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

GROUP	Attributable to owners of the Company										
				Effects of changes in ownership interest in subsidiaries where there is no change in control					Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Retained earnings	Other reserves, total	General Reserve	Investment revaluation reserve	Translation reserve		Merger reserve			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 30.6.19	5,951,793	2,099,579	(39,986)	307,662	(9,837)	(122,006)	(15,490)	(200,315)	8,011,386	3,137,155	11,148,541
Profit for the period	-	150,011	-	-	-	-	-	-	150,011	41,446	191,457
Other comprehensive loss											
Exchange differences arising on translation	-	-	(67,919)	-	-	(67,919)	-	-	(67,919)	-	(67,919)
Exchange differences arising on translation of foreign operations	-	-	(10,486)	-	-	(10,486)	-	-	(10,486)	-	(10,486)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(150)	-	(150)	-	-	-	(150)	-	(150)
Other comprehensive loss for the period, net of tax	-	-	(78,555)	-	(150)	(78,405)	-	-	(78,555)	-	(78,555)
Total comprehensive income for the period	-	150,011	(78,555)	-	(150)	(78,405)	-	-	71,456	41,446	112,902
Others											
Repurchased and cancelled shares	(4,373)	-	-	-	-	-	-	-	(4,373)	-	(4,373)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,470)	(1,470)
Contribution from non-controlling interests upon additional capital injection of a subsidiary	-	-	-	-	-	-	-	-	-	2,573	2,573
Return of capital to non-controlling interest on capital reduction of a subsidiary	-	-	-	-	-	-	-	-	-	(1,500)	(1,500)
Total	(4,373)	-	-	-	-	-	-	-	(4,373)	(397)	(4,770)
Balance at 30.9.19	5,947,420	2,249,590	(118,541)	307,662	(9,987)	(200,411)	(15,490)	(200,315)	8,078,469	3,178,204	11,256,673
Profit for the period	-	150,057	-	-	-	-	-	-	150,057	39,325	189,382
Other comprehensive income											
Exchange differences arising on translation	-	-	127,718	-	-	127,718	-	-	127,718	-	127,718
Exchange differences arising on translation of foreign operations	-	-	(10,560)	-	-	(10,560)	-	-	(10,560)	-	(10,560)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	(165)	-	(165)	-	-	-	(165)	-	(165)
Other comprehensive income for the period, net of tax	-	-	116,993	-	(165)	117,158	-	-	116,993	-	116,993
Total comprehensive income for the period	-	150,057	116,993	-	(165)	117,158	-	-	267,050	39,325	306,375
Transactions with owners recognised directly in equity											
Transfer to general reserve	-	(43,341)	43,341	43,341	-	-	-	-	-	-	-
Total	-	(43,341)	43,341	43,341	-	-	-	-	-	-	-
Others											
Contribution from non-controlling interests upon additional capital injection of a subsidiary	-	-	-	-	-	-	-	-	-	296,682	296,682
Total	-	-	-	-	-	-	-	-	-	296,682	296,682
Balance at 31.12.19	5,947,420	2,356,306	41,793	351,003	(10,152)	(83,253)	(15,490)	(200,315)	8,345,519	3,514,211	11,859,730

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

COMPANY	Attributable to owners of the Company			
	Share capital	Retained earnings	Other reserves*	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1.1.20	5,947,420	(54,850)	468,636	6,361,206
Profit for the period	-	31,014	-	31,014
<u>Other comprehensive loss</u>				
Exchange differences arising on translation, net of tax	-	-	(241,447)	(241,447)
Other comprehensive loss for the period, net of tax	-	-	(241,447)	(241,447)
Total comprehensive loss for the period	-	31,014	(241,447)	(210,433)
Balance at 31.3.20	5,947,420	(23,836)	227,189	6,150,773
Profit for the period	-	164,836	-	164,836
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	113,209	113,209
Other comprehensive income for the period, net of tax	-	-	113,209	113,209
Total comprehensive income for the period	-	164,836	113,209	278,045
<u>Others</u>				
Dividend declared to equity shareholders	-	(131,989)	-	(131,989)
Balance at 30.6.20	5,947,420	9,011	340,398	6,296,829
Loss for the period	-	(4,459)	-	(4,459)
<u>Other comprehensive loss</u>				
Exchange differences arising on translation, net of tax	-	-	(118,697)	(118,697)
Other comprehensive loss for the period, net of tax	-	-	(118,697)	(118,697)
Total comprehensive loss for the period	-	(4,459)	(118,697)	(123,156)
Balance at 30.9.20	5,947,420	4,552	221,701	6,173,673
Profit for the period	-	151,853	-	151,853
<u>Other comprehensive loss</u>				
Exchange differences arising on translation, net of tax	-	-	(46,218)	(46,218)
Other comprehensive loss for the period, net of tax	-	-	(46,218)	(46,218)
Total comprehensive income for the period	-	151,853	(46,218)	105,635
Balance at 31.12.20	5,947,420	156,405	175,483	6,279,308

* Relates to translation reserve.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. – cont'd

COMPANY	Attributable to owners of the Company			
	Share capital RMB'000	Retained earnings RMB'000	Other reserves* RMB'000	Total equity RMB'000
Balance at 1.1.19	5,951,793	133,458	309,098	6,394,349
Loss for the period	-	(3,210)	-	(3,210)
<u>Other comprehensive loss</u>				
Exchange differences arising on translation, net of tax	-	-	(120,263)	(120,263)
Other comprehensive loss for the period, net of tax	-	-	(120,263)	(120,263)
Total comprehensive loss for the period	-	(3,210)	(120,263)	(123,473)
Balance at 31.3.19	5,951,793	130,248	188,835	6,270,876
Loss for the period	-	(32,123)	-	(32,123)
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	153,483	153,483
Other comprehensive income for the period, net of tax	-	-	153,483	153,483
Total comprehensive income for the period	-	(32,123)	153,483	121,360
<u>Others</u>				
Dividend declared to equity shareholders	-	(131,779)	-	(131,779)
Balance at 30.6.19	5,951,793	(33,654)	342,318	6,260,457
Loss for the period	-	(6,411)	-	(6,411)
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	95,211	95,211
Other comprehensive income for the period, net of tax	-	-	95,211	95,211
Total comprehensive income for the period	-	(6,411)	95,211	88,800
<u>Others</u>				
Repurchased and cancelled shares	(4,373)	-	-	(4,373)
Balance at 30.9.19	5,947,420	(40,065)	437,529	6,344,884
Loss for the period	-	(14,785)	-	(14,785)
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	31,107	31,107
Other comprehensive income for the period, net of tax	-	-	31,107	31,107
Total comprehensive income for the period	-	(14,785)	31,107	16,322
Balance at 31.12.19	5,947,420	(54,850)	468,636	6,361,206

* Relates to translation reserve.

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Share Capital

	Group and Company	
	Number of ordinary shares	Share Capital RMB'000
<u>Issued and paid up share capital</u>		
Balance at 1 January 2020 and 31 December 2020	2,602,817,726	5,947,420

As at 31 December 2020 the number of ordinary shares in issue was 2,602,817,726 (31 December 2019: 2,602,817,726 ordinary shares).

SIIC Environment Share Options 2012 ("ESOS 2012") and SIIC Environment Share Award Scheme ("ESAS")

There were no options granted under the ESOS 2012 plan or ESAS Awards granted under the ESAS plan since the date of approval by the shareholders on 27 April 2012.

As at 31 December 2020, there were no convertible securities outstanding (31 December 2019: Nil).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 December 2020, there were no treasury shares held (31 December 2019: Nil). Total number of issued shares as at 31 December 2020 was 2,602,817,726 (31 December 2019: 2,602,817,726).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the financial period ended 31 December 2020.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

During the financial period, there was no transaction pertaining to subsidiary holdings.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter).**

Not applicable.

- 3(a). Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not Applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as that of the audited financial statements for the year ended 31 December 2019.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

No such change in the accounting policies and methods of computation.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	3 Months Ended		12 Months Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RMB cents	RMB cents	RMB cents	RMB cents
Earnings per ordinary share of the Group based on net profit attributable to owners of the Company:-				
(i) Based on weighted average number of ordinary shares in issue (RMB cents)	7.32	5.77	24.41	23.04
- Weighted average number of shares ('000)	2,602,818	2,602,818	2,602,818	2,605,597
(ii) On a fully diluted basis of ordinary shares (RMB cents)	7.32	5.77	24.41	23.04
- Weighted average number of shares ('000)	2,602,818	2,602,818	2,602,818	2,605,597

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	Group	Company
	RMB cents	RMB cents
As at 31 December 2020	343.00	241.25
As at 31 December 2019	320.63	244.40

Net asset value per share is calculated based on the number of shares in issue of 2,602,817,726 as at 31 December 2020 (31 December 2019: 2,602,817,726).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affect the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Overall Review

The Group recorded an increase in revenue from RMB5,959.5 million in FY2019 to RMB6,251.9 million in FY2020, representing an increase of 4.9%. Gross profit ("GP") has increased from RMB1,933.4 million in FY2019 to RMB2,184.4 million in FY2020.

Consequently, the Group's profit after tax (attributable to owners of the Company) increased from RMB600.3 million in FY2019 to RMB635.3 million in FY2020, representing an increase of 5.8%.

For more details on the analysis of the Group's performance, please refer to the following sections below.

(A) Revenue

	4QFY2020	4QFY2019	Change	FY2020	FY2019	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Construction	812,492	373,240	117.7	2,092,004	2,172,455	(3.7)
Operating and maintenance income from service concession arrangements	826,252	684,811	20.7	2,709,847	2,403,147	12.8
Financial income from service concession arrangements	300,168	231,265	29.8	1,063,362	944,920	12.5
Service income	71,286	37,248	91.4	172,132	164,928	4.4
Other revenue	95,570	139,936	(31.7)	214,594	274,071	(21.7)
Total	2,105,768	1,466,500	43.6	6,251,939	5,959,521	4.9

Construction Revenue

Construction revenue amounted to RMB812.5 million and RMB2,092.0 million in 4QFY2020 and FY2020 respectively (4QFY2019: RMB373.2 million; FY2019: RMB2,172.5 million). The lower revenue was mainly due to relatively lower amount of construction activities in progress in FY2020 as compared to FY2019 as a result of the outbreak of Covid-19 in Mainland China during the first half of FY2020 which has delayed the construction progress. The construction progress was accelerated in 4QFY2020 leading to an increase in construction revenue in 4QFY2020 as compared to 4QFY2019.

8. A review of the performance of the group – cont'd.

Operating and Maintenance Income from Service Concession Arrangements/ Financial Income from Service Concession Arrangements

The aggregate of operating and maintenance income and financial income from service concession arrangements amounted to RMB1,126.4 million and RMB3,773.2 million in 4QFY2020 and FY2020 respectively (4QFY2019: RMB916.1 million; FY2019: RMB3,348.1 million). The higher revenue was mainly due to the increase in both wastewater treatment volume and average treatment tariff.

Service Income

Service income amounted to RMB71.3 million and RMB172.1 million in 4QFY2020 and FY2020 respectively (4QFY2019: RMB37.2 million; FY2019: RMB164.9 million). The higher revenue in 4QFY2020 was mainly due to the increase in treatment tariff from operations and maintenance projects as compared to 4QFY2019.

Other Revenue

Other revenue amounted to RMB95.6 million and RMB214.6 million in 4QFY2020 and FY2020 respectively (4QFY2019: RMB139.9 million; FY2019: RMB274.1 million). The other revenue mainly consists of installation works carried out, which are ad-hoc in nature.

(B) Gross Profit ("GP") / Gross Profit Margin ("GPM")

The Group's GP increased by RMB214.8 million or 43.5% from RMB493.7 million in 4QFY2019 to RMB708.5 million in 4QFY2020. Meanwhile, GP increased by RMB251.0 million or 13.0% from RMB1,933.4 million in FY2019 to RMB2,184.4 million in FY2020. The increase was mainly due to higher revenue from the operation and maintenance achieved by the Group as explained in Note A.

GPM remained stable in 4QFY2020 and increased from 32.4% in FY2019 to 34.9% in FY2020. The increase was mainly due to higher contribution from operation and maintenance during FY2020 as compared to FY2019 (which has a relatively higher GPM).

(C) Other income

Other income decreased from RMB101.8 million in 4QFY2019 to RMB4.1 million in 4QFY2020 and RMB274.3 million in FY2019 to RMB169.5 million in FY2020. The decrease was mainly due to the revision of government grants in 4QFY2020 and FY2020 compared to 4QFY2019 and FY2019.

(D) Other gains and losses

Other gains and losses improved from a gain of RMB1.4 million and loss of RMB0.9 million in 4QFY2019 and FY2019 to a gain of RMB10.2 million in 4QFY2020 and RMB21.8 million in FY2020 respectively. The movement in other gains and losses is mainly due to the gain recognized on disposal of financial asset held at fair value through other comprehensive income and gain on disposal of associate as well as the fluctuation of foreign exchange (mainly resulting from movement between HKD and SGD).

8. A review of the performance of the group – cont'd.

(E) Selling and Distribution costs

Selling and distribution expenses increased from RMB18.1 million in 4QFY2019 to RMB20.4 million in 4QFY2020. The increase in selling and distribution expenses was mainly due to higher activities incurred during the quarter. There is no material variance for selling and distribution costs in FY2020 as compared to FY2019.

(F) Administrative Expenses

Administrative expenses amounted to RMB162.0 million in 4QFY2020 (4QFY2019: RMB139.7 million) and RMB454.6 million in FY2020 (FY2019: RMB464.3). The increase in administrative expenses in 4QFY2020 was mainly due to the increase in business activities as well as expansion of business. There is no material variance for administrative expenses in FY2020 as compared to FY2019.

(G) Finance expenses

Finance expenses amounted RMB173.6 million in 4QFY2020 (4QFY2019: RMB180.8 million) and RMB698.8 million in FY2020 (FY2019: RMB687.3 million). There is no material variance for finance expenses in 4QFY2020 and FY2020 as compared to 4QFY2019 and FY2019.

(H) Share of Results of Associates/ Share of Results of Joint Ventures

The share of results of associates and joint ventures represents the Group's share of results in investments which are accounted for using equity method.

The decrease in share of results of joint ventures in 4QFY2020 and FY2020 as compared to 4QFY2019 and FY2019 was mainly due to lower contribution from joint ventures.

The increase in share of results of associates in 4QFY2020 and FY2020 as compared to in 4QFY2020 and FY2019 was due mainly to higher contribution from associates.

8. A review of the performance of the group – cont'd.

(I) Profit before tax

Profit before tax from operations is arrived at after charging/(crediting) the following:

	3 Months Ended		12 Months Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RMB'000	RMB'000	RMB'000	RMB'000
Amortisation of intangible assets	83,187	84,896	306,447	298,490
Depreciation of property, plant and equipment	9,384	6,342	36,720	32,834
Depreciation of right-of-use asset	8,190	6,783	13,452	7,002
Loss on disposal of property, plant and equipment	14	4,505	62	4,625
Loss on disposal of intangible assets	953	-	953	-
Foreign exchange (gain)/loss, net	(9,970)	(1,463)	(10,414)	1,182
Loss/(Reversal of) allowance for trade receivables, net trade	5,313	(79)	7,319	231
Loss allowance for non-trade receivables, net non-trade	2,000	-	2,000	-
Bad debts written off (trade)	-	5,938	-	5,938
Bad debts written off (non-trade)	116	-	116	-
Fair value (gain)/loss on financial assets at fair value through profit or loss	(288)	28	186	(286)
Gain on disposal of associate	-	-	(1,678)	-
Gain on disposal of subsidiaries	-	-	(48)	-
Gain on disposal of financial asset held at fair value through other comprehensive income	-	-	(9,953)	-

Amortisation of intangible assets amounted to RMB83.2 million in 4QFY2020 (4QFY2019: RMB84.9 million) and RMB306.4 million in FY2020 (FY2019: RMB298.5 million). There is no material variance for amortisation of intangible assets in 4QFY2020 and FY2020 as compared to 4QFY2019 and FY2019.

(J) Income Tax Expenses

Income tax expense amounted to RMB76.8 million and RMB266.6 million in 4QFY2020 and FY2020 (4QFY2019: RMB76.8 million and FY2019: RMB265.2 million). The increase in income tax expense was in line with the increase in profit generated in FY2020 as compared to FY2019.

	3 Months Ended		12 Months Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RMB'000	RMB'000	RMB'000	RMB'000
Current tax				
- Current period	93,770	78,050	213,598	179,463
- Overprovision in respect of prior periods	(24,955)	(17,307)	(35,010)	(17,648)
Deferred tax				
- Current period	10,022	12,031	84,534	97,660
- (Over)/under provision in respect of prior periods	(2,073)	4,063	3,470	5,699
	76,764	76,837	266,592	265,174

8. A review of the performance of the group – cont'd.

STATEMENTS OF FINANCIAL POSITION

(K) Trade and Other Receivables

The following is an aged analysis of trade receivables, net of loss allowance, excluding other receivables presented based on the invoice date at the end of the reporting period:

	As at	
	31.12.20	31.12.19
	RMB'000	RMB'000
Within 30 days	562,466	509,619
Within 31 to 60 days	241,096	187,899
Within 61 to 90 days	129,676	110,662
Within 91 to 180 days	282,412	192,680
Within 181 to 365 days	246,274	219,624
Over 365 days	421,635	395,877
	1,883,559	1,616,361

(L) Current Assets

Current assets as at 31 December 2020 amounted to RMB6.73 billion (31 December 2019: RMB5.94 billion). The increase was mainly due to net cash inflow during FY2020 (for details, please refer to analysis on "Statement of cash flows" below) and increase in trade receivables as a result of billings raised net of collections during FY2020.

(M) Non-current Assets

Non-current assets as at 31 December 2020 amounted to RMB28.02 billion (31 December 2019: RMB26.43 billion). The increase was mainly due to construction of certain wastewater treatment and waste incineration projects during FY2020.

(N) Trade and Other Payables

The following is an aged analysis of trade payables, excluding other payables presented based on the invoice date at the end of the reporting period:

	As at	
	31.12.20	31.12.19
	RMB'000	RMB'000
Within 30 days	1,104,956	598,022
Within 31 to 60 days	90,902	144,958
Within 61 to 90 days	49,453	54,166
Within 91 to 180 days	120,914	233,677
Within 181 to 365 days	169,069	551,491
Over 365 days	744,809	609,413
	2,280,103	2,191,727

8. A review of the performance of the group – cont'd.

(O) Current Liabilities

Current liabilities as at 31 December 2020 amounted to RMB8.89 billion (31 December 2019: RMB9.25 billion). The decrease was mainly due to reduction in short term borrowings, which was partially offset by the increase in trade and other payables as a result of ongoing construction activities in FY2020.

(P) Non-current Liabilities

Non-current liabilities as at 31 December 2020 amounted to RMB12.84 billion (31 December 2019: RMB11.26 billion). The increase was mainly due to new long term borrowings taken up in FY2020.

STATEMENT OF CASH FLOWS

As at 31 December 2020, the Group's cash and cash equivalents stood at RMB2,668.5 million (31 December 2019: RMB2,374.8 million). In FY2020, net cash of RMB152.9 million was generated from the Group's operating activities. Excluding cash used in projects with service concession arrangements, net cash generated from operating activities was RMB2,110.8 million.

Net cash used in the Group's investing activities of RMB215.3 million in FY2020 was mainly due to net cash outflow from purchase of property, plant and equipments and intangibles assets.

Net cash generated from financing activities of RMB359.4 million in FY2020 was mainly due to net proceeds from bank borrowings and contribution from non-controlling interests upon additional capital injection of subsidiaries, which was partially offset by the interest paid, dividend paid to equity shareholders and increase in deposit pledged to banks.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The global outbreak of COVID-19 in 2020 has forced cities around the world to close down their borders and restrict imports and exports, inflicting unprecedented damage to major economies which have fallen into recession in varying degrees. However, as China reined in the pandemic's spread and as the Group took advantage of its excellent strategic layout, healthy business structure and outstanding project execution ability, its business has remained under control in general. The Group was able to launch its operation in an orderly manner and achieve smooth progress. Profit of the company even posted year-on-year growth since the second half of the year, reflecting the Group's robust recovery from the pandemic.

The integrated development of the Yangtze River Delta Region has become China's key development focus in its 14th Five-Year Plan. In addition to the "Yangtze River Protection Law of the People's Republic of China", the country is also compiling the "14th Five-Year Yangtze River Economic Belt Development Plans and Execution Proposal" (《十四五”长江经济带发展规划实施方案》), which will strengthen the Yangtze River Protection system, promote water pollution prevention and treatment along the Yangtze River, improve wastewater collection and treatment capabilities of cities and villages and set stricter regional water pollutant emission standards which are all aimed at enhancing the development potential of the waste water treatment industry along the Yangtze River. During the 14th Five-Year Plan period, the development of the environmental protection industry will be actively promoted in five areas include increasing capital investment, strengthening the introduction of capital, launching and implementing preferential fiscal and tax, tariff, financial and trade policies relating to ecological and environmental protection, and supporting the development of environmental protection enterprises.

On January 11, 2021, 10 government departments, including the National Development and Reform Commission ("NDRC"), jointly announced the "Guiding opinions on promoting the utilization of wastewater resource". The guiding opinions outlined two scheduled objectives. By 2025, the nationwide wastewater collection performance will be improved significantly. The sewage treatment capability of counties and urban areas will basically meet the needs of their local economic and social development. The sewage treatment capability in the water environmentally sensitive areas will basically undertake the upgrade of discharge standard. The rate of utilization of recycled water at the prefecture-level or above cities of counties faced with water shortage will reach 25% or above. The Beijing-Tianjin-Hebei region will reach 35% or above in terms of recycled water utilization rate and it will establish a systematic, secure, environmentally-friendly and cost-effective layout for wastewater resource utilization to assist the industry in developing a complete investment and profit system and protecting accelerated changes in wastewater resource utilization.

The National Green Development Fund, with a registered capital of RMB88.5 billion, has invested mainly in 11 provinces and cities along the Yangtze River Economic Belt during its first period of existence. Its investment focuses on the key areas of green development along the Yangtze River Economic Belt, including environmental protection, pollution prevention and control, conservation and utilization of resources and energy and ecological development. It also supports more than 10 sub-segment industries, including wastewater treatment and waste incineration. The fund's investment will further revive the development and boost the valuation of the industry, conducive to driving up the development of the wastewater treatment industry and it will possibly further support the valuation of the environmental protection sector.

The implementation of the new "Solid Waste Law" has strengthened the supervision and administration role of China's government and that of relevant departments, and it has also

expanded the coverage of solid waste management. The Group currently focuses on Shanghai Baoshan Renewable Energy Utilization Center Project with the purpose of building a world-class waste incineration project and an exemplary solid waste facility in the Yangtze River Delta. The facility is expected to start operating in 2022 with a daily capacity of 3,800 tonnes. In the future, the Group will seize opportunities to expand its solid waste business and map out its long-term revenue source.

By adhering to the government's environmental protection policies, the Group will tap opportunities to develop its environmental protection business in the current golden period in order to expand the scale of its business and enhance corporate value.

11. Dividend

If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

(b) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

The following final dividend is recommended for shareholders' approval at the Annual General Meeting of the Company ("AGM") to be convened.

Name of Dividend:	Ordinary cash dividend
Dividend Type:	Final
Dividend Rate:	S\$0.01 per ordinary share
Tax Rate:	One-tier tax exempt

The shareholders of the Company who hold their shares on the Hong Kong register of members of the Company shall receive their final dividend payment in Hong Kong dollar while the shareholders of the Company who hold their shares on the Singapore register of members of the Company shall receive their final dividend payment in Singapore dollar.

The exchange rate for converting S\$ into HK\$ for the purpose of final dividend payment in HK\$ will be calculated with reference to the exchange rate quoted by Monetary Authority of Singapore on the date of the forthcoming AGM.

Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend:	Ordinary cash dividend
Dividend Type:	Final
Dividend Rate:	S\$0.01 per ordinary share
Tax Rate:	One-tier tax exempt

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the Dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

One-tier tax exempt

- (d) The date the dividend is payable**

To be announced at a later date

- (e) The date on which Registrable Transfers received by the company will be registered before entitlements.**

To be announced at a later date

- 12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

- 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained from shareholders.

- 14. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement**

Pursuant to Rule 704(13), we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

15. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding financial period.

Analysis by Business Segments RMB'000	Water and Sludge Treatment Segment		Water Supply Segment		Waste Incineration Segment		Total for reportable Segments		Others segment		Unallocated		Group	
	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019
Revenue	4,250,322	4,645,292	948,534	886,313	838,490	153,843	6,037,346	5,685,448	214,593	274,073	-	-	6,251,939	5,959,521
Reportable segment profit from operations	1,460,293	1,294,645	138,637	132,074	135,614	30,984	1,734,544	1,457,703	61,768	70,654	(65,976)	(66,953)	1,730,336	1,461,404
Finance income	-	-	-	-	-	-	-	-	-	-	20,583	21,397	20,583	21,397
Finance expenses	-	-	-	-	-	-	-	-	-	-	(698,845)	(687,267)	(698,845)	(687,267)
Other income	83,323	130,400	13,437	43,803	-	4,800	96,760	179,003	160	(1,127)	290	9,344	97,210	187,220
Share of results of associates	2,857	(9,759)	-	-	-	-	2,857	(9,759)	1,230	22	724	-	4,811	(9,737)
Share of results of joint ventures	-	-	-	-	30,335	46,550	30,335	46,550	-	-	-	-	30,335	46,550
Income tax expense	(195,258)	(196,736)	(34,367)	(49,152)	(27,677)	(1,833)	(257,302)	(247,721)	(7,856)	(14,756)	(1,434)	(2,697)	(266,592)	(265,174)
Profit after tax													917,838	754,393
Segment depreciation and amortization	203,604	197,297	126,930	122,783	9,922	8,643	340,456	328,723	2,249	2,220	13,914	7,383	356,619	338,326
Segment non-cash income	-	-	-	-	-	-	-	-	-	286	-	-	-	286
Segment non-cash expenses	5,022	5,993	1,561	176	-	-	6,583	6,169	3,037	-	-	-	9,620	6,169
Segment assets	27,211,845	25,509,900	3,752,974	3,655,282	2,031,315	1,213,115	32,996,134	30,378,297	565,975	541,289	325,513	564,553	33,887,622	31,484,139
Interest in joint ventures	-	-	-	-	523,961	532,607	523,961	532,607	-	-	-	-	523,961	532,607
Interest in associates	59,860	59,686	-	-	-	-	59,860	59,686	12,015	10,785	27,621	28,607	99,496	99,078
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	3,167	3,353	-	-	3,167	3,353
Financial assets at fair value through other comprehensive income	10,400	10,400	-	-	-	-	10,400	10,400	3,500	3,500	12,533	31,406	26,433	45,306
Asset classified as held for sale	210,952	202,150	-	-	-	-	210,952	202,150	-	-	-	-	210,952	202,150
Total assets													34,751,631	32,366,633
Segment liabilities	13,757,819	13,273,685	1,704,463	1,696,113	952,063	409,362	16,414,345	15,379,160	1,291,249	1,418,418	4,024,038	3,709,325	21,729,632	20,506,903
Segment capital expenditure	18,126	83,557	210,961	298,842	15,536	160	244,623	382,559	992	771	33	28	245,648	383,358

15. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. – cont'd**

Group	Revenue		Non-current Assets		Capital Expenditure	
	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
PRC	6,251,939	5,959,521	28,010,338	26,393,829	245,622	383,338
Singapore	-	-	8,536	33,542	26	20

16. **In view of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to paragraph 8.

17. **A breakdown of sales**

Group	FY2020	FY2019	Increase/ (Decrease)
	RMB'000	RMB'000	%
Sales reported for first half year	2,639,636	2,921,779	(9.7)
Profit after tax before deducting minority interests reported for first half year	391,305	373,554	4.8
Sales reported for second half year	3,612,303	3,037,742	18.9
Profit after tax before minority interests reported for second half year	526,533	380,839	38.3

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Total Annual Dividend	FY2020	FY2019
	RMB'000	RMB'000
Ordinary	127,339	131,779
Preference	-	-
Total	127,339	131,779

19. **Status on the use of net proceeds raised from two Share Placement**

The Company raised approximately S\$220.5 million from the share placement exercise in May 2017 ("2017 Share Placement"). Deployment of the net proceeds has been in accordance with the intended utilisation as stated in the announcement dated 16 January 2017. Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the announcement.

As at to-date, the net proceeds from the 2017 Share Placement has been fully utilized.

20. Confirmation that the Issuer has Procured Undertakings from All Its Directors and Executive Officers

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Yang Jianwei

Executive Director

26 February 2021