

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

- 1(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year

	12 months ended		Increase /
	31.12.2020	31.12.2019	(Decrease)
	RMB'000	RMB'000	%
Revenue	158,198	63,132	150.6
Cost of sales and services provided	(85,634)	(35,650)	140.2
Gross profit	72,564	27,482	164.0
Other income - net	3,340	35,558	(90.6)
Expenses			
- Administrative	(11,777)	(9,855)	19.5
- Other operating	(18,312)	(24,441)	(25.1)
- Finance	(5,064)	(77)	6,476.6
Share of profit / (loss) from associated companies accounted for using the equity method	40,018	(1,225)	3,366.8
Profit before income tax	80,769	27,442	194.3
Income tax expense	(14,918)	(1,517)	883.4
Profit for the financial year	65,851	25,925	154.0
Profit for the financial year attributable to:			
Owners of the parent	57,055	18,560	207.4
Non-controlling interests	8,796	7,365	19.4
	65,851	25,925	154.0

Notes: Operation of associated companies, the KYWJ Group

On 1 June 2017, the Company completed the disposal of its 5% equity interest and debt interest in the KYWJ Group, which resulted in a loss of control in the KYWJ Group. Consequently, even though the Group has lost its control in the KYWJ Group, it still remains a significant influence by virtue of its remaining 50% equity interest and its board representation on the KYWJ Group. Accordingly, the Group has deconsolidated the KYWJ Group and reclassified the investment as associates, which would be accounted for using the equity method.

(i) The summary results of the KYWJ Group for FY2020 and FY2019 are as follow:

	12 months ended		Increase /
	31.12.2020	31.12.2019	(Decrease)
	RMB'000	RMB'000	%
Revenue	1,008,096	204,020	394.1
Cost of sales and services provided	(829,258)	(164,161)	405.1
Gross profit	178,838	39,859	348.7
Other income - net	1,197	1,024	16.9
Other operating expenses	(12,515)	(17,917)	(30.2)
Selling and marketing expenses	(36,774)	(29,182)	26.0
Profit / (loss) before income tax	130,746	(6,216)	2,203.4
Income tax (expenses) / credit	(50,710)	3,765	1,446.9
Profit / (loss) for the financial year	80,036	(2,451)	3,365.4

Notes (cont'd): Operation of associated companies, the KYWJ Group

(ii) Statement of Financial Position as at 31 December 2020 for the KYWJ Group is as follows:

	31.12.2020 RMB'000	31.12.2019 RMB'000
NON-CURRENT ASSETS		
Property, plant and equipment	5,077	167,970
	5,077	167,970
CURRENT ASSETS		
Property for development	1,190,097	1,213,666
Trade and other receivables	474,203	566,350
Cash and bank balances	127,039	156,343
Deferred tax assets	-	21,799
	1,791,339	1,958,158
CURRENT LIABILITIES		
Borrowing	2,875	204,496
Trade and other payables	1,463,545	1,686,932
Tax payables	26,762	
	1,493,182	1,891,428
Net Current Assets	298,157	66,730
Total assets less current liabilities	303,234	234,700
NON-CURRENT LIABILITIES		
Deferred tax liabilities	26,710	38,212
	26,710	38,212
Net Assets	276,524	196,488
Equity		
Share capital	4,444	4,444
Reserves	140,817	140,817
Accumulated profit	131,263	51,227
	276,524	196,488

(iii) The development properties in the Yichang Project comprise of units in completed Phase 1, Phase 2, “new” Phase 3 (formerly named Phases 3 and 4) and Service Apartments (“SA”):

a. The total saleable area for the Phase 1, Phase 2, “new” Phase 3-1, “new” Phase 3-2, “new” Phase 3-3 and SA is approximately 546,331 square meters. As at 31 December 2020, the take-up rates for Phase 1-1, Phase 1-2, Phase 1-3, Phase 2, “new” Phase 3-1, “new” Phase 3-2, “new” Phase 3-3 and SA were 95.05%, 100%, 91.04%, 91.79%, 90.68%, 94.23%, 30.37% and 30.38% respectively.

b. Cumulative revenue recognised in the income statement up to the current year is approximately RMB2,670 million. Cumulative sales and pre-sales amounted to approximately RMB3,580 million, of which approximately RMB910 million in pre-sales revenue will only be recognised in the income statement upon completion in a later period .

c. The “new” Phase 3-1 was completed during Q3 2020. The “new” Phase 3-2 is in the process of construction, with 3% of the remaining work planned to complete by first half of 2021. The “new” Phase 3-3 and SA are also in the process of construction, with 55% and 50% of work remaining to complete respectively. The KYWJ Group expects to complete the development of “new” Phase 3-3 and SA by Quarter 2 of 2022.

The Group's profit for the financial year is arrived at after crediting / (charging) the following:

	12 months ended	
	31.12.2020	31.12.2019
	RMB'000	RMB'000
Interest income	902	1,046
Rental income, net	1,551	1,346
Depreciation of property, plant, equipment and right-of-use assets	(26,444)	(11,924)
Currency translation loss	(355)	(80)
Auditors' remuneration	(1,080)	(1,106)
Fair value loss on investment properties	(1,700)	-
Share option expense	(1,752)	-
Share award expense	(384)	-
Share of profit / (loss) of associated companies	40,018	(1,225)

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.

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RMB'000	RMB'000	RMB'000	RMB'000
Non-Current Assets				
Property, plant and equipment	246,761	278,029	-	-
Intangible assets	54	135	-	-
Investment properties	33,100	34,800	-	-
Goodwill arising on consolidation	20,303	20,303	-	-
Investment in subsidiaries	-	-	196,000	196,000
Investment in associates	138,262	98,244	-	-
Long term receivables	30,000	-	-	-
Deferred income tax assets	6,389	3,893	-	-
	474,869	435,404	196,000	196,000
Current Assets				
Inventories	1,944	2,246	-	-
Other current assets	10,176	7,949	-	-
Trade and other receivables	208,125	181,867	442,477	440,981
Cash and bank balances	127,555	167,891	1	1
	347,800	359,953	442,478	440,982
Current Liabilities				
Borrowings	40,500	33,000	-	-
Lease liabilities	429	590	-	-
Trade and other payables	172,675	201,047	139,959	134,920
Current income tax liabilities	7,906	22,747	-	-
	221,510	257,384	139,959	134,920
NET CURRENT ASSETS	126,290	102,569	302,519	306,062
TOTAL ASSETS LESS CURRENT LIABILITIES	601,159	537,973	498,519	502,062
Non-Current Liabilities				
Lease liabilities	-	398	-	-
Long term borrowings	59,500	72,000	-	-
Deferred income	15,485	16,300	-	-
Deferred income tax liabilities	10,141	7,979	-	-
	85,126	96,677	-	-
NET ASSETS	516,033	441,296	498,519	502,062
EQUITY				
Equity attributable to owners of the parent				
Share capital	17,779	17,779	17,779	17,779
Reserves	921,771	918,438	886,695	884,559
Accumulated losses	(549,262)	(605,120)	(405,955)	(400,276)
	390,288	331,097	498,519	502,062
Non-controlling interests	125,745	110,199	-	-
TOTAL EQUITY	516,033	441,296	498,519	502,062

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.12.2020 (RMB'000)		As at 31.12.2019 (RMB'000)	
Secured	Unsecured	Secured	Unsecured
12,500	28,000	5,000	28,000

Amount repayable after one year

As at 31.12.2020 (RMB'000)		As at 31.12.2019 (RMB'000)	
Secured	Unsecured	Secured	Unsecured
59,500	-	72,000	-

Details of any collateral

The borrowing of the Group is secured as follows:

- (i) First legal mortgage over certain investment properties, land and buildings of the Group;
- (ii) First legal mortgage over buildings in a related company.

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

	12 months ended	
	31.12.2020	31.12.2019
	RMB'000	RMB'000
Cash flows from operating activities		
Profit before income tax	80,769	27,442
Adjustments for:		
- Amortisation of intangible assets	81	108
- Depreciation of property, plant, equipment and right-of-use assets	26,444	11,816
- Amortisation of deferred income	(815)	-
- Interest expense	5,064	77
- Expenses of share option and share award plan	2,136	-
- Interest income	(902)	(1,046)
- Gain on disposal of property, plant and equipment	(9)	(9)
- Fair value loss on investment properties	1,700	-
- Share of (profit) / loss of associates	(40,018)	1,225
- Unrealised currency translation loss / (gain)	160	(107)
	<u>74,610</u>	<u>39,506</u>
Changes in working capital		
- Inventories	302	(496)
- Other current assets	(2,226)	19,860
- Trade and other receivables	(50,326)	(32,470)
- Trade and other payables	(16,570)	57,406
Cash provided by operations	<u>5,790</u>	<u>83,806</u>
PRC income tax paid	<u>(30,092)</u>	<u>(12,198)</u>
Net cash (used in) / provided by operating activities	<u>(24,302)</u>	<u>71,608</u>
Cash flows from investing activities		
Decrease of restricted bank balances pledged	146	-
Interest received	856	780
Interest paid	-	(3,346)
Purchases of property, plant and equipment	(12,866)	(112,176)
Proceeds from disposal of property, plant and equipment	9	9
Repayment of loans from an associated company	-	70,180
Net cash used in investing activities	<u>(11,855)</u>	<u>(44,553)</u>
Cash flows from financing activities		
Interest and other finance costs paid	(5,064)	(77)
Principal payment of lease liabilities	(559)	(460)
Proceeds from borrowings	-	77,000
Repayments of borrowings		
- non-related parties	(5,000)	-
Capital received from a non-controlling shareholder	<u>6,750</u>	<u>-</u>
Net cash (used in) / provided by financing activities	<u>(3,873)</u>	<u>76,463</u>

	12 months ended	
	31.12.2020	31.12.2019
	RMB'000	RMB'000
Net (decrease) / increase in cash and cash equivalents	(40,030)	103,518
CASH AND CASH EQUIVALENTS:		
BEGINNING OF FINANCIAL YEAR	167,745	64,120
Effects of exchange rate changes on cash and cash equivalents	(160)	107
End of financial year	<u>127,555</u>	<u>167,745</u>
Analysis of Cash and Cash Equivalents		
Cash and bank balances	127,555	167,891
Restricted bank balances	-	(146)
	<u>127,555</u>	<u>167,745</u>

As at 31 December 2019, cash equivalents include restricted bank balances of approximately RMB146,000 for securing the performance and fund utilization for a land development project of the Company. The restricted bank balances have been discharged during the financial year ended 31 December 2020.

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 capitalization 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 parent											
	Share Capital RMB'000	Share Premium RMB'000	Contributed Surplus RMB'000	Capital Reserve RMB'000	Statutory Reserves RMB'000	Capital Redemption Reserve RMB'000	Exchange Reserve RMB'000	Share Based Payment Reserve RMB'000	Accumulated Losses RMB'000	Subtotal RMB'000	Non-controlling Interests RMB'000	Total Equity RMB'000
2019												
Beginning of financial year	17,779	65,712	810,044	7,764	25,555	8,324	(2,147)	7,114	(627,608)	312,537	102,834	415,371
Total comprehensive income for the financial year	-	-	-	-	-	-	-	-	18,560	18,560	7,365	25,925
Transfer	-	-	-	-	3,186	-	-	-	(3,186)	-	-	-
Share options lapsed	-	-	-	-	-	-	-	(7,114)	7,114	-	-	-
End of financial year	17,779	65,712	810,044	7,764	28,741	8,324	(2,147)	-	(605,120)	331,097	110,199	441,296
2020												
Beginning of financial year	17,779	65,712	810,044	7,764	28,741	8,324	(2,147)	-	(605,120)	331,097	110,199	441,296
Total comprehensive income for the financial year	-	-	-	-	-	-	-	-	57,055	57,055	8,796	65,851
Transfer	-	-	-	-	1,197	-	-	-	(1,197)	-	-	-
Capital injection	-	-	-	-	-	-	-	-	-	-	6,750	6,750
Share based payment	-	-	-	-	-	-	-	2,136	-	2,136	-	2,136
End of financial year	17,779	65,712	810,044	7,764	29,938	8,324	(2,147)	2,136	(549,262)	390,288	125,745	516,033

COMPANY

	Share Capital RMB'000	Share Premium RMB'000	Contributed Surplus RMB'000	Capital Reserve RMB'000	Capital Redemption Reserve RMB'000	Share Based Payment Reserve RMB'000	Accumulated Losses RMB'000	Total Equity RMB'000
2019								
Beginning of financial year	17,779	65,712	810,044	479	8,324	7,114	(403,423)	506,029
Total comprehensive loss for the financial year	-	-	-	-	-	-	(3,967)	(3,967)
Share options lapsed	-	-	-	-	-	(7,114)	7,114	-
End of financial year	17,779	65,712	810,044	479	8,324	-	(400,276)	502,062
2020								
Beginning of financial year	17,779	65,712	810,044	479	8,324	-	(400,276)	502,062
Total comprehensive loss for the financial year	-	-	-	-	-	-	(5,679)	(5,679)
Share based payment	-	-	-	-	-	2,136	-	2,136
End of financial year	17,779	65,712	810,044	479	8,324	2,136	(405,955)	498,519

- 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.

As announced on 3 July 2020, the Company had on the same date granted 2,700,000 share options pursuant to the rules of the CIHL Share Option Scheme (the "2020 SOS"). As at 31 December 2020, all of the above options granted remained outstanding (31 December 2019: nil). If all these options were exercised, 2,700,000 shares in the capital of the Company would be issued on conversion. Under the 2020 SOS, none of above options could be exercised as at 31 December 2020.

As announced on 3 July 2020, the Company had on the same date granted 600,000 share awards pursuant to the rules of the CIHL Performance Share Plan (the "2020 PSP"). As at 31 December 2020, all above awards granted were outstanding (31 December 2019: nil). If all these awards were released, 600,000 shares in the capital of the Company would be issued. Under the 2020 PSP, none of above awards could be released as at 31 December 2020.

The Company did not hold any of its issued shares as treasury shares as at 31 December 2020 and 31 December 2019.

The Company did not hold any of its issued shares as subsidiary holdings as at 31 December 2020 and 31 December 2019.

- 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 and 31 December 2019, the number of issued shares excluding treasury shares and subsidiary holdings was 71,233,533 ordinary shares.

- 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.

Not applicable.

- 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.

Not applicable.

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

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

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

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.

There are a number of new or revised International Financial Reporting Standards ("IFRSs") and related interpretations promulgated by International Financial Reporting Interpretations Committee ("IFRICs") that are effective for accounting periods beginning on or after 1 January 2020. The adoption of these new IFRSs did not have any material impact on the financial information of the Group for the financial year ended 31 December 2020. Save as aforesaid, the accounting policies and methods of computation used in the preparation of the financial information of the Group for the financial year ended 31 December 2020 are the same as those used in the annual financial statements of the Group for the financial 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.

The Group adopted the new or amended IFRSs and IFRICs that are mandatory for application for financial year beginning on or after 1 January 2020. The adoption of these new or amended IFRSs and IFRICs did not result in substantial changes to the Group's accounting policies nor any significant impact on the consolidated financial statements.

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

	31.12.2020	31.12.2019
Profit attributable to owners of the parent (RMB'000)	57,055	18,560
Weighted average number of ordinary shares in issue ('000)	71,234	71,234
Basic earnings per share (RMB fen)	80.10	26.05
E		
^a Weighted average number of diluted shares	71,577	71,234
^r Earnings per share based on fully diluted basis (RMB fen)	79.71	26.05

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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net asset value * (RMB'000)	390,288	331,097	498,519	502,062
Number of shares ('000)	71,234	71,234	71,234	71,234
Net asset per share (RMB)	5.479	4.648	6.998	7.048

* Exclude non-controlling interests

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 affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Profit or Loss Analysis

The group's revenue for FY2020 of the Group was RMB158.20 million, an increase of RMB95.07 million or 150.6% compared to RMB63.13 million in FY2019. The increase of 150.6% came mainly from higher revenue on construction of water pipeline and revenue from wastewater treatment services provided by the Xinhe project (新河污水处理及再生水厂项目) of CIHL (Tianjin) Water Development Company Limited ("Tianjin Water").

A breakdown of revenue in FY2020 and FY2019 is as follows:

	FY2020	FY2019	Increase / (decrease)	
	RMB'000	RMB'000	RMB'000	%
Revenue				
- Water supply	39,786	43,992	(4,206)	(9.6)
- Construction of water pipeline	53,388	21,790	31,598	145.0
- Wastewater treatment services	64,859	-	64,859	NM
- Land development	165	(2,650)	2,815	106.2
	158,198	63,132	95,066	150.6

NM: Not Meaningful

Other income in FY2020 was RMB3.34 million, representing a decrease of RMB32.22 million or 90.6% compared to the RMB35.56 million in FY2019. The decrease of 90.6% was due to net income in FY2019 contributed (billings less direct costs incurred for providing the services) from Tianjin Water for providing temporary water treatment services prior to commission of the Xinhe project. Same service business was recorded as revenue or cost on wastewater treatment services in FY2020, after the fixed operating lines had been completed.

Finance cost in FY2020 was RMB5.06 million, from borrowings which carried interests in Tianjin Water.

Share of profit from associated companies in FY2020 was RMB40.02 million compared to a loss of RMB1.23 million recorded in FY2019. The profit is attributed to the KYWJ Group. Cumulative pre-sales from completed phase, "new" phase 3-1, had been recognised in the income statements of the KYWJ Group upon completion during FY2020.

The Group recorded a net profit of RMB65.85 million in FY2020 compared to RMB25.93 million the year before.

Analysis on Statement of Financial Position

As disclosed on 21 August 2020, the Company had been in active discussions with the project owner for the return of the deposit of RMB30 million. Prior to the financial year end, the Company and the project owner, Baoding Zhongshang Real Estate Development Limited (保定市尚房地产开发有限公司) entered into an agreement for the latter to return the deposit in kind by transferring development properties currently valued at approximately RMB30 million to the Company. Under the agreement, the Company retains the option to collect the full outstanding sum of RMB30 million in cash before the development properties are completed. As such, the Company had reclassified the refundable deposits to long term receivables of RMB30 million in the balance sheet.

Trade and other receivables increased from RMB181.87 million as at 31 December 2019 to RMB208.13 million as at 31 December 2020, mainly from higher amounts due from government bodies in respect of the wastewater treatment services provided by Tianjin Water.

Other current assets of RMB10.18 million as at 31 December 2020 were mainly direct costs incurred for the pipe line construction in Tianjin Water.

Trade and other payables decreased to RMB172.68 million as at 31 December 2020 from RMB201.05 million in the previous year. This was mainly due to a decrease in receipts in advance after the Company had recognised revenue for pipe line construction services completed during the financial year.

Cash and cash equivalents as at 31 December 2020 was RMB127.56 million compared to RMB167.89 million in the previous year.

Cash Flows Analysis

Net cash used in operating activities was RMB24.30 million in FY2020, mainly for payment of income tax in Tianjin Water.

Net cash used in investing activities was RMB11.86 million in FY2020 were mainly payments in respect construction of the Xinhe project (新河污水处理及再生水厂项目) in Tianjin Water.

Net cash used in financing activities in FY2020 of RMB3.87 million, mainly being interest and principal repayments on borrowings.

- 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 was previously provided.

- 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.](#)

Both the Group's water businesses in Tianjin and the property development project in Yichang City, Hubei Province, require undertaking construction and related activities. The outbreak of COVID-19 had caused significant disruptions to the movement of people, goods and services throughout China. It had also resulted in disruptions to labour supply to many businesses, including to the Group's water and property development projects.

At this point in time, the COVID-19 situation remains very fluid, and the Group is not able to reasonably ascertain the full extent of the impact of COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021. If there is a significant change to the situation, management will make prompt disclosure when it becomes aware of any material or significant information concerning its operations.

The Group completed the construction of the Xinhe project (新河再生水厂项目) in December 2019. The Xinhe project is a water treatment plant for reclaimed water (再生水厂). It treats the water discharged from a wastewater treatment plant (污水处理厂) to the standard of reclaimed water, to be fed into the network of the Tianjin Water. It has led to significantly increase in the water supply capacity of Tianjin Water in 2020.

Tianjin Lingang Water Co. Ltd, a subsidiary of the Group, has commenced an expansion project to re-pressurize water from Tianjin Water's pipeline network for supply to local users. The total capital cost of the expansion project is estimated at about RMB70 million. The sources of financing are from internal shareholders funds and bank financing. The expansion is expected to be completed the end of 2021 or early 2022, and will allow for an increase of sales of treated and untreated water to the service areas.

The Group's indirect wholly-owned subsidiary, CIHL (Tianjin) City Development Limited ("CIHL Tianjin") had set up a subsidiary, Tianjin Gangbin Water Co., Ltd ("天津市港滨水务有限公司", "TGWL") with Tianjin Chentian Automation Equipment Engineering Co., Ltd ("天津晨天自动化设备工程有限公司", "Chentian") and Tianjin Huahan Water Co., Ltd ("天津华翰水务有限公司", "Huahan") on 9 October 2020. Pursuant to the shareholders' agreement, CIHL Tianjin agreed to invest capital of not more than RMB1.1 million in TWGL and hold a 55% equity interest in TGWL in this initial stage. Chentian and Huahan agreed to invest capital of 25% and 20% of TGWL respectively. Up till now, shareholders have not injected any funds into TGWL.

The Group has no other investment plans at present and will continue to focus on the execution of the existing plans.

The Group has made full impairment in relation to the Liuhe Gold project in Q4 FY2015, and Company has not found an opportunity to our share of ownership of this investment. The project will meanwhile remain under care.

The Group has made full impairment for the related investment in the Group's project in Papua New Guinea in Q4 FY2015 and the exploration license had expired in 2020. Since then the Group has supported the local partners to submit an application for a new exploration license covering roughly the same area previously explored by the Group and its partners. The Group plans to bring in new partners when the new license is secured.

The Group will be focusing on developing the water treatment business in China and on cash generation from property development going forward.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	Proposed Final
Dividend Type	Ordinary
Dividend Amount Per Share (in cents)	3 Singapore cents per ordinary share
Tax Rate	Tax Exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date Payable

The Directors are pleased to recommend a final dividend of 3 Singapore cents per share in respect of the financial year ended 31 December 2020 for approval by the shareholders at the next Annual General Meeting to be convened on or before 30 April 2021.

(d) Books closure date

The books closure date will be announced at a later date.

(e) Scrip Dividend Scheme

The Scrip Dividend Scheme will be applicable to the final dividend. The issue price of a new share shall not be set at more than 10% discount to, nor shall it exceed the average of the last dealt prices of a share on the SGX-ST for each of the market days during the price determination period (being the period commencing on the day on which the shares are first quoted ex-dividend and ending on the books closure date to determine the entitlements to the final dividend). Further details will be announced at a later date.

12 If no dividend has been declared / recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 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.

(a) Business activities

	Water supply services	Land development	All other segments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial year ended				
31 December 2020				
Total segment revenue	204,439	-	788	205,227
Inter-segment revenue	(46,405)	-	(624)	(47,029)
Revenue from external parties	158,034	-	164	158,198
Segment results	72,400	-	164	72,564
Interest income	734	99	137	970
Rental income	-	-	1,551	1,551
Other income	-	-	2,874	2,874
Administrative expenses	-	-	(11,777)	(11,777)
Other operating expenses	(8,863)	(1,957)	(7,492)	(18,312)
Fair value loss on investment properties	-	-	(1,700)	(1,700)
Currency translation loss	-	-	(355)	(355)
Finance costs	(5,014)	-	(50)	(5,064)
Share of profit of associated companies	-	-	40,018	40,018
Income tax (expense) / credit	(6,907)	819	(8,830)	(14,918)
PROFIT FOR THE FINANCIAL YEAR				65,851
Depreciation and amortisation	(23,652)	(5)	(2,868)	(26,525)
Accrued expense for share options and share awards	-	-	(2,136)	(2,136)

(a) Business activities (cont'd):

	Water supply services RMB'000	Land development RMB'000	All other segments RMB'000	Total RMB'000
As at 31 December 2020				
Total assets	491,505	4,762	326,402	822,669
Total assets include:				
Property, plant and equipment	239,593	2	7,166	246,761
Intangible assets	54	-	-	54
Goodwill	20,303	-	-	20,303
Long term receivable	-	-	30,000	30,000
Investment properties	-	-	33,100	33,100
Investment in associated companies	-	-	138,262	138,262
Deferred income tax assets	4,302	-	2,087	6,389
Inventories	1,944	-	-	1,944
Other current assets	10,176	-	-	10,176
Trade and other receivables	132,340	2,767	73,018	208,125
Cash and cash equivalents	82,793	1,993	42,769	127,555
Total assets				822,669
Addition to property, plant and equipment	4,467	-	(90)	4,377
As at 31 December 2020				
Total liabilities	222,130	7,227	77,279	306,636
Total liabilities include:				
Short term borrowings	12,500	-	28,000	40,500
Trade and other payables	134,645	7,227	30,789	172,661
Current income tax liabilities	-	-	7,920	7,920
Deferred income tax liabilities	-	-	10,141	10,141
Deferred income	15,485	-	-	15,485
Lease liability	-	-	429	429
Long term borrowings	59,500	-	-	59,500
				306,636

(a) Business activities (cont'd):

	Water supply services	Land development	All other segments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial year ended				
31 December 2019				
Total segment revenue	110,496	(2,650)	-	107,846
Inter-segment revenue	(44,714)	-	-	(44,714)
Revenue from external parties	65,782	(2,650)	-	63,132
 Segment results	 30,132	 (2,650)	 -	 27,482
 Interest income	 6,256	 24	 (5,234)	 1,046
Rental income	-	-	1,346	1,346
Other income	32,976	-	270	33,246
Administrative expenses	-	-	(9,855)	(9,855)
Other operating expenses	(11,653)	(2,049)	(10,739)	(24,441)
Currency translation loss	-	-	(80)	(80)
Finance costs	-	-	(77)	(77)
Share of loss of associated companies	-	-	(1,225)	(1,225)
Income tax (expense) / credit	(5,617)	(498)	4,598	(1,517)
PROFIT FOR THE FINANCIAL YEAR				25,925
 Depreciation and amortisation	 (10,726)	 (5)	 (1,193)	 (11,924)

(a) Business activities (cont'd):

	Water supply services RMB'000	Land development RMB'000	All other segments RMB'000	Total RMB'000
As at 31 December 2019				
Total assets	508,122	19,749	267,486	795,357
Total assets include:				
Property, plant and equipment	269,467	6	8,556	278,029
Intangible assets	135	-	-	135
Goodwill	20,303	-	-	20,303
Investment properties	-	-	34,800	34,800
Investment in associated companies	-	-	98,244	98,244
Deferred income tax assets	1,807	-	2,086	3,893
Inventories	2,246	-	-	2,246
Other current assets	7,949	-	-	7,949
Trade and other receivables	62,820	15,652	103,395	181,867
Cash and cash equivalents	143,395	4,091	20,405	167,891
Total assets				795,357
Addition to property, plant and equipment	115,671	-	3	115,674
As at 31 December 2019				
Total liabilities	261,074	17,939	75,048	354,061
Total liabilities include:				
Short term borrowings	5,000	-	28,000	33,000
Trade and other payables	154,648	17,024	29,375	201,047
Current income tax liabilities	13,126	915	8,706	22,747
Deferred income tax liabilities	-	-	7,979	7,979
Deferred income	16,300	-	-	16,300
Lease liability	-	-	988	988
Long term borrowings	72,000	-	-	72,000
				354,061

(b) Geographical location

The income and profits of the Group are derived wholly in one geographical market, namely, the People's Republic of China (the "PRC").

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

This has been addressed in note 8 to this announcement.

15 A breakdown of sales.

	Latest Financial Year RMB'000 Group	Previous Financial Year RMB'000 Group	Increase/ (Decrease) % Group
(a) Turnover reported for first half year	86,237	26,267	228.3
(b) Operating (loss) / profit after tax before deducting minority interests reported for first half year	18,584	(14,152)	231.3
(c) Turnover reported for second half year	71,961	36,865	95.2
(d) Operating profit after tax before deducting minority interests reported for second half year	47,267	40,077	17.9

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

None.

17 If the Group has obtained a general mandate from shareholders for interested persons transactions ('IPT'), the aggregate value of such transaction as required under Rule 902(1)(a)(ii). If non mandate has been obtained, a statement to that effect.

The Group did not obtain a general mandate from shareholders for interested person transactions.

18 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.

None of the employees occupying a managerial position in the Company and any of its principal subsidiaries is a relative of any director, chief executive officer or substantial shareholder of the Company.

19 Undertakings confirmation pursuant to Rule 720(1)

The Board of Directors of the Company hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

BY ORDER OF THE BOARD

Zhang Rong Xiang
Managing Director
26 February 2021