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 Financial Year ended 31 December 2016

16 February 2017

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SIIC Environment Holdings Ltd.
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Fourth Quarter of Financial Year 2016 Financial Statements And Dividend Announcement

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 ("4QFY2016") AND FINANCIAL YEAR ENDED 31 DECEMBER 2016 ("FY2016)

		Group					
		3 Months Ended		Changes	12 Months Ended		Changes
	Note	31.12.16	31.12.15		31.12.16	31.12.15	
		RMB'000	RMB'000	%			%
Revenue	(A)	1,133,936	511,055	>100.0	2,648,097	1,803,796	46.8
Cost of sales		(870,863)	(321,690)	>100.0	(1,835,801)	(1,091,666)	68.2
Gross profit	(B)	**263,073**	**189,365**	38.9	**812,296**	**712,130**	14.1
Other operating income	(C)	17,811	17,140	3.9	44,442	31,827	39.6
Selling and distribution costs	(D)	(16,039)	(4,848)	>100.0	(39,114)	(15,908)	>100.0
Administrative expenses	(E)	(119,576)	(60,482)	97.7	(268,907)	(185,591)	44.9
Profit from operations		**145,269**	**141,175**	2.9	**548,717**	**542,458**	1.2
Finance income		4,152	1,338	>100.0	11,357	10,441	8.8
Finance expenses	(F)	(93,107)	(43,777)	>100.0	(234,611)	(169,853)	38.1
Other income	(G)	11,249	28,704	(60.8)	112,964	67,895	66.4
Other expenses	(G)	-	(5,190)	(100.0)	-	(5,190)	(100.0)
Share of results of joint ventures	(H)	14,120	15,211	(7.2)	60,122	56,207	7.0
Share of results of associates	(H)	(3,961)	8,043	<(100.0)	10,579	22,038	(52.0)
Gain from revaluation of previously held interest in an associate	(I)	155,389	-	n.m.	155,389	-	n.m.
Profit before tax	(i)	**233,111**	**145,504**	60.2	**664,517**	**523,996**	26.8
Income tax expense	(ii)/(J)	(31,404)	(16,742)	87.6	(124,099)	(99,584)	24.6
Profit for the period		**201,707**	**128,762**	56.7	**540,418**	**424,412**	27.3
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation, net of tax		(63,876)	4,109	<(100.0)	(20,003)	(86,113)	(76.8)
Investment revaluation reserve	(M)	14,607	4,811	>100.0	16,329	54,763	(70.2)
Total comprehensive income for the period		**152,438**	**137,682**	10.7	**536,744**	**393,062**	36.6
Profit for the period attributable to:							
Owners of the Company		170,265	119,650	42.3	454,926	360,390	26.2
Non-controlling interests		31,442	9,112	>100.0	85,492	64,022	33.5
		201,707	**128,762**	56.7	**540,418**	**424,412**	27.3
Total comprehensive income attributable to:							
Owners of the Company		120,996	128,570	(5.9)	451,252	329,040	37.1
Non-controlling interests		31,442	9,112	>100.0	85,492	64,022	33.5
		152,438	**137,682**	10.7	**536,744**	**393,062**	36.6

N.M. – Not Meaningful

Notes:

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

	3 Months Ended		12 Months Ended	
	31.12.16	**31.12.15**	**31.12.16**	**31.12.15**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Amortisation of intangible assets (Note K)	58,410	49,615	161,468	105,291
Amortisation of land use rights	67	58	256	196
Depreciation of property, plant and equipment	14,707	2,357	23,756	11,162
(Gain)/Loss on disposal of property, plant and equipment	(137)	2,128	139	(873)
Loss/(Gain) on disposal of intangible assets	22	-	(2,529)	-
Gain on disposal of available-for-sale financial instruments	-	-	(10,628)	-
Foreign exchange loss/(gain), net	2,638	(1,761)	4,131	(220)
(Reversal)/Allowance for doubtful receivables (trade)	(1,871)	558	(2,441)	144
Reversal for doubtful receivables, net (non-trade)	(75)	(9,334)	(8,307)	(9,003)
Bad debts written off	170	-	170	-
Allowance/(Reversal allowance) for inventories	-	1,066	(7)	1,046
Reversal of allowance for foreseeable losses	(11)	-	(11)	-
Fair value gain from held-for-trading investment	(472)	(984)	(1,105)	(278)
Fair value loss from financial liability	-	5,190	-	5,190
Gain from revaluation of previously held interest in an associate	(155,389)	-	(155,389)	-

1(a)(ii) Adjustment for overprovision of tax in respect of prior periods

	3 Months Ended		12 Months Ended	
	31.12.16	**31.12.15**	**31.12.16**	**31.12.15**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Over provision of tax in respect of prior periods	(390)	(1,511)	(1,158)	(537)

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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 31.12.16	As At 31.12.15	As At 31.12.16	As At 31.12.15
		RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Cash and bank balances		1,634,556	795,228	8,726	69,565
Pledged bank deposits		191,918	76,768	-	-
Trade and other receivables		1,628,685	864,194	710	7,228
Bills receivables		3,313	939	-	-
Prepayments		34,387	14,773	358	1,535
Inventories		73,371	20,768	-	-
Receivables under service concession arrangements		203,993	123,816	-	-
Amounts due from customers for contract work		57,581	68,780	-	-
Amounts due from subsidiaries		-	-	2,114,688	2,088,783
Amounts due from joint venture		137	1,437	137	1,437
Amounts due from associate		37,894	20,836	-	-
Held-for-trading investment		26,795	19,222	-	-
Total current assets	(L)	**3,892,630**	**2,006,761**	**2,124,619**	**2,168,548**
Non-current assets					
Available-for-sale financial instruments		206,288	191,836	13,189	12,567
Prepayments		68,072	336,363	-	-
Receivables under service concession arrangements		10,948,086	4,663,830	-	-
Property, plant and equipment		183,580	104,921	1,697	352
Intangible assets		6,439,239	3,219,714	-	-
Land use rights		6,451	4,720	-	-
Long term receivables		11,547	4,118	-	-
Deferred tax assets		22,376	16,940	-	-
Investment in subsidiaries		-	-	2,565,418	2,349,890
Interest in joint ventures		705,256	661,128	531,064	506,029
Interest in associates		82,976	557,703	-	-
Goodwill on consolidation		457,241	457,241	-	-
Amounts due from associate		14,543	19,543	-	-
Total non-current assets	(M)	**19,145,655**	**10,238,057**	**3,111,368**	**2,868,838**
Total assets		**23,038,285**	**12,244,818**	**5,235,987**	**5,037,386**
Current liabilities					
Trade and other payables		2,122,531	1,017,417	23,080	17,380
Bills payable to banks		18,342	12,376	-	-
Tax payable		55,444	32,125	-	-
Amounts due to customers for contract work		21,386	20,934	-	-
Amounts due to subsidiaries		-	-	137,132	133,193
Bank and other borrowings		3,838,382	1,937,976	119,026	10,469
Finance lease		96,988	16,667	-	-
Total current liabilities	(N)	**6,153,073**	**3,037,495**	**279,238**	**161,042**
Non-current liabilities					
Bank and other borrowings		6,275,862	1,768,875	-	113,415
Finance lease		331,433	-	-	-
Deferred tax liabilities		1,602,513	791,837	-	-
Other non-current liabilities		142,227	67,162	-	-
Total non-current liabilities	(O)	**8,352,035**	**2,627,874**	**-**	**113,415**
Capital, reserves and non-controlling interest					
Share capital		4,861,138	4,861,138	4,861,138	4,861,138
Treasury shares		(96)	(96)	(96)	(96)
Retained earnings		1,199,172	797,571	65,815	107,746
Other reserves		(87,481)	(147,051)	29,892	(205,859)
Equity attributable to owners of the Company		**5,972,733**	**5,511,562**	**4,956,749**	**4,762,929**
Non-controlling interests		2,560,444	1,067,887	-	-
Total equity		**8,533,177**	**6,579,449**	**4,956,749**	**4,762,929**
Total liabilities and equity		**23,038,285**	**12,244,818**	**5,235,987**	**5,037,386**

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 31.12.16 RMB'000		**As at 31.12.15 RMB'000**	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
3,276,915	676,797	1,627,658	339,361

Amount repayable after one year

As at 31.12.16 RMB'000		**As at 31.12.15 RMB'000**	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
5,357,877	1,249,418	953,180	815,695

Details of any collateral

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

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.. The finance lease was secured by a pledge on certain intangible assets.

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	
	31.12.16	31.12.15	31.12.16	31.12.15
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit before tax	**233,111**	**145,504**	**664,517**	**523,996**
Adjustments for:				
(Reversal)/Allowance for doubtful receivables, net (trade)	(1,871)	558	(2,441)	144
Reversal for doubtful receivables, net (non-trade)	(75)	(9,334)	(8,307)	(9,003)
Bad debt written off	170	-	170	-
Allowance/(Reversal of allowance) for inventories	-	1,066	(7)	1,046
Reversal of allowance for foreseeable losses	(11)	-	(11)	-
Depreciation of property, plant and equipment	14,707	2,357	23,756	11,162
Amortisation of intangible assets	58,410	49,615	161,468	105,291
Amortisation of land use rights	67	58	256	196
(Gain)/Loss on disposal of property, plant and equipment	(137)	2,128	139	(873)
Loss/(Gain) on disposal of intangible assets	22	-	(2,529)	-
Gain on disposal of available-for-sale financial instruments	-	-	(10,628)	-
Finance income	(4,152)	(1,338)	(11,357)	(10,441)
Finance expenses	93,107	43,777	234,611	169,853
Share of results of associates	3,961	(8,043)	(10,579)	(22,038)
Share of results of joint ventures	(14,120)	(15,211)	(60,122)	(56,207)
Foreign exchange gain	(11,937)	(1,262)	(10,783)	(8,569)
Fair value gain from revaluation of previously held interest	(155,389)	-	(155,389)	-
Fair value loss from financial liability	-	5,190	-	5,190
Fair value gain from held for trading investment	(472)	(984)	(1,105)	(278)
Operating cash flow before working capital changes	**215,391**	**214,081**	**811,659**	**709,469**
(Increase)/decrease in:				
Inventories	(29,513)	633	(30,692)	(722)
Amounts due from/to customers for contract work, net	125,349	(761)	37,715	(2,576)
Trade receivables, other receivables and prepayments	141,752	(61,427)	306,336	(118,778)
Bills receivables	507	1,746	(2,374)	2,040
Receivables under service concession arrangements	(803,662)	(202,011)	(1,208,856)	(609,495)
Amounts due from joint ventures	955	(351)	1,080	(150)
Amounts due from associate	(35,323)	(17,780)	(41,943)	(20,243)
Increase/(decrease) in:				
Trade payables and other payables(inclusive of non-current liabilities)	105	9,072	95,791	100,116
Bills payable to banks	8,100	1,697	5,966	(66,944)
Cash used in operating activities	**(376,339)**	**(55,101)**	**(25,318)**	**(7,283)**
Interest received	3,193	485	8,486	8,729
Income tax paid	(13,626)	(13,922)	(67,287)	(65,112)
Net cash used in operating activities (Note A)	**(386,772)**	**(68,538)**	**(84,119)**	**(63,666)**
Cash flows from investing activities:				
Purchase of property, plant and equipment	(16,635)	(9,919)	(30,507)	(21,257)
Purchase of intangible assets, net of amount on credit terms	(18,119)	(9,972)	(72,303)	(41,230)
Proceeds from grants	-	-	-	7,300
Increase in prepayment for property, plant and equipment and intangible assets	1,034	(1,754)	(445)	(3,619)
Proceeds from disposal of property, plant and equipment	91	16,243	438	16,374
Net cash inflow/(outflow) on acquisition of subsidiaries (Note B)	(199,845)	-	(156,365)	(598,542)
Dividend received from a joint venture	13,239	11,568	41,835	36,454
Net cash outflow on acquisition of an associate	-	-	(150)	-
Net cash outflow on investment in held-for-trading financial instrument	-	-	-	(18,476)
Proceeds from disposal of available-for-sale financial instrument	30,906	-	30,906	
Prepayment for investment in a subsidiary	-	(288,188)	-	(288,188)
Net cash used in investing activities	**(189,329)**	**(282,022)**	**(186,591)**	**(911,184)**

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	
	31.12.16	31.12.15	31.12.16	31.12.15
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from financing activities:				
Proceeds from bank and other borrowings	4,577,421	433,000	5,133,171	1,485,525
Repayment of bank and other borrowings	(1,598,764)	(97,393)	(1,976,596)	(531,792)
Repayment under finance leaseback arrangement	5,765	(8,333)	(10,902)	(33,333)
Interest paid	(95,760)	(52,668)	(209,023)	(174,732)
Settlement of payables due to former shareholder	(1,706,853)	-	(1,706,853)	-
Dividend paid to non-controlling interest in subsidiaries	(7,064)	(5,839)	(12,154)	(18,591)
Acquisition of non-controlling interests	(5,000)	-	(5,000)	(107,634)
Contribution from non-controlling interests upon additional capital injection of a subsidiary	-	46,000	-	46,000
(Decrease)/Increase in deposits pledged to banks	(22,871)	75	(112,145)	(9,364)
Net cash from financing activities	**1,146,874**	**314,842**	**1,100,498**	**656,079**
Net increase/(decrease) in cash and cash equivalents	570,773	(35,718)	829,788	(318,771)
Cash and cash equivalents at beginning of period	1,055,720	828,193	795,228	1,119,272
Effects of exchange rate changes on the balance of cash held in foreign currencies	8,063	2,753	9,540	(5,273)
Cash and bank balances at end of period	**1,634,556**	**795,228**	**1,634,556**	**795,228**

Cash and cash equivalents at end of period				
Cash and cash equivalents	1,826,474	871,996	1,826,474	871,996
Less: Pledged bank deposits	(191,918)	(76,768)	(191,918)	(76,768)
Cash and bank balances	**1,634,556**	**795,228**	**1,634,556**	**795,228**

Note A

In accordance with the application of INT FRS 112 *Service Concession Arrangements* and FRS 7 *Statement of Cash Flows*, the movement in the receivables under service concession arrangements has been classified under operating activities. The movement in working capital changes for FY2016 and 4QFY2016 includes (i) cash outflow in relation to the additions of receivables under service concession arrangements (i.e. arising from the construction and/or purchase of water treatment facilities) of RMB542.8 million (FY2015: RMB459.4 million) and RMB272.5 million (4QFY2015: RMB115.3 million) respectively; and (ii) cash inflow in relation to a refundable deposit for bidding of service concession projects of RMB100.0 million (FY2015: cash outflow of RMB100.0 million) and Nil (4QFY2015: cash outflow of RMB100.0 million) respectively. Excluding these additions of receivables under service concession arrangements and refundable deposits, the net cash generated from operating activities for FY2016 would be RMB358.7 million (FY2015: RMB495.7 million) and the net cash used in operating activities for 4QFY2016 would be RMB114.3 million (4QFY2015: net cash flow in of RMB146.8 million) respectively.

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

Note B

(i) Acquisition of Yiyang City Tap Water Co., Ltd. ("Yiyang Tap Water")

In February 2016, the Group has completed the acquisition of 90% equity interest in Yiyang Tap Water for a total purchase consideration of RMB288,188,000. Yiyang Tap Water is engaged principally in the business of water supply, construction, design, supervision and operation of water supply projects and operation of water supply plants.

(ii) Acquisition of Wulian Xinneng Waste Power Plant Co., Ltd. ("Wulian Xinneng")

In August 2016, the Group has completed the acquisition of 90% equity interest in Wulian Xinneng for a total subscription consideration of RMB45,000,000. Wulian Xinneng is engaged principally in the investment, construction and management of waste power plant projects. As at the date of acquisition, the Group has yet to pay the subscription consideration and is committed to complete the subscription by the end of FY2016.

(iii) Acquisition of Henan Zhonghui Lianhe Investment Co., Ltd. ("Henan Zhonghui")

In September 2016, the Group has completed the subscription of 75% equity interest in Henan Zhonghui for a total subscription consideration of RMB225,000,000. Henan Zhonghui is engaged principally in two sludge treatment BOT projects in Xinxiang (capacity of 300t/day) and Nanyang (capacity of 200t/day) of Henan Province. It also participates in a waste water treatment BOT project in Nanyang (capacity of 100,000t/day). As at the date of acquisition, the Group has yet to pay the subscription consideration and is committed to complete the subscription within the next five years.

(iv) Acquisition of Longjiang Environmental Protection Group Co., Ltd. ("Longjiang Group")

In October 2016, the Group has completed the acquisition of additional 32.6562% equity interest in Longjiang Group for a total purchase consideration of RMB836,000,000. Upon completion of the acquisition, the Group has an interest in 57.9687% of the equity interest in Longjiang Group. Prior to this, the Group held 25.3125% of the equity interest in Longjiang Group. Longjiang Group and its subsidiaries are principally engaged in the business of development and operation of environmental protection related projects and construction and operation of water supply network (the "Business"), and holds 41 projects relating to the Business in the PRC, with a total water treatment and supply design capacity of 3.55 million tons/day and sludge handling design capacity of 1,330 tons/day.

(v) Acquisition of Ranhill Water (Hong Kong) Co., Ltd. ("Ranhill")

In December 2016, the Group has completed the acquisition of 60% equity interest in Ranhill for a total purchase consideration of RMB273,900,000. Ranhill and its subsidiaries are principally engaged in undertaking industrial wastewater treatment services, providing consultancy services on potable water, wastewater technologies and project management, and conducting design, construction and operation of wastewater treatment and environmental protection facilities. Its wastewater treatment services are mainly provided to industrial parks on a basis of concession contracts, with a total design capacity reaching 260,000 ton/day.

The purchase price allocation ("PPA") exercises in respect of the above acquisitions, except for the acquisition of Ranhill, have been completed as at 31 December 2016.

The purchase price allocation ("**PPA**") exercise in respect of the acquisition of Ranhill has not been completed as at 31 December 2016. The Group has 12 months from date of acquisition to finalise the fair value measurement and accounting as allowed under FRS 103 Business Combinations. For 4QFY2016, the Group has determined that the purchase consideration for this acquisition approximates the provisional fair value of the net identifiable asset acquired. Accordingly, no provisional goodwill or negative goodwill arising from this acquisition was recognised.

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

Note B (cont'd)

Details of the assets acquired, liabilities recognised and consideration transferred in respect of the above acquisitions are as follows:-

	Yiyang Tap Water RMB'000	Wulian Xinneng RMB'000	Henan Zhonghui RMB'000	Longjiang Group RMB'000	Ranhill RMB'000	Total RMB'000
Provisional fair value of assets acquired and recognised at the date of acquisition*						
Current assets	38,621	234	32,887	2,033,058	46,076	**2,150,876**
Non-current assets	540,597	4,819	412,015	6,678,971	937,958	**8,574,360**
Current liabilities	(140,117)	(53)	(143,733)	(3,479,725)	(276,775)	**(4,040,403)**
Non-current liabilities	(118,892)	-	(200,573)	(2,641,077)	(250,759)	**(3,211,301)**
Total identifiable net assets at fair value	320,209	5,000	100,596	2,591,227	456,500	**3,473,532**
Non-controlling interest measures at fair value	(32,021)	(5,000)	(100,596)	(1,093,421)	(182,600)	**(1,413,638)**
	288,188	**-**	**-**	**1,497,806**	**273,900**	**2,059,894**
Consideration transferred						
Cash paid	-	-	-	836,000	223,900	**1,059,900**
Cash prepaid in previous financial year	288,188	-	-	-	-	**288,188**
Fair value of previously held equity interest	-	-	-	661,806	-	**661,806**
Deferred consideration	-	-	-	-	50,000	**50,000**
Less: Net assets acquired	(288,188)	-	-	(1,497,806)	(273,900)	**(2,059,894)**
Goodwill	**-**	**-**	**-**	**-**	**-**	**-**
Net cash inflow arising from acquisitions						
Cash consideration paid	-	-	-	836,000	223,900	**1,059,900**
Less: Cash and bank balances acquired	(28,190)	(135)	(9,737)	(854,143)	(11,330)	**(903,535)**
Net cash (inflow)/ouflow on acquisitions	**(28,190)**	**(135)**	**(9,737)**	**(18,143)**	**212,570**	**156,365**

* The fair value of assets acquired and liabilities recognised on the acquisition of Ranhill presented may be subjected to changes upon the completion and finalisation of the PPA exercises.

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	**Treasury shares**	**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**	**RMB'000**
Balance at 1.1.16	**4,861,138**	**(96)**	**797,571**	**(147,051)**	**152,213**	**56,862**	**(125,638)**	**(30,173)**	**(200,315)**	**5,511,562**	**1,067,887**	**6,579,449**
Profit for the period	**-**	**-**	89,454	**-**	**-**	-	-	**-**	**-**	**89,454**	16,704	**106,158**
Other comprehensive income												
Exchange differences arising on translation, net of tax	-	-	-	**55,092**	**-**	**-**	55,092	**-**	**-**	**55,092**	**-**	**55,092**
Fair value change on available-for-sale financial instrument	-	-	-	**15,172**	**-**	15,172	-	**-**	**-**	**15,172**	**-**	**15,172**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**70,264**	-	15,172	55,092	-	-	**70,264**	**-**	**70,264**
Total comprehensive income for the period	**-**	**-**	**89,454**	**70,264**	**-**	**15,172**	**55,092**	**-**	**-**	**159,718**	**16,704**	**176,422**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	56	**(56)**	(56)	-	-	-	-	-	-	**-**
Acquisition of a subsidiary	-	-	-	**-**	-	-	-	-	-	-	32,021	**32,021**
Total	**-**	**-**	**56**	**(56)**	**(56)**	**-**	**-**	**-**	**-**	**-**	**32,021**	**32,021**
Others												
Dividend declared to non-controlling interests	-	-	-	**-**	-	-	-	-	-	**-**	(4,600)	(4,600)
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,600)**	**(4,600)**
Balance at 31.3.16	**4,861,138**	**(96)**	**887,081**	**(76,843)**	**152,157**	**72,034**	**(70,546)**	**(30,173)**	**(200,315)**	**5,671,280**	**1,112,012**	**6,783,292**
Profit for the period	**-**	**-**	101,162	**-**	**-**	-	-	**-**	**-**	**101,162**	21,284	**122,446**
Other comprehensive income												
Exchange differences arising on translation, net of tax	-	-	-	**556**	**-**	**-**	556	**-**	**-**	**556**	**-**	**556**
Fair value change on available-for-sale financial instrument	-	-	-	**(3,299)**	**-**	(3,299)	-	**-**	**-**	**(3,299)**	**-**	**(3,299)**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**(2,743)**	**-**	(3,299)	556	**-**	**-**	**(2,743)**	**-**	**(2,743)**
Total comprehensive income for the period	**-**	**-**	**101,162**	**(2,743)**	**-**	**(3,299)**	**556**	**-**	**-**	**98,419**	**21,284**	**119,703**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(3,094)	**3,094**	3,094	-	-	-	-	-	-	**-**
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	**-**	-	-	-	-	-	**-**	46,000	**46,000**
Total	**-**	**-**	**(3,094)**	**3,094**	**3,094**	**-**	**-**	**-**	**-**	**-**	**46,000**	**46,000**
Others												
Dividend declared to non-controlling interests	-	-	-	**-**	-	-	-	-	-	**-**	(490)	(490)
Total	**-**	**-**	-	**-**	-	**-**	**-**	**-**	**-**	**-**	**(490)**	**(490)**
Balance at 30.6.16	**4,861,138**	**(96)**	**985,149**	**(76,492)**	**155,251**	**68,735**	**(69,990)**	**(30,173)**	**(200,315)**	**5,769,699**	**1,178,806**	**6,948,505**

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											
	Share capital	Treasury shares	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	RMB'000
Balance at 30.6.16	**4,861,138**	**(96)**	**985,149**	**(76,492)**	**155,251**	**68,735**	**(69,990)**	**(30,173)**	**(200,315)**	**5,769,699**	**1,178,806**	**6,948,505**
Profit for the period	**-**	**-**	94,045	**-**	**-**	-	-	**-**	**-**	**94,045**	16,062	**110,107**
Other comprehensive income												
Exchange differences arising on translation, net of tax	-	-	-	**(11,775)**	-	-	(11,775)	-	**-**	**(11,775)**	-	**(11,775)**
Fair value change on available-for-sale financial instrument	-	-	-	**(10,151)**	-	(10,151)	-	-	**-**	**(10,151)**	-	**(10,151)**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(21,926)**	**-**	**(10,151)**	**(11,775)**	**-**	**-**	**(21,926)**	**-**	**(21,926)**
Total comprehensive income for the period	**-**	**-**	**94,045**	**(21,926)**	**-**	**(10,151)**	**(11,775)**	**-**	**-**	**72,119**	**16,062**	**88,181**
Transactions with owners recognised directly in equity												
Acquisition of subsidiaries	-	-	-	**-**	-	-	-	-	-	-	105,159	**105,159**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**105,159**	**105,159**
Balance at 30.9.16	**4,861,138**	**(96)**	**1,079,194**	**(98,418)**	**155,251**	**58,584**	**(81,765)**	**(30,173)**	**(200,315)**	**5,841,818**	**1,300,027**	**7,141,845**
Profit for the period	**-**	**-**	170,265	**-**	**-**	-	-	**-**	**-**	**170,265**	31,442	**201,707**
Other comprehensive income												
Exchange differences arising on translation, net of tax	-	-	-	**(63,876)**	-	-	(63,876)	-	**-**	**(63,876)**	-	**(63,876)**
Fair value change on available-for-sale financial instrument	-	-	-	**14,607**	-	14,607	-	-	**-**	**14,607**	-	**14,607**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(49,269)**	**-**	**14,607**	**(63,876)**	**-**	**-**	**(49,269)**	**-**	**(49,269)**
Total comprehensive income for the period	**-**	**-**	**170,265**	**(49,269)**	**-**	**14,607**	**(63,876)**	**-**	**-**	**120,996**	**31,442**	**152,438**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(50,287)	**50,287**	50,287	-	-	-	-	**-**	-	**-**
Acquisition of subsidiaries	-	-	-	**-**	-	-	-	-	-	**-**	1,276,458	**1,276,458**
Acquisition of non-controlling interests	-	-	-	**9,919**	-	-	-	9,919	-	**9,919**	(35,519)	**(25,600)**
Total	**-**	**-**	**(50,287)**	**60,206**	**50,287**	**-**	**-**	**9,919**	**-**	**9,919**	**1,240,939**	**1,250,858**
Others												
Dividends declare to non-controlling interest	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(11,964)	**(11,964)**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(11,964)**	**(11,964)**
Balance at 31.12.16	**4,861,138**	**(96)**	**1,199,172**	**(87,481)**	**205,538**	**73,191**	**(145,641)**	**(20,254)**	**(200,315)**	**5,972,733**	**2,560,444**	**8,533,177**

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											
	Share capital	Treasury shares	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	RMB'000
Balance at 1.1.15 (restated)	**3,278,603**	**(96)**	**491,519**	**(165,747)**	**97,875**	**2,099**	**(39,525)**	**(25,881)**	**(200,315)**	**3,604,279**	**586,332**	**4,190,611**
Profit for the period	**-**	**-**	68,373	**-**	**-**	-	-	**-**	**-**	**68,373**	15,810	**84,183**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**(42,721)**	**-**	**-**	(42,721)	**-**	**-**	**(42,721)**	**-**	**(42,721)**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**36,975**	**-**	36,975	-	**-**	**-**	**36,975**	**-**	**36,975**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**(5,746)**		36,975	(42,721)	**-**	**-**	**(5,746)**	**-**	**(5,746)**
Total comprehensive income for the period	**-**	**-**	**68,373**	**(5,746)**	**-**	**36,975**	**(42,721)**	**-**	**-**	**62,627**	**15,810**	**78,437**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	76	**(76)**	(76)	-	-	-	-	-	-	**-**
Total	**-**	**-**	**76**	**(76)**	**(76)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Others												
Dividends declare to non-controlling interest	-	-	-	**-**	-	-	-	-	-	**-**	(4,560)	**(4,560)**
Total	-	-	-	**-**	-	-	-	-	-	**-**	**(4,560)**	**(4,560)**
Balance at 31.3.15	**3,278,603**	**(96)**	**559,968**	**(171,569)**	**97,799**	**39,074**	**(82,246)**	**(25,881)**	**(200,315)**	**3,666,906**	**597,582**	**4,264,488**
Profit for the period	**-**	**-**	83,077	**-**	**-**	-	-	**-**	**-**	**83,077**	19,211	**102,288**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**7,421**	**-**	**-**	7,421	**-**	**-**	**7,421**	**-**	**7,421**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**57,234**	**-**	57,234	-	**-**	**-**	**57,234**	**-**	**57,234**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**64,655**		57,234	7,421	**-**	**-**	**64,655**	**-**	**64,655**
Total comprehensive income for the period	**-**	**-**	**83,077**	**64,655**	**-**	**57,234**	**7,421**	**-**	**-**	**147,732**	**19,211**	**166,943**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(7,238)	**7,238**	7,238	-	-	-	-	**-**	-	**-**
Acquisition of non-controlling interests	-	-	-	**(4,292)**	-	-	-	(4,292)	-	**(4,292)**	(103,343)	**(107,635)**
Acquisition of subsidiaries	-	-	-	**-**	-	-	-	-	-	**-**	149,830	**149,830**
Issue of shares	1,490,446	-	-	**-**	-	-	-	-	-	**1,490,446**	-	**1,490,446**
Total	**1,490,446**	**-**	**(7,238)**	**2,946**	**7,238**	**-**	**-**	**(4,292)**	**-**	**1,486,154**	**46,487**	**1,532,641**
Others												
Dividends declare to non-controlling interest	-	-	-	**-**	-	-	-	-	-	**-**	(6,492)	**(6,492)**
Total	-	-	-	**-**	-	-	-	-	-	**-**	**(6,492)**	**(6,492)**
Balance at 30.6.15	**4,769,049**	**(96)**	**635,807**	**(103,968)**	**105,037**	**96,308**	**(74,825)**	**(30,173)**	**(200,315)**	**5,300,792**	**656,788**	**5,957,580**

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											
	Share capital	Treasury shares	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	RMB'000
Balance at 30.6.15	**4,769,049**	**(96)**	**635,807**	**(103,968)**	**105,037**	**96,308**	**(74,825)**	**(30,173)**	**(200,315)**	**5,300,792**	**656,788**	**5,957,580**
Profit for the period	**-**	**-**	89,290	**-**	**-**	-	-	**-**	**-**	**89,290**	19,889	**109,179**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**(54,922)**	**-**	**-**	(54,922)	**-**	**-**	**(54,922)**	**-**	**(54,922)**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**(44,257)**	**-**	(44,257)	-	**-**	**-**	**(44,257)**	**-**	**(44,257)**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(99,179)**		**(44,257)**	**(54,922)**	**-**	**-**	**(99,179)**	**-**	**(99,179)**
Total comprehensive income for the period	**-**	**-**	**89,290**	**(99,179)**	**-**	**(44,257)**	**(54,922)**	**-**	**-**	**(9,889)**	**19,889**	**10,000**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(15,223)	**15,223**	15,223	-	-	-	-	-	-	**-**
Acquisition of subsidiaries	-	-	-	**-**	-	-	-	-	-	-	(2,109)	**(2,109)**
Total	**-**	**-**	**(15,223)**	**15,223**	**15,223**	**-**	**-**	**-**	**-**	**-**	**(2,109)**	**(2,109)**
Others												
Dividends declare to non-controlling interest	-	-	-	**-**	-	-	-	-	-	**-**	(5,500)	**(5,500)**
Total	-	-	-	**-**	-	-	-	-	-	**-**	**(5,500)**	**(5,500)**
Balance at 30.9.15	**4,769,049**	**(96)**	**709,874**	**(187,924)**	**120,260**	**52,051**	**(129,747)**	**(30,173)**	**(200,315)**	**5,290,903**	**669,068**	**5,959,971**
Profit for the period	**-**	**-**	119,650	**-**	**-**	-	-	**-**	**-**	**119,650**	9,112	**128,762**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**4,109**	**-**	**-**	4,109	**-**	**-**	**4,109**	**-**	**4,109**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**4,811**	**-**	4,811	-	**-**	**-**	**4,811**	**-**	**4,811**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**8,920**		**4,811**	**4,109**	**-**	**-**	**8,920**	**-**	**8,920**
Total comprehensive income for the period	**-**	**-**	**119,650**	**8,920**	**-**	**4,811**	**4,109**	**-**	**-**	**128,570**	**9,112**	**137,682**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(31,953)	**31,953**	31,953	-	-	-	-	-	-	**-**
Acquisition of subsidiaries	-	-	-	**-**	-	-	-	-	-	-	392,346	**392,346**
Settlement of earn-out shares	92,089	-	-	**-**	-	-	-	-	-	**92,089**	-	**92,089**
Total	**92,089**	**-**	**(31,953)**	**31,953**	**31,953**	**-**	**-**	**-**	**-**	**92,089**	**392,346**	**484,435**
Others												
Dividends declare to non-controlling interest	-	-	-	**-**	-	-	-	-	-	**-**	(2,639)	**(2,639)**
Total	-	-	-	**-**	-	-	-	-	-	**-**	**(2,639)**	**(2,639)**
Balance at 31.12.15	**4,861,138**	**(96)**	**797,571**	**(147,051)**	**152,213**	**56,862**	**(125,638)**	**(30,173)**	**(200,315)**	**5,511,562**	**1,067,887**	**6,579,449**

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	**Treasury shares**	**Retained earnings**	**Other reserves***	**Total equity**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance at 1.1.16	**4,861,138**	**(96)**	**107,746**	**(205,859)**	**4,762,929**
Loss for the period	-	-	(29,828)	-	**(29,828)**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	217,938	**217,938**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**217,938**	**217,938**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(29,828)**	**217,938**	**188,110**
Balance at 31.3.16	**4,861,138**	**(96)**	**77,918**	**12,079**	**4,951,039**
Loss for the period	-	-	(24,859)	-	**(24,859)**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	153,885	**153,885**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**153,885**	**153,885**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(24,859)**	**153,885**	**129,026**
Balance at 30.6.16	**4,861,138**	**(96)**	**53,059**	**165,964**	**5,080,065**
Profit for the period	-	-	21,887	-	**21,887**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	(41,415)	**(41,415)**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(41,415)**	**(41,415)**
Total comprehensive (loss)/ income for the period	**-**	**-**	**21,887**	**(41,415)**	**(19,528)**
Balance at 30.9.16	**4,861,138**	**(96)**	**74,946**	**124,549**	**5,060,537**
Profit for the period	-	-	(9,131)	-	**(9,131)**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	(94,657)	**(94,657)**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(94,657)**	**(94,657)**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(9,131)**	**(94,657)**	**(103,788)**
Balance at 31.12.16	**4,861,138**	**(96)**	**65,815**	**29,892**	**4,956,749**

* 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	**Treasury shares**	**Retained earnings**	**Other reserves***	**Total equity**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance at 1.1.15	**3,278,603**	**(96)**	**109,251**	**(141,574)**	**3,246,184**
Profit for the period	-	-	14,609	-	**14,609**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	(111,512)	**(111,512)**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(111,512)**	**(111,512)**
Total comprehensive income/(loss) for the period	**-**	**-**	**14,609**	**(111,512)**	**(96,903)**
Balance at 31.3.15	**3,278,603**	**(96)**	**123,860**	**(253,086)**	**3,149,281**
Loss for the period	-	-	(22,197)	-	**(22,197)**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	75,459	**75,459**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**75,459**	**75,459**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(22,197)**	**75,459**	**53,262**
Transactions with owners recognised directly in equity					
Issue of shares	1,490,446	**-**	**-**	**-**	**1,490,446**
Total	**1,490,446**	**-**	**-**	**-**	**1,490,446**
Balance at 30.6.15	**4,769,049**	**(96)**	**101,663**	**(177,627)**	**4,692,989**
Profit for the period	-	-	25,522	-	**25,522**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	(138,695)	**(138,695)**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**(138,695)**	**(138,695)**
Total comprehensive (loss)/ income for the period	**-**	**-**	**25,522**	**(138,695)**	**(113,173)**
Balance at 30.9.15	**4,769,049**	**(96)**	**127,185**	**(316,322)**	**4,579,816**
Loss for the period	-	-	(19,439)	-	**(19,439)**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	110,463	**110,463**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**110,463**	**110,463**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(19,439)**	**110,463**	**91,024**
Transactions with owners recognised directly in equity					
Share placement	92,089	**-**	**-**	**-**	**92,089**
Total	**92,089**	**-**	**-**	**-**	**92,089**
Balance at 31.12.15	**4,861,138**	**(96)**	**107,746**	**(205,859)**	**4,762,929**

* 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as 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**
Issued and paid up share capital		
Balance at 1 January 2016 and 31 December 2016	2,256,645,126	4,861,138

On 25 September 2015, the Company consolidated every five existing issued ordinary shares into one ordinary share in the capital of the Company.

As at 31 December 2016, the number of ordinary shares in issue was 2,256,645,126 of which 56,400 shares were held by the Company as treasury shares (31 December 2015: 2,256,645,126 ordinary shares of which 56,400 shares were held as treasury 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 2016, there were no convertible securities outstanding (31 December 2015: 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 2016, there were 56,400 treasury shares held (31 December 2015: 56,400). Total number of issued shares excluding treasury shares, as at 31 December 2016 was 2,256,588,726 (31 December 2015: 2,256,588,726).

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 2016.

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 qualifications or emphasis of 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.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period, consistent with those of the audited financial statements as at 31 December 2015.

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	
	31.12.16	31.12.15	31.12.16	31.12.15
	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)	7.55	5.30	20.16	16.86
- Weighted average number of shares ('000)	2,256,589	2,256,589	2,256,589	2,136,918
(ii) On a fully diluted basis of ordinary shares (RMB cents)	7.55	5.30	20.16	16.86
- Weighted average number of shares ('000)	2,256,589	2,256,589	2,256,589	2,136,918

On 25 September 2015, the Company consolidated every five existing issued ordinary shares into one ordinary share in the capital of the Company. The weighted number of ordinary shares used for the calculation of earnings per share for the comparatives had been adjusted for the effect of the share consolidation.

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 2016	264.62	219.66
As at 31 December 2015	244.24	211.07

Net asset value per share is calculated based on the number of shares in issue (excluding treasury shares) of 2,256,588,726 as at 31 December 2016 (31 December 2015: 2,256,588,726).

On 25 September 2015, the Company consolidated every five existing issued ordinary shares into one ordinary share in the capital of the Company. The number of issued shares used for the calculation of net asset value per ordinary share as at the end of the immediately preceding financial year had been adjusted for the effect of the share consolidation.

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 RMB1,803.8 million in FY2015 to RMB2,648.1 million in FY2016, representing an increase of 46.8%. Gross profit ("**GP**") has increased from RMB712.1 million in FY2015 to RMB812.3 million in FY2016. Profit from operations improved by 1.2% from RMB542.5 million in FY2015 to RMB548.7 million in FY2016.

Consequently, the Group's profit after tax (attributable to owners of the Company) increased from RMB360.4 million in FY2015 to RMB454.9 million in FY2016, representing an increase of 26.2%.

The increase was due mainly to contribution from newly acquired entities as well as contribution from existing entities.

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

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

(A) Revenue

	4QFY2016	4QFY2015	Change	FY2016	FY2015	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Construction	517,926	141,663	>100.0	1,030,663	523,373	96.9
Operating and maintenance income from service concession arrangements	330,191	184,422	79.0	952,752	751,172	26.8
Financial income from service concession arrangements	151,733	136,131	11.5	395,187	336,171	17.6
Service income	32,478	29,812	8.9	118,671	117,986	0.6
Others	101,608	19,027	>100.0	150,824	75,094	>100.0
Total	**1,133,936**	**511,055**	**>100.0**	**2,648,097**	**1,803,796**	**46.8**

Overall, the Group's revenue increased by RMB844.3 million or 46.8%, from RMB1.80 billion in FY2015 to RMB2.65 billion in FY2016. Meanwhile, the Group's revenue increased by RMB622.9 million or 121.9%, from RMB511.1 million in 4QFY2015 to RMB1,133.9 million in 4QFY2016. Revenue across all categories increased in FY2016 and 4QFY2016 as compared to FY2015 and 4QFY2015.

Construction Revenue

Construction revenue amounted to RMB517.9 million and RMB1,030.7 million in 4QFY2016 and FY2016 respectively (4QFY2015: RMB141.7 million; FY2015: RMB523.4 million). The higher revenue in 4QFY2016 and FY2016 was mainly due to (i) relatively higher amount of construction activities in progress in 4QFY2016 and FY2016 as compared to 4QFY2015 and FY2016; and (ii) newly acquired entities.

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 RMB481.9 million and RMB1,347.9 million in 4QFY2016 and FY2016 respectively (4QFY2015: RMB320.6 million; FY2015: RMB1,087.3 million). The higher revenue was due mainly to (i) higher water treatment and supply sales volume; and (ii) contribution by newly acquired entities.

Service Income

Service income amounted to RMB32.5 million and RMB118.7 million in 4QFY2016 and FY2016 respectively (4QFY2015: RMB29.8 million; FY2015: RMB118.0 million). The increase was due mainly to higher water treatment volume from operation and maintenance projects in 4QFY2016 as compared to 4QFY2015. There was no material variance recorded between FY2016 and FY2015.

Other Revenue

Other revenue amounted to RMB101.6 million and RMB150.8 million in 4QFY2016 and FY2016 respectively (4QFY2015: RMB19.0 million; FY2015: RMB75.1 million). The increase was mainly due to (i) higher volume of installation works carried out, which are ad-hoc in nature; and (ii) newly acquired entities.

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

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

The Group's GP increased by RMB73.7 million or 38.9% from RMB189.4 million in 4QFY2015 to RMB263.1 million in 4QFY2016. Meanwhile, GP increased by RMB100.2 million or 14.1% from RMB712.1 million in FY2015 to RMB812.3 million in FY2016. The increase was mainly due to contribution from newly acquired entities.

GPM decreased from 37.1% in 4QFY2015 to 23.2% in 4QFY2016 and from 39.5% in FY2015 to 30.7% in FY2016. The decrease was due mainly to higher contribution from construction category during 4QFY2016 and FY2016 (which has a relatively lower GPM).

(C) Other Operating Income

Other operating income amounted to RMB17.8 million and RMB44.4 million in 4QFY2016 and FY2016 (4QFY2015: RMB17.1 million; FY2015: RMB31.8 million) respectively. The increase in other operating income in FY2016 as compared to FY2015 was due mainly to a newly acquired entity. There was no material variance recorded between 4QFY2016 and 4QFY2015.

(D) Selling and Distribution expenses

Selling and distribution expenses increased from RMB4.8 million in 4QFY2015 to RMB16.0 million in 4QFY2016 and RMB15.9 million in FY2015 to RMB39.1 million in FY2016. The increase in selling and distribution expenses was due mainly to newly acquired entities.

(E) Administrative Expenses

Administrative expenses amounted to RMB119.6 million and RMB268.9 million in 4QFY2016 and FY2016 (4QFY2015: RMB60.5 million; FY2015: RMB185.6 million) respectively. The increase in administrative expenses was due mainly to newly acquired entities and increase in staff costs in 4QFY2016 and FY2016 as compared to 4QFY2015 and FY2015.

(F) Finance Expenses

Finance expenses amounted to RMB93.1 million and RMB234.6 million in 4QFY2016 and FY2016 (4QFY2015: RMB43.8 million; FY2015: RMB169.9 million) respectively. The increase in finance expenses was due mainly to increase in interest-bearing loans borrowings arising from the acquisition of new entities.

(G) Other Income/Other expenses

Other income increased from RMB67.9 million in FY2015 to RMB113.0 million in FY2016. The increase was due mainly to (i) recognition of value-added-tax refund imposed on billing raised from concession service agreements, which was only effective in July 2015; (ii) gain on disposal of partial listed available-for-sale financial instrument in 3QFY2016; and (iii) newly acquired entities.

The Group recorded a fair value loss of financial liability amounted to RMB5.2 million under "Other expenses" in 4QFY2015 and FY2015. The fair value loss mainly arose from the changes in share price in connection to the contingent consideration in acquisition of a subsidiary, which was settled in December 2015.

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

(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 4QFY2016 and FY2016 as compared to 4QFY2015 and FY2015 was due mainly to higher maintenance of machinery and equipment as well as the acquisition of additional 32.6562% equity interest in Longjiang Group in Oct 2016. Upon the completion of the acquisition, the Group ceased to share results of Longjiang Group. The decrease was partially offset by higher contribution from joint ventures and associates as compared to 4QFY2015 and FY2015.

(I) Gain from Revaluation of Previously Held Interest

The Group recorded a fair value gain from revaluation of previously held interest in Longjiang Group amounting to RMB155.4 million in 4QFY2016 and FY2016. The fair value gain arose from the revaluation of the 25.3125% equity interest previously held by the Group before the additional acquisition of 32.6562% equity interest in Oct 2016.

(J) Income Tax Expenses

Income tax expense amounted to RMB31.4 million and RMB124.1 million in 4QFY2016 and FY2016 (4QFY2015: RMB16.7 million; FY2015: RMB99.6 million). The higher income tax expense was due mainly to higher profit generated in 4QFY2016 and FY2016 as compared to 4QFY2015 and FY2015.

(K) Amortisation of Intangible Assets

Amortisation of intangible assets increased from RMB49.6 million in 4QFY2015 to RMB58.4 million in 4QFY2016 and RMB105.3 million in FY2015 to RMB161.5 million in FY2016. The increase was due to newly acquired entities.

STATEMENTS OF FINANCIAL POSITION

(L) Current Assets

Current assets as at 31 December 2016 amounted to RMB3.90 billion (31 December 2015: RMB2.01 billion). The increase was due mainly to the newly acquired entities, which is partially offset by the decrease in the advance made to Yiyang Tap Water. Following the completion of the acquisition of Yiyang, the related advance made in prior year was adjusted accordingly as at 31 December 2016.

(M) Non-current Assets

Non-current assets as at 31 December 2016 amounted to RMB19.14 billion (31 December 2015: RMB10.24 billion). The increase was due mainly to (i) consolidation of the newly acquired entities; and (ii) construction of certain wastewater treatment projects during FY2016. The increase was partially offset by decrease in prepayment made for acquisition of an entity and partial disposal of listed available-for-sale financial instrument in 3QFY2016. Following the completion of the acquisition of the entity and the disposal of available-for-sale financial instrument, the related prepayment made and the investment revaluation reserve recorded in prior year were adjusted accordingly as at 31 December 2016.

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

(N) Current Liabilities

Current liabilities as at 31 December 2016 amounted to RMB6.15 billion (31 December 2015: RMB3.04 billion). The increase was due mainly to consolidation of the newly acquired entities.

(O) Non-current Liabilities

Non-Current liabilities as at 31 December 2016 amounted to RMB8.35 billion (31 December 2015: RMB2.63 billion). The increase was due mainly to consolidation of the newly acquired entities and new borrowings taken up which are due for repayment after one year.

STATEMENT OF CASH FLOWS

As at 31 December 2016, the Group's cash and cash equivalents stood at RMB1,826.5 million (31 December 2015: RMB872.0 million). In FY2016, net cash of RMB84.1 million was used in the Group's operating activities. The movement in working capital changes for FY2016 includes (i) additions of receivables under service concession arrangements (i.e. arising from the construction and/or purchase of water treatment facilities) of RMB542.8 million (FY2015: RMB459.4 million); and (ii) cash inflow in relation to refundable deposit for bidding of service concession projects of RMB100.0 million (FY2015: cash outflow of RMB100.0 million). Excluding these additions of receivables under service concession arrangements and refundable deposits, the net cash generated from operating activities for FY2016 would be RMB358.7 million (FY2015: RMB495.7 million).

Net cash used in the Group's investing activities of RMB186.6 million in FY2016 was due mainly to the cash outflow from acquisition of entities and the net cash outflow from purchase of property, plant and equipments and intangibles assets. This is partially offset by dividend received from a joint venture and proceeds from disposal of available-for-sale financial instruments.

Net cash generated from the Group's financing activities of RMB1,100.5 million in FY2016 was due mainly to the net proceed from bank borrowings and finance leaseback arrangement. This is partially offset by (i)interest paid; (ii) dividend paid to non-controlling interest shareholders; and (iii) settlement of payables to former shareholder.

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 Group continues to make significant headway in the wastewater treatment market in the People's Republic of China (PRC) through strong organic growth and acquisition-driven expansion. 2016 to date, the Group's newly added and upgrade & expansion water projects total a scale of 3.5 million tons per day. Additionally, the Group increased its waste incineration capacity by 600 tons per day and its sludge treatment capacity by 1,930 tons per day.

The Chinese government remains steadfast in its commitment to environment conservation and pollution reduction. In December 2016, PRC's National Development and Reform Commission (NDRC) (国家发展与改革委员会) and Department of Housing and Urban-Rural Development(住房和城乡建设部) jointly issued "the Nation's Construction Plan for Sewage and Recycling Facilities in The 13th Five-Year Plan (2016-2020)"(“十三五”全国城镇污水处理及再生利用设施建设规划). The plan outlined that China would invest about RMB560 billion in the wastewater treatment facilities and pipelines construction between 2016 and 2020.[1]

Further to this, the PRC's National People's Congress (NPC) Standing Committee (中国人民代表大会常务委员会) approved China's first Environmental Protection Tax (EPT) Law after two rounds of review in December 2016. The EPT Law will replace the existing pollutant discharge fee system with a pollution tax as the main economic tool regulating environmental pollution by businesses, and is expected to come into effect on 1 January 2018.[2]

According to the "Notice of Formulation and Adjustment of Sewage Treatment Fee Standards" (关于制定和调整污水处理收费标准等有关问题的通知) published by the NDRC , Ministry of Finance (财政部) and Department of Housing and Urban-Rural Development(住房和城乡建设部) in 2015, local governments were tasked to review and revise wastewater treatment fees by the end of 2016.[3] This tariff revision programme has been carried out substantially. The price adjustment varies based on the different cities and locales, but is expected to increase by an average of 17% across the board. The increase in fees will potentially lead to an increase in revenue for the wastewater treatment industry from 2017, which the Group is poised to capitalise on.

These new policies and trends bode well for the Group's overall operations and performance. The Group had announced a proposed S$220.5 million share placement in January 2017. Its strong cash position keeps it nimble while providing sufficient headroom to respond quickly to potential opportunities in the current business environment.

Looking ahead, the Group remains positive on the industry outlook and expects increasing contribution from its strategically located projects' expansion and upgrading opportunities, and acquisitions to grow its water, solid waste treatment and sludge treatment businesses in China. Concurrent to these, the Group is also seeking suitable opportunities in Southeast Asia under China's the Belt and Road Initiative.

[1] http://www.ndrc.gov.cn/zcfb/zcfbtz/201701/t20170122_836015.html
[2] http://www.npc.gov.cn/npc/xinwen/2016-12/25/content_2004993.htm
[3] http://jgs.ndrc.gov.cn/zcfg/201501/t20150126_661215.html

11. Dividend

(a) 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:	0.01 cent per ordinary share
Tax Rate:	One-tier 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

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

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

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 year.

Analysis by Business Segments	**Construction Segment**		**Water Treatment and Water Supply Segment**		**Waste Incineration Segment**		**Total for reportable Segments**		**Others segment**		**Unallocated**		**Group**	
RMB'000	**FY2016**	**FY2015**	**FY2016**	**FY2015**	**FY2016**	**FY2015**	**FY2016**	**FY2015**	**FY2016**	**FY2015**	**FY2016**	**FY2015**	**FY2016**	**FY2015**
Revenue	17,158	50,639	2,430,548	1,634,046	49,567	44,017	**2,497,273**	**1,728,702**	150,824	75,094	-	-	**2,648,097**	**1,803,796**
Reportable segment profit from operations	3,990	38,341	551,141	501,397	18,162	14,546	**573,293**	**554,284**	33,065	16,740	(57,641)	(28,566)	**548,717**	**542,458**
Finance income	-	-	-	-	-	-	**-**	**-**	-	-	11,357	10,441	**11,357**	**10,441**
Finance expenses	-	-	-	-	-	-	**-**	**-**	-	-	(234,611)	(169,853)	**(234,611)**	**(169,853)**
Other income	-	-	92,673	63,412	7,396	3,970	**100,069**	**67,382**	367	-	12,528	513	**112,964**	**67,895**
Other expenses	-	-	-	-	-	-	**-**	**-**	-	-	-	(5,190)	**-**	**(5,190)**
Fair value gain of previously held equity interest	-	-	155,389	-	-	-	**155,389**	**-**	-	-	-	-	**155,389**	**-**
Share of results of associates	-	-	11,312	22,703	-	-	**11,312**	**22,703**	(733)	(665)	-	-	**10,579**	**22,038**
Share of results of joint ventures	-	-	-	-	60,122	56,207	**60,122**	**56,207**	-	-	-	-	**60,122**	**56,207**
Income tax expense	(870)	416	(108,630)	(91,079)	(3,542)	1,499	**(113,042)**	**(89,164)**	(6,170)	(5,760)	(4,887)	(4,660)	**(124,099)**	**(99,584)**
Profit after tax													**540,418**	**424,412**
Segment depreciation and amortization	1,875	7,277	163,850	99,883	8,349	8,507	**174,074**	**115,667**	210	615	11,196	368	**185,480**	**116,650**
Segment non-cash income	440	100	157,569	757	-	-	**158,009**	**857**	366	-	8,885	9,278	**167,260**	**10,135**
Segment non-cash expenses	-	1,046	170	998	-	-	**170**	**2,044**	-	-	-	5,190	**170**	**7,234**
Segment assets	128,634	1,639,786	20,834,682	7,879,466	416,863	419,591	**21,380,179**	**9,938,843**	302,089	350,727	334,702	237,171	**22,016,970**	**10,526,741**
Interest in joint ventures	-	-	-	-	705,256	661,128	**705,256**	**661,128**	-	-	-	-	**705,256**	**661,128**
Interest in associates	-	-	72,990	546,984	-	-	**72,990**	**546,984**	9,986	10,719	-	-	**82,976**	**557,703**
Held for trading investment	-	-	-	-	-	-	**-**	**-**	6,149	-	20,646	19,222	**26,795**	**19,222**
Available-for-sale financial instruments	-	-	10,400	-	-	-	**10,400**	**-**	500	-	195,388	191,836	**206,288**	**191,836**
Prepayment for investment in a subsidiary	-	-	-	288,188	-	-	**-**	**288,188**	-	-	-	-	**-**	**288,188**
Total assets													**23,038,285**	**12,244,818**
Segment liabilities	166,584	673,622	10,273,768	2,491,466	188,166	221,949	**10,628,518**	**3,387,037**	445,074	236,757	3,431,516	2,041,575	**14,505,108**	**5,665,369**
Segment capital expenditure	112	6,981	77,204	45,041	585	200	**77,901**	**52,222**	268	1,944	1,776	2,142	**79,945**	**56,308**

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

	Revenue		Non-current Assets		Capital Expenditure	
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
Group	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
PRC	2,648,097	1,803,796	19,128,245	10,225,138	78,187	55,973
Singapore	-	-	14,885	12,919	1,758	335

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

	FY2016	FY2015	Increase/ (Decrease)
Group	**RMB'000**	**RMB'000**	**%**
Sales reported for first half year	1,119,300	790,649	41.6
Profit after tax before deducting minority interests reported for first half year	228,604	186,471	22.6
Sales reported for second half year	1,528,797	1,013,147	50.9
Profit after tax before minority interests reported for second half year	311,814	237,941	31.0

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	**FY2016**	**FY2015**
Ordinary(Note C)	22,565,887	None
Preference	-	None
Total	22,565,887	None

Note C: the total annual dividend was calculated based on the number of ordinary shares in issue of 2,256,588,726 (excluding of 56,400 treasury shares) as at 31 December 2016.

19. Status on the use of net proceeds raised from Rights Issue and Share Placement.

The Company raised approximately S$154.8 million from the share placement exercise in July 2014 ("**2014 Share Placement**"). Deployment of the net proceeds has been in accordance with the intended utilisation as stated in the announcement dated 8 July 2014. 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 2014 Share Placement has been utilised for the following purposes:

Purpose	Amount S$ 'million	Remarks
Net proceeds raised from the 2014 Share Placement in July 2014	**154.78**	
Less utilisation:		
- Payment for the Additional Investment of RMB74.5 million in Wuhan Huang-Pi Kaidi Water Services Co., Ltd.	(15.52)	Please refer to announcement made on 25 September 2014 via SGXNet.
- Payment for the purchase consideration of RMB195 million for the 12.1875% acquisition of Longjiang	(41.06)	Please refer to announcement made on 7 November 2014 via SGXNet.
- Payment for the Additional Investment of RMB150.3 million in SIIC Environment Holdings (Wuhan) Co., Ltd.	(32.68)	Please refer to announcement made on 18 November 2014 via SGXNet.
- Payment for the 70% equity of RMB124.0 million for incorporation of Yinchuan SIIC Environment Binhe Wastewater Treatment Co., Ltd. and SIIC Environment (Yinchuan) Wastewater Treatment Co., Ltd.	(26.55)	Please refer to announcement made on 17 December 2014 via SGXNet.
- Payment for the subscription of HK$155.2 million in the capital of Canvest	(26.46)	Please refer to announcement made on 29 December 2014 via SGXNet.
- Payment for the purchase consideration in relation to the Acquisition	(2.2)	Please refer to announcement made on 28 January 2016 via SGXNet.
- Payment for the additional capital injection into Dazhou Jiajing Environment Renewable Resource Co., Ltd.	(3.09)	Please refer to announcement made on 13 June 2016 via SGXNet.
- General working capital use:		Please refer to announcements made on 31 March 2016 and 13 June 2016 via SGXNet.
a. Repayment of loan obtained from SIHL Finance Limited and professional fees for the acquisition of Global Envirotech Investment Ltd.	(3.93)	
b. Repayment of bank borrowings	(1.41)	
c. Payment of operating expenses and tax expenses	(1.66)	
Balance of net proceeds raised from the 2014 Share Placement as at date of this result announcement	**0.22**	

20. Confirmation that the Issuer has Procured Undertakings form 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

Xu Zhan
Executive Director
16 February 2017