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**SIIC ENVIRONMENT HOLDINGS LTD.**

**上海實業環境控股有限公司\***

*(Incorporated in the Republic of Singapore with limited liability)*

**(Hong Kong stock code: 807)**

**(Singapore stock code: BHK)**

**Unaudited Condensed Interim Financial Statements and  
Dividend Announcement for the Second Quarter and  
Six Months Ended 30 June 2024**

This overseas regulatory announcement is issued pursuant to Part XIVA of the Securities and Futures Ordinance and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This quarterly report is prepared in accordance with the relevant regulations of The Singapore Exchange Securities Trading Limited and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This results announcement contains financial information based on Singapore Financial Reporting Standards (International) and International Financial Reporting Standards, and have not been reviewed by auditors. Shareholders and public investors should exercise caution when trading in the shares of the Company.

By Order of the Board  
**SIIC Environment Holdings Ltd.**  
**Mr. Ji Guanglin**  
Executive Director

Singapore and Hong Kong, 8 August 2024

*As at the date of this announcement, the Chairman and Executive Director is Mr. Zhou Yuding; the executive Directors are Mr. Ji Guanglin, Mr. Wang Xiwan and Mr. Yang Xing; and the independent non-executive Directors are Ms. Kimmis Pun Kim Ming, Mr. An Hongjun and Mr. Zhong Ming.*

*\* For identification purpose only*



**SIIC ENVIRONMENT HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No: 200210042R)

Unaudited Condensed Interim Financial Statements and  
Dividend Announcement for the Second Quarter and  
Six Months Ended 30 June 2024

8 August 2024

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

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## **Second Quarter and Six Months of Financial Year 2024 Financial Statements and Dividend Announcement**

### **Business Review**

The board of SIIC Environment Holdings Ltd. (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2024 (“1HFY2024”). The Group’s net profit attributable to shareholders for the period amounted to RMB321.4 million, a decrease of 14.8% year-on-year.

Total revenue of the Group decreased by 17.3% to RMB3,323.5 million, gross profit decreased by 11.2% to RMB1,277.4 million.

As at 30 June 2024, the Group’s cash and cash equivalents stood at a healthy RMB2.85 billion.

### **Review of Interim Results**

The audit committee has reviewed the Company’s unaudited consolidated interim results for the six months ended 30 June 2024.

### **Corporate Governance**

The Company has complied with all the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited (the “SEHK”) throughout the six months ended 30 June 2024.

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.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Group					Changes	6 Months Ended	Change s
		3 Months Ended		%	30.6.23				
		30.6.24	30.6.23		30.6.24	30.6.23			
		(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)			
		RMB'000	RMB'000		RMB'000	RMB'000		%	
Revenue	5	1,695,405	2,100,117	(19.3)	3,323,515	4,018,849	(17.3)		
Cost of sales		(1,029,206)	(1,338,358)	(23.1)	(2,046,128)	(2,581,137)	(20.7)		
<b>Gross profit</b>		666,199	761,759	(12.5)	1,277,387	1,437,712	(11.2)		
Other income		19,936	27,941	(28.6)	42,854	58,187	(26.4)		
Other gains and losses		12,900	11,509	12.1	2,481	10,712	(76.8)		
Selling and distribution costs		(20,437)	(19,889)	2.8	(37,966)	(37,883)	0.2		
Administrative expenses		(112,399)	(128,206)	(12.3)	(240,508)	(262,998)	(8.6)		
Finance expenses		(195,851)	(188,703)	3.8	(400,052)	(415,742)	(3.8)		
Share of results of joint ventures		4,127	11,180	(63.1)	(1,033)	18,728	N.M.		
Share of results of associates		897	760	18.0	8,755	3,660	139.2		
<b>Profit before tax</b>		375,372	476,351	(21.2)	651,918	812,376	(19.8)		
Income tax expense	6	(72,132)	(124,718)	(42.2)	(143,701)	(218,744)	(34.3)		
<b>Profit for the period</b>	7	303,240	351,633	(13.8)	508,217	593,632	(14.4)		
<b>Other comprehensive loss:</b>									
<i>Items that will not be reclassified subsequently to profit or loss:</i>									
Exchange difference arising from translation		(27,553)	(184,943)	(85.1)	(79,278)	(152,998)	(48.2)		
<i>Items that may be reclassified subsequently to profit or loss:</i>									
Exchange differences arising from translation of foreign operations		14,762	(17,753)	N.M.	61,494	(27,223)	N.M.		
Total other comprehensive loss for the period, net of tax		(12,791)	(202,696)	(93.7)	(17,784)	(180,221)	(90.1)		
<b>Total comprehensive income for the period</b>		290,449	148,937	95.0	490,433	413,411	18.6		
<b>Profit for the period attributable to:</b>									
Owners of the Company		195,151	227,320	(14.2)	321,446	377,351	(14.8)		
Non-controlling interests		108,089	124,313	(13.1)	186,771	216,281	(13.6)		
		303,240	351,633	(13.8)	508,217	593,632	(14.4)		
<b>Total comprehensive income attributable to:</b>									
Owners of the Company		182,360	24,624	640.6	303,662	197,130	54.0		
Non-controlling interests		108,089	124,313	(13.1)	186,771	216,281	(13.6)		
		290,449	148,937	95.0	490,433	413,411	18.6		
<b>Earnings per share for profit for the period attributable to the owners of the Company during the period:</b>									
-Basic (RMB in cent)	15	7.58	8.83	(14.2)	12.48	14.65	(14.8)		
-Diluted (RMB in cent)	15	7.58	8.83	(14.2)	12.48	14.65	(14.8)		

N.M. – Not Meaningful

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

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		As at 30.6.24 (Unaudited)	As at 31.12.23 (Audited)	As at 30.6.24 (Unaudited)	As at 31.12.23 (Audited)
		RMB'000	RMB'000	RMB'000	RMB'000
<b>Current assets</b>					
Cash and cash equivalents		2,852,035	2,885,781	286,182	103,228
Pledged bank deposits		71,346	63,010	-	-
Trade and other receivables	8	5,888,322	4,990,374	787	1,173
Bills receivables		555	1,724	-	-
Prepayments		67,793	68,959	2,857	3,660
Inventories		250,795	250,123	-	-
Receivables under service concession arrangements - current portion	9	934,509	887,152	-	-
Amounts due from customers for contract work		80,428	75,889	-	-
Amounts due from subsidiaries		-	-	3,794,548	4,180,243
Amounts due from joint venture		1,988	30,500	650	22,439
Amounts due from associates		7,895	7,895	-	-
Financial assets at fair value through profit or loss		9,407	9,579	-	-
<b>Total current assets</b>		<b>10,165,073</b>	<b>9,270,986</b>	<b>4,085,024</b>	<b>4,310,743</b>
<b>Non-current assets</b>					
Financial assets at fair value through other comprehensive income		13,400	13,400	-	-
Prepayments		417,350	394,660	-	-
Receivables under service concession arrangements – non-current portion	9	22,133,507	22,374,059	-	-
Property, plant and equipment		456,572	477,195	40	44
Right-of-use assets		39,623	43,963	1,116	8,357
Intangible assets	10	8,711,752	8,667,682	5,911	5,553
Long term receivables		85,189	84,395	-	-
Deferred tax assets		52,314	51,301	-	-
Investment in subsidiaries		-	-	7,232,915	5,786,607
Interest in joint ventures		521,591	524,225	354,141	355,474
Interest in associates		242,829	233,409	-	-
Goodwill on consolidation		457,241	457,241	-	-
Loans to subsidiaries		-	-	1,221,470	2,997,534
Amounts due from associates		15,684	15,424	-	-
<b>Total non-current assets</b>		<b>33,147,052</b>	<b>33,336,954</b>	<b>8,815,593</b>	<b>9,153,569</b>
<b>Total assets</b>		<b>43,312,125</b>	<b>42,607,940</b>	<b>12,900,617</b>	<b>13,464,312</b>

**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. – cont'd**

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION – cont'd**

	Note	Group		Company	
		As at 30.6.24 (Unaudited)	As at 31.12.23 (Audited)	As at 30.6.24 (Unaudited)	As at 31.12.23 (Audited)
		RMB'000	RMB'000	RMB'000	RMB'000
<b>Current liabilities</b>					
Trade and other payables	11	3,653,377	4,306,433	109,941	163,773
Tax payable		137,564	150,132	-	-
Amounts due to customers for contract work		33,215	24,278	-	-
Amounts due to subsidiaries		-	-	81,224	254,399
Bank and other borrowings	12	5,129,045	5,767,008	2,202,500	3,547,536
Lease liabilities		4,862	10,494	1,169	6,783
<b>Total current liabilities</b>		8,958,063	10,258,345	2,394,834	3,972,491
<b>Non-current liabilities</b>					
Bank and other borrowings	12	16,097,289	14,491,791	3,854,746	2,993,898
Deferred tax liabilities		2,437,299	2,420,065	-	-
Other non-current liabilities		99,499	115,163	-	-
Lease liabilities		26,527	32,120	-	1,889
<b>Total non-current liabilities</b>		18,660,614	17,059,139	3,854,746	2,995,787
<b>Capital, reserves and non-controlling interests</b>					
Share capital	13	5,920,175	5,920,175	5,920,175	5,920,175
Retained earnings		4,180,536	3,955,497	16,006	(163,761)
Other reserves		252,027	255,835	714,856	739,620
<b>Equity attributable to owners of the Company</b>		10,352,738	10,131,507	6,651,037	6,496,034
Non-controlling interests		5,340,710	5,158,949	-	-
<b>Total equity</b>		15,693,448	15,290,456	6,651,037	6,496,034
<b>Total liabilities and equity</b>		43,312,125	42,607,940	12,900,617	13,464,312

**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:-**

Please refer to Note 12 to the Condensed Interim Consolidated Financial Statements.

**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.**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group For 3 Months Ended		Group For 6 Months Ended	
	30.6.24 (Unaudited)	30.6.23 (Unaudited)	30.6.24 (Unaudited)	30.6.23 (Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Operating activities:</b>				
<b>Profit before tax</b>	375,372	476,351	651,918	812,376
Adjustments for:				
Loss allowance for trade receivables, net	576	1,751	830	2,340
Reversal of loss allowance for non-trade receivables, net	-	-	(188)	-
Depreciation of property, plant and equipment	13,639	6,378	27,294	16,921
Amortisation of intangible assets	120,739	97,349	238,987	194,723
Depreciation of right-of-use assets	6,728	2,403	9,470	5,123
Loss (Gain) on disposal of property, plant and equipment	12	1	(24)	12
Gain on disposal of intangible assets	-	(3)	-	(3)
Finance income	(6,447)	(6,766)	(14,119)	(14,317)
Finance expenses	195,851	188,703	400,052	415,742
Share of results of associates	(897)	(760)	(8,755)	(3,660)
Share of results of joint ventures	(4,127)	(11,180)	1,033	(18,728)
Fair value loss (gain) on financial assets at fair value through profit and loss	8	(516)	172	(368)
<b>Operating cash flows before working capital changes</b>	701,454	753,711	1,306,670	1,410,161
(Increase) decrease in:				
Inventories	(3,408)	(21,188)	(672)	(28,533)
Amounts due from/to customers for contract work, net	11,073	(14,037)	4,398	(8,304)
Trade receivables, other receivables and prepayments	(401,878)	(121,118)	(1,024,094)	(415,250)
Bills receivables	563	(1,450)	1,169	(3,466)
Amounts due from joint ventures	(6,093)	(325)	6,073	13,190
Amounts due from associates	(244)	(4,164)	(260)	36,155
Increase (decrease) in:				
Trade and other payables (inclusive of non-current liabilities)	(102,014)	390,745	(150,139)	324,172
Bills payable to banks	-	(3,706)	-	(14,040)
<b>Cash generated from operating activities before service concession arrangement projects</b>	199,453	978,468	143,145	1,314,085
Change in receivables under service concession arrangements (Note A)	(120,669)	(43,966)	(74,010)	(272,833)
<b>Cash generated from operating activities after service concession arrangement projects</b>	78,784	934,502	69,135	1,041,252
Interest received	5,863	7,035	10,670	11,452
Income tax refund	1,549	-	1,549	-
Income tax paid	(74,313)	(59,207)	(145,771)	(122,915)
<b>Net cash generated from (used in) operating activities</b>	11,883	882,330	(64,417)	929,789



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. – cont'd

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS – cont'd

	Group For 3 Months Ended		Group For 6 Months Ended	
	30.6.24 (Unaudited) RMB'000	30.6.23 (Unaudited) RMB'000	30.6.24 (Unaudited) RMB'000	30.6.23 (Unaudited) RMB'000
<b>Investing activities:</b>				
Purchase of property, plant and equipment	15,620	(6,966)	(26,157)	(13,770)
Purchase of intangible assets, net of amount on credit terms	(134,801)	(834,557)	(311,899)	(907,837)
Movement in prepayment for property, plant and equipment and intangible assets, net	(21,569)	(540)	(69,141)	(45,232)
Proceeds from disposal of property, plant and equipment	36	151	97	162
Proceeds from disposal of intangible assets	-	3	-	3
Dividend received from joint ventures	12,007	-	22,439	-
<b>Net cash used in investing activities</b>	<b>(128,707)</b>	<b>(841,909)</b>	<b>(384,661)</b>	<b>(966,674)</b>
<b>Financing activities:</b>				
Proceeds from bank and other borrowings	955,308	1,357,357	7,710,292	2,027,061
Repayment of bank and other borrowings	(896,000)	(1,511,048)	(6,731,557)	(1,742,051)
Interest paid	(37,480)	(153,438)	(452,802)	(403,154)
Principal and interest elements of lease payments	(6,666)	(2,781)	(7,962)	(5,922)
Dividend paid to equity shareholders	(82,431)	(132,902)	(82,431)	(132,902)
Dividend paid to non-controlling interest in subsidiaries	(5,151)	(3,920)	(5,162)	(47,030)
Contribution from non-controlling interests upon additional capital injection in subsidiaries	-	16,000	-	16,000
(Increase) Decrease in pledged bank deposits	(7,428)	13,308	(8,336)	12,682
<b>Net cash generated from (used in) financing activities</b>	<b>(79,848)</b>	<b>(417,424)</b>	<b>422,042</b>	<b>(275,316)</b>
Net decrease in cash and cash equivalents	(196,672)	(377,003)	(27,036)	(312,201)
Cash and cash equivalents at beginning of period	3,048,527	2,577,555	2,885,781	2,512,625
Effects of exchange rate changes on cash and cash equivalents	180	4,358	(6,710)	4,486
<b>Cash and cash equivalents at end of period</b>	<b>2,852,035</b>	<b>2,204,910</b>	<b>2,852,035</b>	<b>2,204,910</b>

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. – cont'd

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS – cont'd

	Group		Group	
	For 3 Months Ended		For 6 Months Ended	
	30.6.24 (Unaudited)	30.6.23 (Unaudited)	30.6.24 (Unaudited)	30.6.23 (Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Cash and cash equivalents at end of period</b>				
Cash and bank balances	2,923,381	2,286,108	2,923,381	2,286,108
Less: Pledged bank deposits	(71,346)	(81,198)	(71,346)	(81,198)
Cash and cash equivalents	2,852,035	2,204,910	2,852,035	2,204,910

Note A:

In accordance with the application of SFRS(I) INT 12 *Service Concession Arrangements* and SFRS(I) 1-7 *Statement of Cash Flows*, the movement in the receivables under service concession arrangements has been classified under operating activities. The movement in the receivables under service concession arrangements was mainly arising from the construction and/or purchase of new or existing water treatment and waste incineration facilities in 1HFY2024 and 2QFY2024 respectively.

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

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

GROUP								Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Retained earnings	Other reserves, total	General reserve	Translation reserve	Effects of changes in ownership interest in subsidiaries where there is no change in control	Merger reserve			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 Jan 24 (Audited)</b>	5,920,175	3,955,497	255,835	754,717	(369,546)	70,979	(200,315)	10,131,507	5,158,949	15,290,456
Profit for the period	-	126,295	-	-	-	-	-	126,295	78,682	204,977
<u>Other comprehensive loss</u>										
Exchange differences arising on translation	-	-	(51,725)	-	(51,725)	-	-	(51,725)	-	(51,725)
Exchange differences arising on translation of foreign operations	-	-	46,732	-	46,732	-	-	46,732	-	46,732
Other comprehensive loss for the period, net of tax	-	-	(4,993)	-	(4,993)	-	-	(4,993)	-	(4,993)
Total comprehensive income for the period	-	126,295	(4,993)	-	(4,993)	-	-	121,302	78,682	199,984
<u>Transactions with owners recognised directly in equity</u>										
Transfer to general reserve	-	(13,976)	13,976	13,976	-	-	-	-	-	-
Total	-	(13,976)	13,976	13,976	-	-	-	-	-	-
<u>Others</u>										
Dividends declared to NCI	-	-	-	-	-	-	-	-	(5,010)	(5,010)
Total	-	-	-	-	-	-	-	-	(5,010)	(5,010)
<b>Balance at 31 Mar 24 (Unaudited)</b>	<b>5,920,175</b>	<b>4,067,816</b>	<b>264,818</b>	<b>768,693</b>	<b>(374,539)</b>	<b>70,979</b>	<b>(200,315)</b>	<b>10,252,809</b>	<b>5,232,621</b>	<b>15,485,430</b>

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

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

GROUP	Share capital	Retained earnings	Other reserves, total	General 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
<b>Balance at 1 Apr 24 (Unaudited)</b>	5,920,175	4,067,816	264,818	768,693	(374,539)	70,979	(200,315)	10,252,809	5,232,621	15,485,430
Profit for the period	-	195,151	-	-	-	-	-	195,151	108,089	303,240
<u>Other comprehensive loss</u>										
Exchange differences arising on translation	-	-	(27,553)	-	(27,553)	-	-	(27,553)	-	(27,553)
Exchange differences arising on translation of foreign operations	-	-	14,762	-	14,762	-	-	14,762	-	14,762
Other comprehensive loss for the period, net of tax	-	-	(12,791)	-	(12,791)	-	-	(12,791)	-	(12,791)
Total comprehensive income for the period	-	195,151	(12,791)	-	(12,791)	-	-	182,360	108,089	290,449
<u>Others</u>										
Dividend declared to equity shareholders	-	(82,431)	-	-	-	-	-	(82,431)	-	(82,431)
Total	-	(82,431)	-	-	-	-	-	(82,431)	-	(82,431)
<b>Balance at 30 Jun 24 (Unaudited)</b>	<u>5,920,175</u>	<u>4,180,536</u>	<u>252,027</u>	<u>768,693</u>	<u>(387,330)</u>	<u>70,979</u>	<u>(200,315)</u>	<u>10,352,738</u>	<u>5,340,710</u>	<u>15,693,448</u>

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

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

GROUP	Share capital	Retained earnings	Other reserves, total	General 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
<b>Balance at 1 Jan 23 (Audited)</b>	5,920,175	3,682,917	212,468	625,982	(203,033)	(10,166)	(200,315)	9,815,560	4,999,012	14,814,572
Profit for the period	-	150,031	-	-	-	-	-	150,031	91,968	241,999
<u>Other comprehensive income</u>										
Exchange differences arising on translation	-	-	31,945	-	31,945	-	-	31,945	-	31,945
Exchange differences arising on translation of foreign operations	-	-	(9,470)	-	(9,470)	-	-	(9,470)	-	(9,470)
Other comprehensive income for the period, net of tax	-	-	22,475	-	22,475	-	-	22,475	-	22,475
Total comprehensive income for the period	-	150,031	22,475	-	22,475	-	-	172,506	91,968	264,474
<u>Transactions with owners recognised directly in equity</u>										
Transfer to general reserve	-	(18,568)	18,568	18,568	-	-	-	-	-	-
Total	-	(18,568)	18,568	18,568	-	-	-	-	-	-
<u>Others</u>										
Dividends declared to NCI	-	-	-	-	-	-	-	-	(4,000)	(4,000)
Total	-	-	-	-	-	-	-	-	(4,000)	(4,000)
<b>Balance at 31 Mar 23 (Unaudited)</b>	5,920,175	3,814,380	253,511	644,550	(180,558)	(10,166)	(200,315)	9,988,066	5,086,980	15,075,046

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

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

GROUP	Share capital	Retained earnings	Other reserves, total	General 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
<b>Balance at 1 Apr 23 (Unaudited)</b>	5,920,175	3,814,380	253,511	644,550	(180,558)	(10,166)	(200,315)	9,988,066	5,086,980	15,075,046
Profit for the period	-	227,320	-	-	-	-	-	227,320	124,313	351,633
<u>Other comprehensive loss</u>										
Exchange differences arising on translation	-	-	(184,943)	-	(184,943)	-	-	(184,943)	-	(184,943)
Exchange differences arising on translation of foreign operations	-	-	(17,753)	-	(17,753)	-	-	(17,753)	-	(17,753)
Other comprehensive loss for the period, net of tax	-	-	(202,696)	-	(202,696)	-	-	(202,696)	-	(202,696)
Total comprehensive income for the period	-	227,320	(202,696)	-	(202,696)	-	-	24,624	124,313	148,937
<u>Transactions with owners recognised directly in equity</u>										
Transfer to general reserve	-	(6,401)	6,401	6,401	-	-	-	-	-	-
Total	-	(6,401)	6,401	6,401	-	-	-	-	-	-
<u>Others</u>										
NCI upon proportional capital injection in a subsidiary	-	-	-	-	-	-	-	-	16,000	16,000
Dividend declared to NCI	-	-	-	-	-	-	-	-	(3,920)	(3,920)
Dividend declared to equity shareholders	-	(132,902)	-	-	-	-	-	(132,902)	-	(132,902)
Total	-	(132,902)	-	-	-	-	-	(132,902)	12,080	(120,822)
<b>Balance at 30 Jun 23 (Unaudited)</b>	<b>5,920,175</b>	<b>3,902,397</b>	<b>57,216</b>	<b>650,951</b>	<b>(383,254)</b>	<b>(10,166)</b>	<b>(200,315)</b>	<b>9,879,788</b>	<b>5,223,373</b>	<b>15,103,161</b>

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

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

COMPANY	Share capital RMB'000	Retained earnings RMB'000	Other reserves* RMB'000	Total equity RMB'000
<b>Balance at 1 Jan 24 (Audited)</b>	5,920,175	(163,761)	739,620	6,496,034
Profit for the period	-	251,522	-	251,522
<u>Other comprehensive loss</u>				
Exchange differences arising on translation, net of tax	-	-	(31,926)	(31,926)
Other comprehensive loss for the period, net of tax	-	-	(31,926)	(31,926)
Total comprehensive income for the period	-	251,522	(31,926)	219,596
<b>Balance at 31 Mar 24 (Unaudited)</b>	<u>5,920,175</u>	<u>87,761</u>	<u>707,694</u>	<u>6,715,630</u>
Profit for the period	-	10,676	-	10,676
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	7,162	7,162
Other comprehensive income for the period, net of tax	-	-	7,162	7,162
Total comprehensive income for the period	-	10,676	7,162	17,838
<u>Others</u>				
Dividend declared to equity shareholders	-	(82,431)	-	(82,431)
<b>Balance at 30 Jun 24 (Unaudited)</b>	<u>5,920,175</u>	<u>16,006</u>	<u>714,856</u>	<u>6,651,037</u>

\* 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

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY – cont'd

COMPANY	Share capital RMB'000	Retained earnings RMB'000	Other reserves* RMB'000	Total equity RMB'000
<b>Balance at 1 Jan 23 (Audited)</b>	5,920,175	253,832	460,077	6,634,084
Loss for the period	-	(46,060)	-	(46,060)
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	13,671	13,671
Other comprehensive income for the period, net of tax	-	-	13,671	13,671
Total comprehensive loss for the period	-	(46,060)	13,671	(32,389)
<b>Balance at 31 Mar 23 (Unaudited)</b>	<u>5,920,175</u>	<u>207,772</u>	<u>473,748</u>	<u>6,601,695</u>
Loss for the period	-	(34,809)	-	(34,809)
<u>Other comprehensive income</u>				
Exchange differences arising on translation, net of tax	-	-	245,662	245,662
Other comprehensive income for the period, net of tax	-	-	245,662	245,662
Total comprehensive income for the period	-	(34,809)	245,662	210,853
<u>Others</u>				
Dividend declared to equity shareholders	-	(132,902)	-	(132,902)
<b>Balance at 30 Jun 23 (Unaudited)</b>	<u>5,920,175</u>	<u>40,061</u>	<u>719,410</u>	<u>6,679,646</u>

\* Relates to translation reserve.



## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

SIIC Environment Holdings Ltd. (the “Company”) is a public limited company, incorporated and domiciled in the Republic of Singapore and is dual listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and The Stock Exchange of Hong Kong Limited (the “SEHK”). These condensed interim consolidated financial statements as at and for the second quarter and six months ended 30 June 2024 comprise the Company and its subsidiaries’ (collectively, “the Group”). The registered office and principal place of business of the Company is located at One Temasek Avenue, #37-02 Millenia Tower, Singapore 039192. There were no changes to the principal activities of the Group.

### 2. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The presentation currency of the condensed interim financial statements is Renminbi (“RMB”) as the Group’s operations are substantially based in the People’s Republic of China (“PRC”).

#### 2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

## **2. BASIS OF PREPARATION - cont'd**

### **2.2 Use of judgements and estimates**

The preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the year ended 31 December 2023.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 9 – Receivables under service concession arrangements

Management has determined that there is no impairment loss for the Group's goodwill on consolidation as at 30 June 2024.

### **2.3 Financial Risk Management Objectives and Policies**

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include (i) foreign currency risk; (ii) interest rate risk; (iii) liquidity risk; and (iv) credit risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer and Management.

The condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited annual financial statements as at 31 December 2023.

There have been no changes in the risk management policies since year end.

## **3. SEASONAL OPERATIONS**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

#### 4. SEGMENT INFORMATION

The Group is organised into business segments based on their products and services, and has reportable segments as follows:

(i) Water and Sludge Treatment:

Principal activities include construction, management and operation of water and sludge related infrastructure under service concession arrangements and management and operation of water and sludge related infrastructure under non-service concession arrangements and financial income under service concession arrangements.

(ii) Water Supply:

Principal activities include construction, management and operation of water supply related infrastructure under service concession arrangements.

(iii) Waste Incineration:

Principal activities include construction, management and operation of waste incineration related infrastructure under service concession arrangements.

Other operations include design and consultancy on the projects and installation of water meters. None of these segments meets any of the quantitative thresholds for determining reportable segments for the financial period ended 30 June 2024 and 31 December 2023.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group's financing and income taxes are managed on a Group basis and are not allocated to operating segments. Unallocated assets/liabilities mainly comprise of corporate assets and liabilities, tax assets and liabilities and interest income and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Transfer prices between operating segments are on agreed-term basis in a manner similar to transactions with third parties.

#### 4. SEGMENT INFORMATION - cont'd

##### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

Six Months Ended 30 June 2024 (Unaudited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Others Segment	Unallocated	Consolidated
Revenue	2,439,599	554,733	194,847	3,189,179	134,336	-	3,323,515
Reportable segment profit from operations	763,058	67,878	103,303	934,239	38,655	45,707	1,018,601
Finance income	-	-	-	-	-	14,119	14,119
Finance expenses	-	-	-	-	-	(400,052)	(400,052)
Other non-operating income	13,299	(1,533)	(238)	11,528	-	-	11,528
Share of results of associates	7,558	-	-	7,558	1,197	-	8,755
Share of results of joint ventures	-	-	(1,033)	(1,033)	-	-	(1,033)
Income tax expense	(97,780)	(18,677)	(4,429)	(120,886)	(7,384)	(15,431)	(143,701)
Profit after tax							508,217
Segment depreciation and amortisation	149,386	91,853	24,474	265,713	114	9,924	275,751
Segment non-cash income	24	-	-	24	-	-	24
Segment non-cash expenses	-	(642)	-	(642)	(172)	-	(814)

4. SEGMENT INFORMATION - cont'd

Segment revenue and results – cont'd

Six Months Ended 30 June 2023 (Unaudited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Others Segment	Unallocated	Consolidated
Revenue	2,354,375	628,543	916,710	3,899,628	119,221	-	4,018,849
Reportable segment profit/(loss) from operations	809,273	93,470	279,620	1,182,363	29,735	(49,331)	1,162,767
Finance income	-	-	-	-	-	14,317	14,317
Finance expenses	-	-	-	-	-	(415,742)	(415,742)
Other non-operating income	5,553	23,086	-	28,639	7	-	28,646
Share of results of associates	964	-	-	964	2,696	-	3,660
Share of results of joint ventures	-	-	18,728	18,728	-	-	18,728
Income tax expense	(105,699)	(26,043)	(56,256)	(187,998)	(5,168)	(25,578)	(218,744)
Profit after tax							593,632
Segment depreciation and amortisation	158,399	52,524	-	210,923	130	5,714	216,767
Segment non-cash income	-	-	-	-	368	-	368
Segment non-cash expenses	-	(2,340)	-	(2,340)	-	-	(2,340)

#### 4. SEGMENT INFORMATION - cont'd

##### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

At 30 June 2024 (Unaudited)

All amount in RMB'000	Water and Sludge Treatment	Water Supply	Waste Incineration	Total for Reportable Segments	Others Segment	Unallocated	Consolidated
Segment assets	30,365,223	5,665,992	5,645,519	41,676,734	397,488	450,676	42,524,898
Interest in joint ventures	-	-	521,591	521,591	-	-	521,591
Interest in associates	100,614	-	-	100,614	109,185	33,030	242,829
Financial assets at fair value through profit or loss	6,506	-	-	6,506	2,901	-	9,407
Financial assets at fair value through other comprehensive income	10,400	-	-	10,400	3,000	-	13,400
Total assets							43,312,125
Segment liabilities	12,430,022	2,562,473	3,929,517	18,922,012	1,365,870	7,330,795	27,618,677
Segment capital expenditure	129,160	165,418	-	294,578	31	41	294,650

**4. SEGMENT INFORMATION - cont'd**

**Segment assets and liabilities - cont'd**

At 31 December 2023 (Audited)

<b>All amount in RMB'000</b>	<b>Water and Sludge Treatment</b>	<b>Water Supply</b>	<b>Waste Incineration</b>	<b>Total for Reportable Segments</b>	<b>Others Segment</b>	<b>Unallocated</b>	<b>Consolidated</b>
Segment assets	29,730,897	5,658,851	5,587,573	40,977,321	538,585	311,421	41,827,327
Interest in joint ventures	-	-	524,225	524,225	-	-	524,225
Interest in associates	93,056	-	-	93,056	107,987	32,366	233,409
Financial assets at fair value through profit or loss	6,506	-	-	6,506	3,073	-	9,579
Financial assets at fair value through other comprehensive income	10,400	-	-	10,400	3,000	-	13,400
Total assets							42,607,940
Segment liabilities	10,792,646	2,604,892	3,912,881	17,310,419	1,307,950	8,699,115	27,317,484
Segment capital expenditure	780,287	217,125	-	997,412	96	24	997,532

## 5. REVENUE

	3 months ended 30 June		6 months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Construction revenue	272,177	672,733	562,225	1,287,000
Operating and maintenance income from services concession arrangements	987,811	973,995	1,908,809	1,859,029
Financial income from service concession arrangements	315,666	322,874	616,762	642,202
Service income	50,664	48,263	101,383	95,068
Other revenue	69,087	82,252	134,336	135,550
	<u>1,695,405</u>	<u>2,100,117</u>	<u>3,323,515</u>	<u>4,018,849</u>
Timing of revenue recognition:				
At a point in time	987,811	973,995	1,908,809	1,859,029
Over time	707,594	1,126,122	1,414,706	2,159,820
	<u>1,695,405</u>	<u>2,100,117</u>	<u>3,323,515</u>	<u>4,018,849</u>

## 6. TAXATION

	3 months ended 30 June		6 months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Current tax:				
Current year	64,421	66,447	126,970	134,471
Under provision in respect of prior periods	691	4,044	512	4,082
Deferred tax:				
Current year	7,254	53,059	18,575	79,023
(Over)Under provision in respect of prior periods	(234)	1,168	(2,356)	1,168
	<u>72,132</u>	<u>124,718</u>	<u>143,701</u>	<u>218,744</u>

The corporate income tax applicable to the Singapore companies of the Group is 17% (six months ended 30 June 2023: 17%).



## 6. TAXATION - cont'd

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax ("EIT") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. In accordance with the "Income Tax Law of the PRC for Enterprises with Foreign Investment and Foreign Enterprises", certain subsidiaries, engaging in public infrastructure projects, are entitled to full exemption from EIT for the first three years and a 50% reduction in EIT for the next three years of generating operating income.

## 7. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	3 months ended 30 June		6 months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Loss allowance for trade receivables, net	576	1,751	830	2,340
Reversal of loss allowance for non-trade receivables, net	-	-	(188)	-
Depreciation of property, plant and equipment	13,639	6,378	27,294	16,921
Amortisation of intangible assets	120,739	97,349	238,987	194,723
Depreciation of right-of-use assets	6,728	2,403	9,470	5,123
Loss (Gain) on disposal of property, plant and equipment	12	1	(24)	12
Gain on disposal of intangible assets	-	(3)	-	(3)
Finance income	(6,447)	(6,766)	(14,119)	(14,317)
Finance expenses	195,851	188,703	400,052	415,742
Share of results of associates	(897)	(760)	(8,755)	(3,660)
Share of results of joint ventures	(4,127)	(11,180)	1,033	(18,728)
Fair value loss (gain) on financial assets at fair value through profit and loss	8	(516)	172	(368)
Foreign exchange gain, net	(12,556)	(9,346)	(2,117)	(8,233)

## 8. TRADE AND OTHER RECEIVABLES

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

	<b>30 June 2024 RMB'000 (Unaudited)</b>	<b>31 December 2023 RMB'000 (Audited)</b>
Within 30 days	915,817	1,133,684
Within 31 to 60 days	372,030	382,217
Within 61 to 90 days	364,417	348,617
Within 91 to 180 days	887,776	684,525
Within 181 to 365 days	1,182,515	554,497
Over 365 days	1,358,935	915,629
	<u>5,081,490</u>	<u>4,019,169</u>

## 9. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

Consideration given by the grantor for a service concession arrangement is accounted for as an intangible asset (operating concessions) or a financial asset (receivables under service concession arrangements) or a combination of both, as appropriate. The financial asset component is as follows:

	<b>30 June 2024 RMB'000 (Unaudited)</b>	<b>31 December 2023 RMB'000 (Audited)</b>
Receivables under service concession arrangements:		
Current portion	934,509	887,152
Non-current portion	22,133,507	22,374,059
	<u>23,068,016</u>	<u>23,261,211</u>

Expected collection schedule is analysed as follows:

Within 1 year	934,509	887,152
Within 2 to 5 years	3,902,784	3,671,624
Over 5 years	18,230,723	18,702,435
	<u>23,068,016</u>	<u>23,261,211</u>

## 10. INTANGIBLE ASSETS

During the period, the Group's additions of intangible assets amounted to RMB288,616,000 (Six Months ended 30 June 2023: RMB1,002,878,000).

## 11. TRADE AND OTHER PAYABLES

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

	<b>30 June 2024 RMB'000 (Unaudited)</b>	<b>31 December 2023 RMB'000 (Audited)</b>
Within 30 days	520,897	702,713
Within 31 to 60 days	57,841	93,223
Within 61 to 90 days	51,754	57,274
Within 91 to 180 days	164,968	124,272
Within 181 to 365 days	263,099	641,800
Over 365 days	938,283	705,475
	<u>1,996,842</u>	<u>2,324,757</u>

## 12. BANK AND OTHER BORROWINGS

	<b>Group</b>		<b>Company</b>	
	<b>30 June 2024 RMB'000 (Unaudited)</b>	<b>31 December 2023 RMB'000 (Audited)</b>	<b>30 June 2024 RMB'000 (Unaudited)</b>	<b>31 December 2023 RMB'000 (Audited)</b>
Amount repayable within one year or on demand:				
Secured	2,122,770	1,678,545	-	-
Unsecured	3,006,275	4,088,463	2,202,500	3,547,536
	<u>5,129,045</u>	<u>5,767,008</u>	<u>2,202,500</u>	<u>3,547,536</u>
Amount repayable after one year:				
Secured	11,343,041	7,583,338	-	-
Unsecured	4,754,248	6,908,453	3,854,746	2,993,898
	<u>16,097,289</u>	<u>14,491,791</u>	<u>3,854,746</u>	<u>2,993,898</u>

### Details of any collateral

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..

### 13. SHARE CAPITAL

	<b>Group and Company</b>	
	<b>Number of</b>	<b>Amount</b>
	<b>ordinary shares</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Issued and paid up share capital</b>		
At 1 January 2023, 31 December 2023 and 30 June 2024	<u>2,575,665,726</u>	<u>5,920,175</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

Neither the Company nor any of its subsidiaries has redeemed, purchased or sold any of the Company's listed securities for the financial period ended 30 June 2024.

### 14. DIVIDENDS

A final one-tier tax exempt dividend of S\$0.006 per ordinary share in respect of the financial year ended 31 December 2023 was approved in the annual general meeting held on 29 April 2024 and paid out on 31 May 2024.

## 15. NET ASSET VALUE AND EARNINGS PER SHARE

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Number of shares in issue to calculate net asset value per share	2,575,665,726	2,575,665,726	2,575,665,726	2,575,665,726
Net asset value per ordinary share (RMB in cent)	401.94	393.35	258.23	252.21
	<b>3 Months Ended 30 June</b>		<b>6 Months Ended 30 June</b>	
	<b>2024 (Unaudited)</b>	<b>2023 (Unaudited)</b>	<b>2024 (Unaudited)</b>	<b>2023 (Unaudited)</b>
Profit for the period attributable to the Owners of the Company (RMB'000)	195,151	227,320	321,446	377,351
Weighted average number of shares in issue to calculate the basis and diluted earnings per share	2,575,665,726	2,575,665,726	2,575,665,726	2,575,665,726
Earnings per share for profit for the period attributable to the owners of the Company during the period:				
-Basic (RMB in cent)	7.58	8.83	12.48	14.65
-Diluted (RMB in cent)	7.58	8.83	12.48	14.65

## 16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Except as detailed in the following tables below, the directors of the Company consider that the carrying amounts of all other financial assets and financial liabilities that are recorded at amortised cost in the consolidated financial statements to approximate their fair value, due to their short-term nature, that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period, or the discount rate used to amortise the instruments approximates the prevailing market interest rates.

The Group classifies financial assets measured at fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- c) Inputs for the assets or liabilities which are not based on observable market data (unobservable inputs) (Level 3).

### (i) Fair value of financial assets that are measured at fair value on a recurring basis

Financial assets	Fair value		Fair value hierarchy
	30 June 2024	31 December 2023	
	RMB'000 (Unaudited)	RMB'000 (Audited)	
<b>Financial assets at FVTOCI</b>			
Unlisted equity security	13,400	13,400	Level 3
<b>Financial assets at FVTPL</b>			
Listed equity security	2,901	3,073	Level 1
Put option of unlisted equity security	6,506	6,506	Level 3

## 16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS - cont'd

(ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis and whose carrying amounts are not reasonable approximation of fair value

	30 June 2024		31 December 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Financial assets</b>				
Receivables under service concession arrangements	21,874,246	22,281,223	21,410,273	22,740,832
<b>Financial liabilities</b>				
Bank and other borrowings (fixed rate)	(6,691,875)	(6,720,519)	(4,532,576)	(4,584,566)

The fair values of receivables under service concession arrangements and bank and other borrowings as disclosed in the table above are classified under level 3 of the fair value hierarchy and the fair values are estimated by discounting expected future cash flows at prevailing interest rate or borrowings rate as at the end of the reporting period.

There was no transfer amongst Levels 1, 2 and 3 in both periods.

## 17. SUBSEQUENT EVENTS

The Group has evaluated all events that occur after the balance sheet date through the date when the financial statements were issued to determine if they must be reported. The Management of the Group determined that there were no reportable subsequent events to be disclosed.

## OTHER INFORMATION REQUIRED BY SGX LISTING RULE APPENDIX 7.2

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

Please refer to Note 13 of the Notes to the Condensed Interim Consolidated Financial Statements.

**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 30 June 2024, there were no treasury shares held (31 December 2023: Nil). Total number of issued shares as at 30 June 2024 was 2,575,665,726 (31 December 2023: 2,575,665,726).

**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 30 June 2024.

**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.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the financial period ended 30 June 2024.



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

The condensed interim consolidated statement of financial position of the Company and its subsidiaries as at 30 June 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as that of the audited financial statements for the year ended 31 December 2023.

**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.**

Please refer to Note 15 of the Notes to the Condensed Interim Consolidated Financial Statements.

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.**

Please refer to Note 15 of the Notes to the Condensed Interim Consolidated Financial Statements.

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's revenue was RMB 1,695.4 million in 2QFY2024, representing a decrease of 19.3%, as compared to RMB 2,100.1 million in 2QFY2023. For the six months ended June 30, 2024, the Group's revenue was RMB 3,323.5 million, representing a decrease of 17.3%, as compared to RMB 4,018.8 million for the same period in 2023.

Meanwhile, the Group's profit for the period was RMB 303.2 million in 2QFY2024, representing a decrease of 13.8%, as compared to RMB 351.6 million in 2QFY2023. For the six months ended June 30, 2024, the Group's profit for the period was RMB 508.2 million, representing a decrease of 14.4%, as compared to RMB 593.6 million for the same period in 2023.

The Group's profit for the period attributable to owners of the Company was RMB 195.2 million in 2QFY2024, representing a decrease of 14.2%, as compared to RMB 227.3 million in 2QFY2023. For the six months ended June 30, 2024, the profit attributable to owners of the Company was RMB 321.4 million, representing a decrease of 14.8%, as compared to RMB 377.4 million for the same period in 2023.

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

### **(A) Revenue**

#### **Construction Revenue**

Construction revenue was RMB 272.2 million in 2QFY2024, representing a decrease of 59.5%, as compared to RMB 672.7 million in 2QFY2023. For the six months ended June 30, 2024, construction revenue was RMB 562.2 million, representing a decrease of 56.3%, as compared to RMB 1,287.0 million for the same period in 2023. The decrease in revenue was mainly due to the completion of major construction projects in FY2023 and the commencement of new major construction projects are expected in 2HFY2024.

#### **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 was RMB 1,303.5 million in 2QFY2024, representing an increase of 0.5%, as compared to RMB 1,296.9 million in 2QFY2023. For the six months ended June 30, 2024, the aggregate income was RMB 2,525.6 million, representing an increase of 1.0%, as compared to RMB 2,501.2 million for the same period in 2023. The increase was due to higher volume and average price in water treatment and water supply for the period.

#### **Service Income**

Service income from non-service concession arrangements was RMB 50.7 million in 2QFY2024, representing an increase of 5.0%, as compared to RMB 48.3 million in 2QFY2023. For the six months ended June 30, 2024, service income was RMB 101.4 million, representing an increase of 6.6%, as compared to RMB 95.1 million for the same period in 2023. The increase in service income is mainly due to the contribution of new projects.

#### **Other Revenue**

Other revenue was RMB 69.1 million in 2QFY2024, representing a decrease of 16.0%, as compared to RMB 82.3 million in 2QFY2023. For the six months ended June 30, 2024, other revenue was RMB 134.3 million, representing a decrease of 0.9%, as compared to RMB 135.6 million for the same period in 2023. The decrease in other revenue was mainly due to a decrease in the volume of ad-hoc installation works.

### **(B) Gross Profit (“GP”) / Gross Profit Margin (“GPM”)**

The Group's GP was RMB 666.2 million in 2QFY2024, representing a decrease of RMB 95.6 million or 12.5%, as compared to RMB 761.8 million in 2QFY2023. For the six months ended June 30, 2024, the Group's GP was RMB 1,277.4 million, representing a decrease of RMB 160.3 million or 11.2%, as compared to RMB 1,437.7 million for the same period in 2023. The decrease in GP was primarily caused by the decrease in construction revenue.

GPM was 39.3% in 2QFY2024, representing an increase of 3.0%, as compared to 36.3% in 2QFY2023. For the six months ended June 30, 2024, GPM was 38.4%, representing an increase of 2.6%, as compared to 35.8% for the same period in 2023. The improvement was mainly due to the lower proportion of construction revenue, which typically has a lower gross profit margin, and a lower unit cost due to higher volume and higher average price in water treatment and water supply.

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

### **(C) Other Income**

Other income was RMB 19.9 million in 2QFY2024, representing a decrease of 28.6%, as compared to RMB 27.9 million in 2QFY2023. For the six months ended June 30, 2024, other income was RMB 42.9 million, representing a decrease of 26.4%, as compared to RMB 58.2 million for the same period in 2023. The decrease was mainly due to a reduction in volume of work and production not related to core business activities.

### **(D) Other Gains and Losses**

Other gains and losses amounted to a gain of RMB 12.9 million in 2QFY2024, representing an increase of 12.1%, as compared to a gain of RMB 11.5 million in 2QFY2023. For the six months ended June 30, 2024, other gains and losses amounted to a gain of RMB 2.5 million, representing a decrease of 76.8%, as compared to a gain of RMB 10.7 million for the same period in 2023. The change for the six months ended was mainly due to a higher unrealised foreign exchange gain recorded in the second quarter, offset by losses earlier in the year.

### **(E) Selling and Distribution Costs**

Selling and distribution costs were RMB 20.4 million in 2QFY2024, representing an increase of 2.8%, as compared to RMB 19.9 million in 2QFY2023. For the six months ended June 30, 2024, selling and distribution costs were RMB 38.0 million, representing an increase of 0.2%, as compared to RMB 37.9 million for the same period in 2023. The increase was mainly due to higher repair and maintenance costs.

### **(F) Administrative Expenses**

Administrative expenses were RMB 112.4 million in 2QFY2024, representing a decrease of 12.3%, as compared to RMB 128.2 million in 2QFY2023. For the six months ended June 30, 2024, administrative expenses were RMB 240.5 million, representing a decrease of 8.6%, as compared to RMB 263.0 million for the same period in 2023. The decrease was mainly due to cost-saving initiatives implemented during the period.

### **(G) Finance Expenses**

Finance expenses were RMB 195.9 million in 2QFY2024, representing a minor increase of RMB 7.2 million, as compared to RMB 188.7 million in 2QFY2023. For the six months ended June 30, 2024, finance expenses were RMB 400.1 million, representing a decrease of 3.8%, as compared to RMB 415.7 million for the same period in 2023. During the six-month period, the financing structure was continuously optimized by replacing high-interest non-RMB loans with lower-interest RMB loans. With the increase in loans, financial expenses were significantly reduced compared with the same period.

## 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 using the equity method represents the Group's share of results in investments which are accounted for using equity method.

The share of results of joint ventures in 1HFY2024 decreased as compared to 1HFY2023 was mainly due to lower contribution from joint ventures.

The share of results of associates in 1HFY2024 increased as compared to 1HFY2023 was mainly due to higher contribution from associates.

### **(I) Income Tax Expenses**

Income tax expense was RMB 72.1 million in 2QFY2024, representing a decrease of 42.2%, as compared to RMB 124.7 million in 2QFY2023. For the six months ended June 30, 2024, income tax expense was RMB 143.7 million, representing a decrease of 34.3%, as compared to RMB 218.7 million for the same period in 2023. The decrease in income tax expense was in line with the decrease in revenue generated and profit before tax during the period.

## **STATEMENTS OF FINANCIAL POSITION**

### **(J) Current Assets**

Current assets as at June 30, 2024, amounted to RMB 10.17 billion, representing an increase of 9.6%, as compared to RMB 9.27 billion as at December 31, 2023. The increase in current assets was mainly due to the rise in trade receivables related to the revenue generated in the first half of 2024.

### **(K) Non-current Assets**

Non-current assets as at June 30, 2024, amounted to RMB 33.15 billion, showing a slight decrease of 0.6%, as compared to RMB 33.34 billion as at December 31, 2023. The decrease in non-current assets was mainly due to depreciation and amortization.

### **(L) Current Liabilities**

Current liabilities as at June 30, 2024, amounted to RMB 8.96 billion, representing a decrease of 12.7%, as compared to RMB 10.26 billion as at December 31, 2023. The decrease was primarily due to the repayment of trade and other payables and short-term borrowings.

### **(M) Non-current Liabilities**

Non-current liabilities as at June 30, 2024, amounted to RMB 18.66 billion, representing an increase of 9.4%, as compared to RMB 17.06 billion as at December 31, 2023. The increase was mainly due to new long-term borrowings following a loan restructuring.

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

**STATEMENT OF CASH FLOWS**

As at June 30, 2024, the Group's cash and cash equivalents stood at RMB 2.852 billion, representing a decrease of 1.2%, as compared to RMB 2.886 billion as at December 31, 2023.

Net Cash Used in Operating Activities: Net cash of RMB 64.4 million was used in the Group's operating activities, reflecting the higher working capital requirements during this period.

Net Cash Used in Investing Activities: Net cash of RMB 384.7 million was used in the Group's investing activities, primarily due to purchases of property, plant, and equipment, as well as intangible assets.

Net Cash Generated from Financing Activities: Net cash of RMB 422.0 million was generated from the Group's financing activities, mainly due to higher net proceeds from bank and other borrowings, partially offset by the repayment of bank and other borrowings plus interest paid.

**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.**

In the first half of 2024, the economy of the People's Republic of China ("China") rebounded. China continued to promote the construction of a Beautiful China, actively and steadily sought to peak carbon dioxide emissions and achieve carbon neutrality. The third plenary session of the 20th Central Committee of the Communist Party of China proposed to improve the ecological conservation systems, make concerted efforts to cut carbon emissions, reduce pollution, pursue green development and boost economic growth, and move faster to improve the systems and mechanisms for applying the principle of "lucid waters and lush mountains are invaluable assets". At the same time, the "Resolution of the Central Committee of the Communist Party of China on Further Deepening Reform Comprehensively to Advance Chinese Modernization" (《中共中央關於進一步全面深化改革、推進中國式現代化的決定》), which was deliberated and passed in the plenary session, states that pricing reforms are to continue in sectors such as water, energy, and transportation, and so will improvement of the tiered pricing mechanisms for household consumption of water, electricity and natural gas to help promote high-quality development of the wastewater and water supply industries. The Group will firmly grasp development opportunities brought by relevant policies in favor of the industry, and steadily promoted the construction, upgrading and reconstruction of existing projects, while keeping an eye on high-quality new project opportunities. At present, the Group's "One Mountain and One River" benchmark projects have made positive progress. The benchmark solid waste treatment project, Shanghai Baoshan Renewable Energy Utilization Center ("Baoshan Project"), has been successfully put into operation, and the construction of the key sewage treatment project, Qingpu Xicen Water Purification Plant ("Xicen Project"), has also reached a key milestone as scheduled. The Group will continue to optimize its business layout, expand its market share, and consolidate its leadership in China's water and environmental protection industries.

On the water policy front, in April, the Shanghai Municipal Bureau of Ecology and Environment and other departments issued the "Guiding Opinions on Further Promoting Domestic Wastewater Treatment in Rural Areas" (《關於進一步推進農村生活污水治理的指導意見》), proposing to strengthen the supervision and management of the effectiveness of domestic wastewater treatment (management and control) in rural areas. These policies will bring substantial development opportunities to the wastewater treatment industry and facilitate the Group's high-quality development. In May, the Ministry of Finance and the Ministry of Housing and Urban-Rural Development issued the "Notice on Carrying out Urban Renewal Demonstration Work" (《關於開展城市更新示範工作的通知》), according to which the central government's subsidy funds will be used to mainly support the renewal and reconstruction of urban underground pipe networks and the "plant-pipe network integration" construction and reconstruction of wastewater pipe networks. In June, the General Office of the National Development and Reform Commission and the General Office of the Ministry of Housing and Urban-Rural Development issued the "Notice on the Selection of Low-Carbon Benchmark Sewage Treatment Plants" (《關於開展污水處理綠色低碳標杆廠遴選工作的通知》). According to the Notice, by the end of 2025, 100 exemplary low-carbon sewage treatment plants with efficient recycling of energy resources will be established through the method of "selecting a group of exemplary plants, and renovating or expanding the remaining plants", which aims to form replicable experience and synergize sewage treatment and carbon emission control in

**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. – cont’d.**

the sewage treatment sector. Responding to national policies and keeping pace with the times, the Group will unswervingly follow the path of green development, continue to explore low-carbon technologies, and gradually reduce carbon dioxide emissions from sewage treatment projects to help achieve carbon dioxide peaking and carbon neutrality.

As for the digitalization of water affairs, in May, four departments, including the National Development and Reform Commission, issued the "Guiding Opinions on Deepening the Development of Smart Cities and Promoting the Comprehensive Digital Transformation of the City" (《關於深化智慧城市發展 推進城市全域數字化轉型的指導意見》), proposing the construction and improvement of digital infrastructure and accelerating the digital transformation and smart operation of public facilities such as water resources. It aims to achieve significant results in the comprehensive digital transformation of all cities across the country by 2027, and make a comprehensive breakthrough in this regard by 2030. The Group has been actively promoting the digitalization of water affairs, so as to realize synergies in water management, efficient use of water resources and easy access to water services, and achieve cost reduction and efficiency improvement while ensuring compliant and stable water discharge.

In terms of green financing, the Ministry of Water Resources and the Bank of China jointly issued the “ Guiding Opinions on Financial Support for High-Quality Development of Water-Saving Industries” (《關於金融支持節水產業高質量發展的指導意見》) in April, which focuses on supporting the water-saving industry. By fully grasping the characteristics of the project, the national industry-financial cooperation platform will be used to meet financing needs precisely. Enhanced credit offers will be provided to strengthen green financial services. Favorable green finance policies provide more financial support for the Group’s project development, which will help optimize the Group’s financing channel and structure, reduce financing costs, and improve the Group’s resource allocation.

Looking ahead, the Group will seize opportunities brought by national policies and in the market, focus on its main businesses of water treatment and recycling of water resources, step up expanding market and pursuing M&A, optimize lean operations, strengthen technological innovation, promote digital and intelligent empowerment, so as to drive its high-quality sustainable development. At the same time, it will continue to give full play to the advantages of its dual-listing in Singapore and Hong Kong and its outstanding technical service capabilities, actively develop business in “Belt and Road” countries in Southeast Asia, thereby contribute to building a Beautiful China and global environmental protection.



**11. Dividend**

**If a decision regarding dividend has been made:**

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

**(b) Amount Per Share For Current Financial Period Reported On**

None.

**Amount Per Share For Corresponding Period of the Immediately Preceding Financial Year**

Name of Dividend:	Ordinary cash dividend
Dividend Type:	Interim
Dividend Rate:	S\$0.005 per ordinary share
Tax Rate:	One-tier tax exempt

The applicable exchange rate for converting Singapore dollars (“S\$”) into Hong Kong dollars (“HK\$”) for the purpose of dividend payment in HK\$ is made at the rate of S\$1.00 to HK\$5.79374, which was the exchange rate quoted by Monetary Authority of Singapore on 11 August 2023.

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

Not applicable.

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

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements.**

Not applicable.

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

The Company did not declare any dividend as the Company requires cash to fund its capital expenditure and investment in projects.

**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. Confirmation by Directors pursuant to Rule 705(5) of the SGX-ST Listing Manual**

We, Ji Guanglin and Wang Xiwang, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the period ended 30 June 2024, to be false or misleading, in any material aspect.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers**

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

**BY ORDER OF THE BOARD**

**Mr. Ji Guanglin**  
**Executive Director**  
**8 August 2024**