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 2017

28 February 2018

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SIIC Environment Holdings Ltd.
(Incorporated in the Republic of Singapore)
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Fourth Quarter of Financial Year 2017 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 ("4QFY2017") AND FINANCIAL YEAR ENDED 31 DECEMBER 2017 ("FY2017")

		Group					
		3 Months Ended		Changes	12 Months Ended		Changes
	Note	31.12.17	31.12.16		31.12.17	31.12.16	
		RMB'000	RMB'000	%			%
Revenue	(A)	1,285,658	1,133,936	13.4	4,639,274	2,648,097	75.2
Cost of sales		(954,957)	(870,863)	9.7	(3,252,937)	(1,835,801)	77.2
Gross profit	(B)	**330,701**	**263,073**	25.7	**1,386,337**	**812,296**	70.7
Other operating income	(C)	28,806	17,811	61.7	69,387	44,442	56.1
Selling and distribution costs	(D)	(23,753)	(16,039)	48.1	(73,087)	(39,114)	86.9
Administrative expenses	(E)	(154,176)	(119,576)	28.9	(364,499)	(268,907)	35.5
Profit from operations		**181,578**	**145,269**	25.0	**1,018,138**	**548,717**	85.5
Finance income	(F)	9,042	4,152	>100.0	21,120	11,357	86.0
Finance expenses	(F)	(126,113)	(93,107)	35.4	(511,051)	(234,611)	>100.0
Other income	(G)	172,438	11,249	>100.0	303,054	112,964	>100.0
Fair value gain from revaluation of previously held interest	(H)	-	155,389	(100.0)	-	155,389	(100.0)
Share of results of joint ventures	(I)	12,513	14,120	(11.4)	49,565	60,122	(17.6)
Share of results of associates	(I)	460	(3,961)	N.M.	(2,298)	10,579	N.M.
Profit before tax	(i)	**249,918**	**233,111**	7.2	**878,528**	**664,517**	32.2
Income tax expense	(ii)/(J)	(22,397)	(31,404)	(28.7)	(194,373)	(124,099)	56.6
Profit for the period		**227,521**	**201,707**	12.8	**684,155**	**540,418**	26.6
Other comprehensive income:							
Items that will not be reclassified to profit or loss:							
Foreign currency translation, net of tax		21,984	(63,876)	N.M.	101,113	(20,003)	N.M.
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation, net of tax		(3,172)	-	N.M.	(3,172)	-	N.M.
Investment revaluation reserve	(M)	27,146	14,607	85.8	32,892	26,957	22.0
Reclassification on disposal of available-for-sale investments		(106,083)	-	N.M.	(106,083)	(10,628)	N.M.
Total comprehensive income for the period		**167,396**	**152,438**	9.8	**708,905**	**536,744**	32.1
Profit for the period attributable to:							
Owners of the Company		185,413	170,265	8.9	535,653	454,926	17.7
Non-controlling interests		42,108	31,442	33.9	148,502	85,492	73.7
		227,521	**201,707**	12.8	**684,155**	**540,418**	26.6
Total comprehensive income attributable to:							
Owners of the Company		125,288	120,996	3.5	560,403	451,252	24.2
Non-controlling interests		42,108	31,442	33.9	148,502	85,492	73.7
		167,396	**152,438**	9.8	**708,905**	**536,744**	32.1

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	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Amortisation of intangible assets (Note K)	82,368	59,177	277,769	162,235
Amortisation of land use rights	208	67	355	256
Depreciation of property, plant and equipment	6,120	4,319	22,235	13,368
Loss/(Gain) on disposal of property, plant and equipment	852	(137)	911	139
Loss/(Gain) on disposal of intangible assets	839	22	839	(2,529)
Reversal of impairment loss for intangible asset	(24,000)	-	(24,000)	-
Gain on disposal of available-for-sale financial instruments	(106,083)	-	(106,083)	(10,628)
Foreign exchange (gain)/loss, net (Note C)	(7,013)	2,638	(10,746)	4,131
(Reversal of)/Allowance for doubtful receivables (trade)	(16,176)	1,076	(29,381)	506
Reversal of doubtful receivables, net (non-trade)	(2,038)	(75)	(2,058)	(8,307)
Bad debts written off (trade)	2,667	-	2,667	-
Bad debts written off (non-trade)	2,038	170	2,038	170
Reversal of allowance for inventories	-	-	-	(7)
Reversal of allowance for foreseeable losses	-	(11)	-	(11)
Fair value gain from held-for-trading investment	(6,861)	(472)	(12,753)	(1,105)
Fair value gain from revaluation of previously held interest	-	(155,389)	-	(155,389)
Gain from bargain purchase of investment in a subsidiary	(7,158)	-	(7,158)	-

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

	3 Months Ended		12 Months Ended	
	31.12.17	**31.12.16**	**31.12.17**	**31.12.16**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Over provision of tax in respect of prior periods	(347)	(390)	(1,371)	(1,158)

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 31.12.17	As At 31.12.16	As At 31.12.17	As At 31.12.16
		RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Cash and cash equivalents		1,402,104	1,634,556	243,860	8,726
Pledged bank deposits		130,637	191,918	-	-
Trade and other receivables		1,832,883	1,628,685	642	710
Bills receivables		7,760	3,313	-	-
Prepayments		38,729	34,387	1,573	358
Inventories		96,066	73,371	-	-
Receivables under service concession arrangements		260,888	203,993	-	-
Amounts due from customers for contract work		37,796	57,581	-	-
Amounts due from subsidiaries		-	-	120,753	2,114,688
Amounts due from joint venture		137	137	137	137
Amounts due from associate		40,766	37,894		-
Held-for-trading investment		34,750	26,795		-
Total current assets	(L)	**3,882,516**	**3,892,630**	**366,965**	**2,124,619**
Non-current assets					
Available-for-sale financial instruments		26,803	206,288	13,323	13,189
Prepayments		390,364	68,072	-	-
Receivables under service concession arrangements		12,991,865	10,948,086	-	-
Property, plant and equipment		206,032	183,580	1,298	1,697
Intangible assets		6,466,660	6,439,239	-	-
Land use rights		6,459	6,451	-	-
Long term receivables		361,423	11,547	-	-
Deferred tax assets		48,009	22,376	-	-
Investment in subsidiaries		-	-	5,378,078	2,565,418
Interest in joint ventures		713,523	705,256	536,475	531,064
Interest in associates		83,858	82,976	-	-
Goodwill on consolidation		457,241	457,241	-	-
Amounts due from associate		14,543	14,543	-	-
Total non-current assets	(M)	**21,766,780**	**19,145,655**	**5,929,174**	**3,111,368**
Total assets		**25,649,296**	**23,038,285**	**6,296,139**	**5,235,987**
Current liabilities					
Trade and other payables		2,376,262	2,122,531	34,069	23,080
Bills payable to banks		49,235	18,342	-	-
Tax payable		69,662	55,444	-	-
Amounts due to customers for contract work		16,720	21,386	-	-
Amounts due to subsidiaries		-	-	67,494	137,132
Bank and other borrowings		3,660,906	3,838,382	242,601	119,026
Finance lease		71,746	96,988		-
Total current liabilities	(N)	**6,244,531**	**6,153,073**	**344,164**	**279,238**
Non-current liabilities					
Bank and other borrowings		6,950,833	6,275,862	-	-
Finance lease		359,700	331,433	-	-
Deferred tax liabilities		1,739,910	1,602,513	-	-
Other non-current liabilities		110,731	142,227	-	-
Total non-current liabilities	(O)	**9,161,174**	**8,352,035**	**-**	**-**
Capital, reserves and non-controlling interest					
Share capital		5,951,889	4,861,138	5,951,889	4,861,138
Treasury shares		(96)	(96)	(96)	(96)
Retained earnings		1,591,879	1,199,172	(62,101)	65,815
Other reserves		(30,775)	(87,481)	62,283	29,892
Equity attributable to owners of the Company		**7,512,897**	**5,972,733**	**5,951,975**	**4,956,749**
Non-controlling interests		2,730,694	2,560,444	-	-
Total equity		**10,243,591**	**8,533,177**	**5,951,975**	**4,956,749**
Total liabilities and equity		**25,649,296**	**23,038,285**	**6,296,139**	**5,235,987**

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 31.12.17 RMB'000		**As at 31.12.16 RMB'000**	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
2,366,439	1,415,448	3,216,915	736,797

Amount repayable after one year

As at 31.12.17 RMB'000		**As at 31.12.16 RMB'000**	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
6,294,910	1,015,623	5,357,877	1,249,418

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 leases are secured by pledges on certain service concession agreements, investment in a subsidiary and 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	
	31.12.17	31.12.16	31.12.17	31.12.16
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit before tax	**249,918**	**233,111**	**878,528**	**664,517**
Adjustments for:				
(Reversal of)/Allowance for doubtful receivables, net (trade)	(16,176)	1,076	(29,381)	506
Reversal of doubtful receivables, net (non-trade)	(2,038)	(75)	(2,058)	(8,307)
Bad debts written off (trade)	2,667	-	2,667	-
Bad debts written off (non-trade)	2,038	170	2,038	170
Reversal of allowance for inventories	-	-	-	(7)
Reversal of provision for foreseeable loss	-	(11)	-	(11)
Reversal of impairment loss on intangible asset	(24,000)	-	(24,000)	-
Depreciation of property, plant and equipment	6,120	4,319	22,235	13,368
Amortisation of intangible assets	82,368	59,177	277,769	162,235
Amortisation of land use rights	208	67	355	256
Loss/(Gain) on disposal of property, plant and equipment	852	(137)	911	139
Loss/(Gain) on disposal of intangible assets	839	22	839	(2,529)
Gain on disposal of available-for-sale financial instruments	(106,083)	-	(106,083)	(10,628)
Finance income	(9,042)	(4,152)	(21,120)	(11,357)
Finance expenses	126,113	93,107	511,051	234,611
Share of results of associates	(460)	3,961	2,298	(10,579)
Share of results of joint ventures	(12,513)	(14,120)	(49,565)	(60,122)
Foreign exchange loss/(gain)	397	(11,937)	(3,351)	(10,783)
Gain from bargain purchase of investment in subsidiary	(7,158)	-	(7,158)	-
Fair value gain from revaluation of previously held interest	-	(155,389)	-	(155,389)
Fair value gain from held for trading investments	(6,861)	(472)	(12,753)	(1,105)
Operating cash flow before working capital changes	**287,189**	**208,717**	**1,443,222**	**804,985**
(Increase)/decrease in:				
Inventories	(14,365)	(29,513)	(22,432)	(30,692)
Amounts due from/to customers for contract work, net	84,572	125,349	14,908	37,715
Trade receivables, other receivables and prepayments	(177,445)	138,810	(774,995)	303,394
Bills receivables	(4,377)	507	(4,447)	(2,374)
Amounts due from joint ventures	306	955	1,222	1,080
Amounts due from associate	(7,904)	(35,323)	(130,532)	(41,943)
Increase/(decrease) in:				
Trade payables and other payables(inclusive of non-current liabilities)	(73,250)	8,583	65,082	104,269
Bills payable to banks	(2,785)	8,100	6,192	5,966
Cash from operating activities before service concession arrangement projects	**91,941**	**426,185**	**598,220**	**1,182,400**
Change in receivables under service concession arrangements (Note A)	(321,976)	(803,662)	(1,663,707)	(1,208,856)
Cash used in operating activities after service concession arrangement projects	**(230,035)**	**(377,477)**	**(1,065,487)**	**(26,456)**
Interest received	2,988	3,192	13,936	8,485
Income tax paid	(24,812)	(13,626)	(110,947)	(67,287)
Net cash used in operating activities	**(251,859)**	**(387,911)**	**(1,162,498)**	**(85,258)**
Cash flows from investing activities:				
Purchase of property, plant and equipment	(12,135)	(6,245)	(37,132)	(20,117)
Purchase of intangible assets, net of amount on credit terms	(77,812)	(18,119)	(145,956)	(72,303)
Decrease/(Increase) in prepayment for property, plant and equipment and intangible assets	3,225	1,034	(866)	(445)
Proceeds from disposal of property, plant and equipment	21	91	738	438
Proceeds from disposal of available-for-sale financial instruments	-	30,906	-	30,906
Prepayments for investment in subsidiaries	(129,020)	-	(129,020)	-
Net cash outflow on acquisition of subsidiaries (Note B)	-	(199,845)	(212,993)	(156,365)
Net cash outflow on acquisition of an associate	-	-	(3,500)	(150)
Dividend received from joint ventures and associates	15,870	13,239	47,802	41,835
Net cash used in investing activities	**(199,851)**	**(178,939)**	**(480,927)**	**(176,201)**

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	
	31.12.17	31.12.16	31.12.17	31.12.16
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from financing activities:				
Proceeds from bank and other borrowings	633,009	4,654,043	3,320,936	5,209,793
Repayment of bank and other borrowings	(287,707)	(1,671,347)	(2,532,216)	(2,049,179)
Proceeds from finance leaseback arrangement	-	5,765	120,000	-
Repayment under finance leaseback arrangements	(7,910)	-	(116,974)	(10,902)
Interest paid	(103,332)	(117,852)	(418,110)	(231,115)
Settlement of payables due to former shareholder	-	(1,698,050)	-	(1,698,050)
Dividend paid to equity shareholders	-	-	(110,990)	-
Dividend paid to non-controlling interest in subsidiaries	(4,239)	(7,064)	(14,604)	(12,154)
Acquisition of non-controlling interests in subsidiaries	-	(5,000)	-	(5,000)
Contribution from non-controlling interests upon additional capital injection of a subsidiary	22,248	-	41,613	-
Proceeds from share placement	-	-	1,090,751	-
(Increase)/Decrease in deposits pledged to banks	(22,554)	(22,871)	65,888	(112,145)
Net cash generated from financing activities	**229,515**	**1,137,624**	**1,446,294**	**1,091,248**
Net (decrease)/increase in cash and cash equivalents	(222,195)	570,774	(197,131)	829,789
Cash and cash equivalents at beginning of period	1,633,447	1,055,720	1,634,556	795,228
Effects of exchange rate changes on the balance of cash held in foreign currencies	(9,148)	8,062	(35,321)	9,539
Cash and cash equivalents at end of period	**1,402,104**	**1,634,556**	**1,402,104**	**1,634,556**

Cash and cash equivalents at end of period				
Cash and bank balances	1,532,741	1,826,474	1,532,741	1,826,474
Less: Pledged bank deposits	(130,637)	(191,918)	(130,637)	(191,918)
Cash and cash equivalents	**1,402,104**	**1,634,556**	**1,402,104**	**1,634,556**

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 the receivables under service concession arrangements was mainly arising from the construction and/or purchase of new or existing water treatment facilities for FY2017 and 4QFY2017 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 Citic Envirotech Water Resource (Hegang) Co., Ltd. ("CEW Hegang")

In January 2017, the Group through its 57.97% owned subsidiary, Longjiang Environmental Protection Group Co., Ltd. ("Longjiang Group), completed the acquisition of 100% equity interest in CEW Hegang for a total purchase consideration of RMB111,870,000. CEW Hegang is principally involved in the operation of two waste water treatment plants and one reclaimed water project with total design capacity of 110,000 tons/day, and is based in Hegang City, Heilongjiang Province, PRC.

(ii) Acquisition of Pinghu Dushan Wastewater Treatment Co., Ltd. ("Pinghu Dushan")

In July 2017, the Company completed the acquisition of 100% equity interest in Pinghu Dushan for a total purchase consideration of RMB9,113,000. Pinghu Dushan has been awarded wastewater treatment PPP projects with total design capacity of 220,000 tons per day in the east area of Pinghu City, Zhejiang Province, PRC.

(iii) Acquisition of Jiaohe Jiaxin Water Co., Ltd. ("Jiaohe Jiaxin")

In August 2017, the Group through its 57.97% owned subsidiary, Longjiang Group, completed the acquisition of 100% equity interest in Jiaohe Jiaxin for a total purchase consideration of RMB95,000,000. Jiaohe Jiaxin is principally engaged in the business of environmental protection, waste water treatment, technology development, technical services and etc. Jiaohe Jiaxin is currently undertaking a 30 years build-operate-transfer wastewater treatment project with total design capacity of 30,000 tons/day in Jiaohe City, Jilin Province, PRC.

The purchase price allocation ("PPA") exercises in respect of the above acquisitions, except for the acquisition of Pinghu Dushan, have been completed as at 31 December 2017.

The purchase price allocation ("PPA") exercise in respect of the acquisition of Pinghu Dushan has not been completed as at 31 December 2017. 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 4QFY2017, 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 acquisition are as follows:-

	CEW Hegang RMB'000	Jiaohe Jiaxin RMB'000	Pinghu Dushan RMB'000	Total RMB'000
Provisional fair value of assets acquired and liabilities recognised at the respective date of acquisition*				
Current assets	58,395	3,892	8,523	70,810
Non-current assets	192,030	146,321	153,346	491,697
Current liabilities	(127,295)	(22,392)	(90,518)	(240,205)
Non-current liabilities	(4,102)	(32,821)	(62,238)	(99,161)
Total identifiable net assets at fair value	119,028	95,000	9,113	223,141
Non-controlling interest measures at fair value	-	-	-	-
	119,028	**95,000**	**9,113**	**223,141**
Consideration transferred				
Cash paid	111,870	95,000	9,113	215,983
Less: Net assets acquired	(119,028)	(95,000)	(9,113)	(223,141)
Negative goodwill	**(7,158)**	**-**	**-**	**(7,158)**
Net cash inflow arising from acquisitions				
Cash consideration paid	111,870	95,000	9,113	215,983
Less: Cash and cash equivalents acquired	(1,000)	(1,413)	(577)	(2,990)
Net cash inflow on acquisitions	**110,870**	**93,587**	**8,536**	**212,993**

* The fair value of assets acquired and liabilities recognised presented may be subjected to changes upon the completion and finalisation of the PPA exercise for the Pinghu Dushan acquisition.

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 1.1.17	**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**
Profit for the period	**-**	**-**	120,117	**-**	**-**	-	-	**-**	**-**	**120,117**	32,587	**152,704**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**34,005**	**-**	**-**	34,005	**-**	**-**	**34,005**	**-**	**34,005**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**43,783**	**-**	43,783	-	**-**	**-**	**43,783**	**-**	**43,783**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**77,788**	-	43,783	34,005	-	-	**77,788**	**-**	**77,788**
Total comprehensive income for the period	**-**	**-**	**120,117**	**77,788**	**-**	**43,783**	**34,005**	**-**	**-**	**197,905**	**32,587**	**230,492**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(46)	**46**	46	-	-	-	-	-	-	**-**
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	**-**	-	-	-	-	-	-	10,700	**10,700**
Total	**-**	**-**	**(46)**	**46**	**46**	**-**	**-**	**-**	**-**	**-**	**10,700**	**10,700**
Others												
Dividend declared to non-controlling interests	-	-	-	**-**	-	-	-	-	-	**-**	(4,800)	(4,800)
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,800)**	**(4,800)**
Balance at 31.3.17	**4,861,138**	**(96)**	**1,319,243**	**(9,647)**	**205,584**	**116,974**	**(111,636)**	**(20,254)**	**(200,315)**	**6,170,638**	**2,598,931**	**8,769,569**
Profit for the period	**-**	**-**	119,909	**-**	**-**	-	-	**-**	**-**	**119,909**	37,866	**157,775**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**28,249**	**-**	**-**	28,249	**-**	**-**	**28,249**	**-**	**28,249**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**(28,421)**	**-**	(28,421)	-	**-**	**-**	**(28,421)**	**-**	**(28,421)**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**(172)**	**-**	(28,421)	28,249	**-**	**-**	**(172)**	**-**	**(172)**
Total comprehensive income for the period	**-**	**-**	**119,909**	**(172)**	**-**	**(28,421)**	**28,249**	**-**	**-**	**119,737**	**37,866**	**157,603**
Transactions with owners recognised directly in equity												
Share placement	1,090,751	-	-	**-**	-	-	-	-	-	**1,090,751**	-	**1,090,751**
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	**-**	-	-	-	-	-	**-**	7,165	**7,165**
Total	**1,090,751**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,090,751**	**7,165**	**1,097,916**
Others												
Dividend declared to equity share holders	-	-	(110,990)	**-**	-	-	-	-	-	**(110,990)**	-	(110,990)
Total	**-**	**-**	**(110,990)**	**-**	-	**-**	**-**	**-**	**-**	**(110,990)**	**-**	**(110,990)**
Balance at 30.6.17	**5,951,889**	**(96)**	**1,328,162**	**(9,819)**	**205,584**	**88,553**	**(83,387)**	**(20,254)**	**(200,315)**	**7,270,136**	**2,643,962**	**9,914,098**

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 30.6.17	**5,951,889**	**(96)**	**1,328,162**	**(9,819)**	**205,584**	**88,553**	**(83,387)**	**(20,254)**	**(200,315)**	**7,270,136**	**2,643,962**	**9,914,098**
Profit for the period	**-**	**-**	110,214	**-**	**-**	-	-	**-**	**-**	**110,214**	35,941	**146,155**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**16,875**	**-**	**-**	16,875	**-**	**-**	**16,875**	**-**	**16,875**
Fair value change on available-for-sale financial instrument	**-**	**-**	-	**(9,616)**	**-**	(9,616)	-	**-**	**-**	**(9,616)**	**-**	**(9,616)**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**7,259**	-	(9,616)	16,875	-	-	**7,259**	**-**	**7,259**
Total comprehensive income for the period	**-**	**-**	**110,214**	**7,259**	**-**	**(9,616)**	**16,875**	**-**	**-**	**117,473**	**35,941**	**153,414**
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(2,365)	**2,365**	2,365	-	-	-	-	-	-	**-**
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	**-**	-	-	-	-	-	-	19,500	**19,500**
Total	**-**	**-**	**(2,365)**	**2,365**	**2,365**	**-**	**-**	**-**	**-**	**-**	**19,500**	**19,500**
Others												
Dividend declared to non-controlling interests	-	-	-	**-**	-	-	-	-	-	**-**	(665)	(665)
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(665)**	**(665)**
Balance at 30.9.17	**5,951,889**	**(96)**	**1,436,011**	**(195)**	**207,949**	**78,937**	**(66,512)**	**(20,254)**	**(200,315)**	**7,387,609**	**2,698,738**	**10,086,347**
Profit for the period	**-**	**-**	185,413	**-**	**-**	-	-	**-**	**-**	**185,413**	42,108	**227,521**
Other comprehensive income												
Exchange differences arising on translation, net of tax	**-**	**-**	-	**21,984**	**-**	**-**	21,984	**-**	**-**	**21,984**	**-**	**21,984**
Exchange differences arising on translation of foreign operations, net of tax	**-**	**-**		**(3,172)**	**-**	-	(3,172)	**-**	**-**	**(3,172)**	**-**	**(3,172)**
Fair value change on available-for-sale financial instrument	**-**	**-**		**27,146**	**-**	27,146	-	**-**	**-**	**27,146**	**-**	**27,146**
Reclassification upon disposal of available-for-sale investments	**-**	**-**	-	**(106,083)**	**-**	(106,083)	-	**-**	**-**	**(106,083)**	**-**	**(106,083)**
Other comprehensive income for the period, net of tax	**-**	**-**	-	**(60,125)**	**-**	(78,937)	18,812	**-**	**-**	**(60,125)**	**-**	**(60,125)**
Total comprehensive income for the period	**-**	**-**	**185,413**	**(60,125)**	**-**	**(78,937)**	**18,812**	**-**	**-**	**125,288**	**42,108**	**167,396**
Transactions with owners recognised directly in equity												
Transfer to general reserve		-	(29,545)	**29,545**	29,545	-	-	-	-	**-**	-	**-**
Acquisition of subsidiaries	-	-	-	**-**	-	-	-	-	-	**-**	(28,161)	**(28,161)**
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	**-**	-	-	-	-	-	**-**	22,248	**22,248**
Total	**-**	**-**	**(29,545)**	**29,545**	**29,545**	**-**	**-**	**-**	**-**	**-**	**(5,913)**	**(5,913)**
Others												
Dividend declared to non-controlling interests	-	-	-	**-**	-	-	-	-	-	**-**	(4,239)	(4,239)
Total	**-**	**-**	**-**	**-**	-	**-**	**-**	**-**	**-**	**-**	**(4,239)**	**(4,239)**
Balance at 31.12.17	**5,951,889**	**(96)**	**1,591,879**	**(30,775)**	**237,494**	**-**	**(47,700)**	**(20,254)**	**(200,315)**	**7,512,897**	**2,730,694**	**10,243,591**

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 1.1.16	**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

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 1.1.17	**4,861,138**	**(96)**	**65,815**	**29,892**	**4,956,749**
Loss for the period	-	-	(22,215)	-	**(22,215)**
Other comprehensive income					
Exchange differences arising on translation, net of tax	-	-	-	128,972	**128,972**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**128,972**	**128,972**
Total comprehensive (loss)/ income for the period	**-**	**-**	**(22,215)**	**128,972**	**106,757**
Balance at 31.3.17	**4,861,138**	**(96)**	**43,600**	**158,864**	**5,063,506**
Profit for the period	-	-	69,903	-	**69,903**
Other comprehensive loss					
Exchange differences arising on translation, net of tax	-	-	-	(5,205)	**(5,205)**
Other comprehensive loss for the period, net of tax	**-**	**-**	**-**	**(5,205)**	**(5,205)**
Total comprehensive income/ (loss) for the period	**-**	**-**	**69,903**	**(5,205)**	**64,698**
Transactions with owners recognised directly in equity					
Share placement	1,090,751	-	-	-	**1,090,751**
	1,090,751	**-**	**-**	**-**	**1,090,751**
Others					
Dividend declared to equity shareholders	-	-	(110,990)	-	**(110,990)**
	-	**-**	**(110,990)**	**-**	**(110,990)**
Balance at 30.6.17	**5,951,889**	**(96)**	**2,513**	**153,659**	**6,107,965**
Profit for the period	-	-	7,886	-	**7,886**
Other comprehensive loss					
Exchange differences arising on translation, net of tax	-	-	-	(31,816)	**(31,816)**
Other comprehensive loss for the period, net of tax	**-**	**-**	**-**	**(31,816)**	**(31,816)**
Total comprehensive income/ (loss) for the period	**-**	**-**	**7,886**	**(31,816)**	**(23,930)**
Balance at 30.9.17	**5,951,889**	**(96)**	**10,399**	**121,843**	**6,084,035**
Profit for the period	-	-	(72,500)	-	**(72,500)**
Other comprehensive loss					
Exchange differences arising on translation, net of tax	-	-	-	(59,560)	**(59,560)**
Other comprehensive loss for the period, net of tax	**-**	**-**	**-**	**(59,560)**	**(59,560)**
Total comprehensive income/ (loss) for the period	**-**	**-**	**(72,500)**	**(59,560)**	**(132,060)**
Balance at 31.12.17	**5,951,889**	**(96)**	**(62,101)**	**62,283**	**5,951,975**

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

Share Capital

	Group and Company	
	Number of ordinary shares	**Share Capital RMB'000**
Issued and paid up share capital		
Balance at 1 January 2017	2,256,645,126	4,861,138
Placement of 350,000,000 new ordinary shares	350,000,000	1,090,751
Balance at 31 December 2017	**2,606,645,126**	**5,951,889**

On 5 May 2017, the Company completed the placement of 350,000,000 new ordinary shares in the capital of the Company to Shanghai Industrial Holdings Ltd. ("SIHL") and/or such nominee as designated by SIHL, being Triumph Power Limited.

As at 31 December 2017, the number of ordinary shares in issue was 2,606,645,126 of which 56,400 shares were held by the Company as treasury shares (31 December 2016: 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 2017, there were no convertible securities outstanding (31 December 2016: 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 2017, there were 56,400 treasury shares held (31 December 2016: 56,400). Total number of issued shares excluding treasury shares, as at 31 December 2017 was 2,606,588,726 (31 December 2016: 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 2017.

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

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

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

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

3. Where the figures have been audited or reviewed, the auditors' report (including any 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 2016.

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	
	31.12.17	31.12.16	31.12.17	31.12.16
	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)	7.11	7.55	21.51	20.16
- Weighted average number of shares ('000)	2,606,589	2,256,589	2,490,561	2,256,589
(ii) On a fully diluted basis of ordinary shares (RMB cents)	7.11	7.55	21.51	20.16
- Weighted average number of shares ('000)	2,606,589	2,256,589	2,490,561	2,256,589

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 2017	288.23	228.34
As at 31 December 2016	264.68	219.66

Net asset value per share is calculated based on the number of shares in issue (excluding treasury shares) of 2,606,588,726 as at 31 December 2017 (31 December 2016: 2,256,588,726).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affect the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Overall Review

The Group recorded an increase in revenue from RMB2,648.1 million in FY2016 to RMB4,639.3million in FY2017, representing an increase of 75.2%. Gross profit ("**GP**") has increased from RMB812.3 million in FY2016 to RMB1,386.3 million in FY2017. Profit from operations improved by 85.5% from RMB548.7 million in FY2016 to RMB1,018.1 million in FY2017.

Consequently, the Group's profit after tax (attributable to owners of the Company) increased from RMB454.9 million in FY2016 to RMB535.7 million in FY2017, representing an increase of 17.7%.

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

	4QFY2017	4QFY2016	Change	FY2017	FY2016	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Construction	545,435	517,926	5.3	2,053,541	1,030,663	99.2
Operating and maintenance income from service concession arrangements	398,128	330,191	20.6	1,528,403	952,752	60.4
Financial income from service concession arrangements	220,192	151,733	45.1	737,367	395,187	86.6
Service income	35,106	32,478	8.1	126,481	118,671	6.6
Others	86,797	101,608	(14.6)	193,482	150,824	28.3
Total	**1,285,658**	**1,133,936**	**13.4**	**4,639,274**	**2,648,097**	**75.2**

Overall, the Group's revenue increased by RMB1,991.2 million or 75.2%, from RMB2.65 billion in FY2016 to RMB4.64 billion in FY2017. Meanwhile, the Group's revenue increased by RMB151.7 million or 13.4%, from RMB1,133.9 million in 4QFY2016 to RMB1,285.7million in 4QFY2017. Except for "Others" in Q4FY2017, revenue across all categories increased in FY2017 and 4QFY2017 as compared to FY2016 and 4QFY2016.

Construction Revenue

Construction revenue amounted to RMB545.4million and RMB2,053.5 million in 4QFY2017 and FY2017 respectively (4QFY2016: RMB517.9 million; FY2016: RMB1,030.7 million). The higher revenue in 4QFY2017 and FY2017 was mainly due to (i) relatively higher amount of construction activities in progress in 4QFY2017 and FY2017 as compared to 4QFY2016 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 RMB618.3 million and RMB2,265.8 million in 4QFY2017 and FY2017 respectively (4QFY2016: RMB481.9 million; FY2016: RMB1,347.9 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 RMB35.1 million and RMB126.5 million in 4QFY2017 and FY2017 respectively (4QFY2016: RMB32.5 million; FY2016: RMB118.7 million). The increase was mainly due to contribution by newly acquired entities.

Other Revenue

Other revenue amounted to RMB86.8 million and RMB193.5 million in 4QFY2017 and FY2017 respectively (4QFY2016: RMB101.6 million; FY2016: RMB150.8 million). The decrease in 4QFY2017 as compared to 4QFY2016 was due to lower volume of installation works carried out, which are ad-hoc in nature during the quarter. However, the increase in FY2017 as compared to FY2016 was mainly due to contribution by 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 RMB67.6 million or 25.7% from RMB263.1 million in 4QFY2016 to RMB330.7 million in 4QFY2017. Meanwhile, GP increased by RMB574.0 million or 70.7% from RMB812.3 million in FY2016 to RMB1,386.3 million in FY2017. The increase was mainly due to contribution from newly acquired entities.

GPM increased from 23.2% in 4QFY2016 to 25.7% in 4QFY2017. The increase was due mainly to higher contribution from operation category (which has a relatively higher GPM) during 4QFY2017 as compared to 4QFY2016. Meanwhile, there is no material variance for GPM in FY2017 as compared to FY2016.

(C) Other Operating Income/ Foreign Exchange Loss/(Gain)

Other operating income amounted to RMB28.8 million and RMB69.4 million in 4QFY2017 and FY2017 (4QFY2016: RMB17.8 million; FY2016: RMB44.4 million) respectively. The increase was mainly due to higher volume of installation of water meters carried out in 4QFY2017 and FY2017, which are ad-hoc in nature. The increase was also contributed by the impact from the foreign exchange gain recorded in 4QFY2017 and FY2017 whereas foreign exchange loss was recorded in 4QFY2016 and FY2016.

(D) Selling and Distribution expenses

Selling and distribution expenses increased from RMB16.0 million in 4QFY2016 to RMB23.8 million in 4QFY2017 and RMB39.1 million in FY2016 to RMB73.1 million in FY2017. The increase in selling and distribution expenses was due mainly to newly acquired entities.

(E) Administrative Expenses

Administrative expenses amounted to RMB154.2 million and RMB364.5 million in 4QFY2017 and FY2017 (4QFY2016: RMB119.6 million; FY2016: RMB268.9 million) respectively. The increase in administrative expenses was due mainly to expansion of business and newly acquired entities.

(F) Finance Income/Finance expenses

Finance income and finance expenses amounted to RMB9.0 million and RMB126.1 million in 4QFY2017 (4QFY2016: RMB4.2 million and RMB93.1 million) and RMB21.2 million and RMB511.1 million in FY2017 (FY2016: RMB11.4 million and RMB234.6 million) respectively. The increase in finance income and finance expenses was due mainly to newly acquired entities.

(G) Other Income

Other income mainly consisted of government subsidies. Other income increased from RMB11.2 million in 4Q2016 to RMB172.4 million in 4Q2017 and from RMB113.0 million in FY2016 to RMB303.1 million in FY2017. The increase was due mainly to (i) gain on disposal of listed available-for-sale financial instrument in 4Q2017; and (ii) newly acquired entities.

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

(H) 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 October 2016.

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

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

The decrease in share of results of associates in 4QFY2017 and FY2017 as compared to 4QFY2016 and FY2016 was due mainly to the additional acquisition of 32.6562% equity interest in Longjiang Group, which has become a subsidiary of the Group in November 2016.

The decrease in share of results of joint ventures in 4Q 2017 and FY2017 as compared to 4Q2016 and FY2016 was due mainly to the recognition of a one-off government subsidy by a joint venture in FY2016 and also lower contribution from joint ventures.

(J) Income Tax Expenses

Income tax expense amounted to RMB22.4 million and RMB194.4 million in 4QFY2017 and FY2017 (4QFY2016: RMB31.4 million; FY2016: RMB124.1 million). The higher income tax expense was due mainly to higher profit generated in FY2017 as compared to FY2016.

(K) Amortisation of Intangible Assets

Amortisation of intangible assets increased from RMB59.2 million in 4QFY2016 to RMB82.4 million in 4QFY2017 and RMB162.2 million in FY2016 to RMB277.8 million in FY2017. The increase was due to newly acquired entities.

STATEMENTS OF FINANCIAL POSITION

(L) Current Assets

Current assets as at 31 December 2017 amounted to RMB3.88 billion (31 December 2016: RMB3.89 billion). There is no material variance for current assets.

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

(M) Non-current Assets

Non-current assets as at 31 December 2017 amounted to RMB21.77 billion (31 December 2016: RMB19.15 billion). The increase was due mainly to (i) consolidation of newly acquired entities; (ii) increase in prepayments made for acquisition of entities and (iii) construction of certain wastewater treatment projects during FY2017. The increase is partially offset by the decrease in available-for-sale financial instruments due to the disposal of the investment in Canvast in 4Q2017.

(N) Current Liabilities

Current liabilities as at 31 December 2017 amounted to RMB6.24 billion (31 December 2016: RMB6.15 billion). The increase was mainly due to the increase in trade and other payables as a result of higher amount of construction in progress during FY2017. The increase is partially offset by repayment of bank and other borrowings as well as finance lease which are due within one year.

(O) Non-current Liabilities

Non-current liabilities as at 31 December 2017 amounted to RMB9.16 billion (31 December 2016: RMB8.35 billion). The increase was due mainly to new borrowings taken up which are due for repayment after one year and consolidation of newly acquired entities.

STATEMENT OF CASH FLOWS

As at 31 December 2017, the Group's cash and cash equivalents stood at RMB1,402.1million (31 December 2016: RMB1,634.6 million). In FY2017, net cash of RMB1,162.5 million was used in the Group's operating activities, mainly towards the Group's investments in projects with service concession arrangements. Excluding cash used in these projects, net cash generated from operating activities were RMB598.2 million.

Net cash used in the Group's investing activities of RMB480.9 million in FY2017 was due mainly to (i) net cash outflow from acquisition of subsidiaries; (ii) purchase of property, plant and equipments and intangibles assets; and (iii) prepayments for investments in subsidiaries, which is partially offset by dividend received from joint ventures and associates.

Net cash generated from financing activities of RMB1,446.3 million in FY2017 was due mainly to (i) net proceeds from bank borrowings and finance leaseback arrangement; (ii) proceeds from share placement; and (iii) decrease in deposits pledged to banks, which is partially offset by interest paid, dividend paid to equity shareholders and dividend paid to non-controlling interest shareholders.

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 People's Republic of China (PRC) government's steadfast commitment to environmental protection remains a key priority for SIIC Environment's business going forward. Following the 13th Five Year Plan and 19th National Congress, the government's Beautiful China initiative and pledge on green development, ecological conservation and water quality improvement continue to be high on the agenda, with rigorous implementation of action plans, environmental inspections and new protection targets. These resonate well with the Group's objectives to strengthen the country's water treatment and waste incineration industries.

The sustained incentive from the central and municipal governments is expected to support the Group's performance in the new financial year as it continues to execute its current projects and upgrades and expansion activities in China, which will boost its treatment volume and operating capacity.

In addition, the 'Belt and Road Initiative' by the PRC government is expected to present further investment and acquistion opportunities in the environmental sector both in China and abroad for the Group.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(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

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended.

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		Wastewater Treatment Segment		Water Supply Segment		Waste Incineration Segment		Total for reportable Segments		Others segment		Unallocated		Group	
RMB'000	**FY2017**	**FY2016**	**FY2017**	**FY2016**	**FY2017**	**FY2016**	**FY2017**	**FY2016**	**FY2017**	**FY2016**	**FY2017**	**FY2016**	**FY2017**	**FY2016**	**FY2017**	**FY2016**
Revenue	6,553	17,158	3,687,494	1,979,895	605,386	406,339	146,359	93,881	**4,445,792**	**2,497,273**	193,482	150,824	-	-	**4,639,274**	**2,648,097**
Reportable segment profit from operations	1,903	3,990	900,187	472,733	120,166	73,055	45,331	23,515	**1,067,587**	**573,293**	38,371	33,065	(87,820)	(57,641)	**1,018,138**	**548,717**
Finance income	-	-	-	-	-	-	-	-	**-**	**-**	-	-	21,120	11,357	**21,120**	**11,357**
Finance expenses	-	-	-	-	-	-	-	-	**-**	**-**	-	-	(511,051)	(234,611)	**(511,051)**	**(234,611)**
Other income	-	-	171,502	76,701	4,279	15,972	8,212	7,396	**183,993**	**100,069**	(2,823)	367	121,884	12,528	**303,054**	**112,964**
Other expenses	-	-	-	-	-	-	-	-	**-**	**-**	-	-	-	-	**-**	**-**
Fair value gain of previously held equity interest	-	-	-	155,389	-	-	-	-	**-**	**155,389**	-	-	-	-	**-**	**155,389**
Share of results of associates	-	-	(2,750)	11,312	-	-	-	-	**(2,750)**	**11,312**	452	(733)	-	-	**(2,298)**	**10,579**
Share of results of joint ventures	-	-	-	-	-	-	49,565	60,122	**49,565**	**60,122**	-	-	-	-	**49,565**	**60,122**
Income tax expense	(413)	(870)	(149,065)	(82,468)	(27,668)	(26,162)	(6,975)	(3,542)	**(184,121)**	**(113,042)**	(6,734)	(6,170)	(3,518)	(4,887)	**(194,373)**	**(124,099)**
Profit after tax															**684,155**	**540,418**
Segment depreciation and amortization	2,015	1,875	162,635	73,790	115,700	80,438	8,416	8,348	**288,766**	**164,451**	370	210	11,223	11,198	**300,359**	**175,859**
Segment non-cash income	2,038	18	37,803	157,076	24,050	126	-	-	**63,891**	**157,220**	(1,260)	366	120,096	8,885	**182,727**	**166,471**
Segment non-cash expenses	2,460	-	2,700	1,524	840	804	-	-	**6,000**	**2,328**	-	-	-	-	**6,000**	**2,328**
Segment assets	120,415	128,634	20,242,623	17,766,406	3,016,677	2,994,077	561,814	491,062	**23,941,529**	**21,380,179**	328,229	302,089	391,584	334,702	**24,661,342**	**22,016,970**
Interest in joint ventures	-	-	-	-	-	-	713,523	705,256	**713,523**	**705,256**	-	-	-	-	**713,523**	**705,256**
Interest in associates	-	-	73,420	72,990	-	-	-	-	**73,420**	**72,990**	10,438	9,986	-	-	**83,858**	**82,976**
Held for trading investment	-	-	-	-	-	-	-	-	**-**	**-**	4,889	6,149	29,861	20,646	**34,750**	**26,795**
Available-for-sale financial instruments	-	-	10,586	10,400	-	-	-	-	**10,586**	**10,400**	500	500	15,717	195,388	**26,803**	**206,288**
Prepayment for investment in a subsidiary	-	-	49,940	-	79,080	-	-	-	**129,020**	**-**	-	-	-	-	**129,020**	**-**
Total assets															**25,649,296**	**23,038,285**
Segment liabilities	146,128	166,584	10,399,201	8,855,875	1,411,074	1,397,709	238,394	208,350	**12,194,797**	**10,628,518**	695,089	445,074	2,515,819	3,431,516	**15,405,705**	**14,505,108**
Segment capital expenditure	334	112	314,805	5,031	39,825	62,490	106	585	**355,070**	**68,218**	211	317	31	1,787	**355,312**	**70,322**

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	
	FY2017	FY2016	FY2017	FY2016	FY2017	FY2016
Group	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
PRC	4,639,274	2,648,097	21,752,159	19,130,769	355,070	68,218
Singapore	-	-	14,621	14,886	242	2,104

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

Please refer to paragraph 8.

17. A breakdown of sales

Group	FY2017	FY2016	Increase/ (Decrease)
	RMB'000	RMB'000	%
Sales reported for first half year	1,995,054	1,119,300	78.2
Profit after tax before deducting minority interests reported for first half year	310,479	228,604	35.8
Sales reported for second half year	2,644,220	1,528,797	73.0
Profit after tax before minority interests reported for second half year	373,676	311,814	19.8

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	FY2017	FY2016
	RMB'000	RMB'000
Ordinary	-	110,990
Preference	-	-
Total	**-**	**110,990**

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

The Company raised approximately S$154.8 million and S$220.5 million from the share placement exercise in July 2014 ("2014 Share Placement") and May 2017 ("2017 Share Placement") respectively. Deployment of the net proceeds has been in accordance with the intended utilisation as stated in the announcement dated 8 July 2014 and 16 January 2017. Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the announcement.

The net proceeds from the 2014 Share Placement has been fully utilised, as separately disclosed in the 11 August 2017 announcement.

19. Status on the use of net proceeds raised from two Share Placement – cont'd.

As at to-date, the net proceeds from the 2017 Share Placement has been utilised for the following purposes:

Purpose	Amount S$ 'million
Net proceeds raised from the 2017 Share Placement in May 2017	**220.5**
Less utilisation:	
- Repayment of loan obtained from SIHL Finance Limited	(135.4)
General corporate purpose:	
a. Payment for the purchase consideration of RMB9.1 million in relation to the acquisition of 100% equity interest in Pinghu Dushan Wastewater Treatment Co., Ltd.	(8.2)
a. Payment for the 100% equity of USD8 million for incorporation of SIIC Environment Industrial (Taixing) Co.Ltd.	(10.8)
b. Payment for the purchase consideration in relation to the acquisition of Dalian Ziguang Lingshui Waste Water Treatment Co., Ltd.	(2.2)
c. Repayment of interest of loan obtained from holding company	(11.3)
d. Payment of professional fees and operating expenses	(5.9)
Balance of net proceeds raised from the 2017 Share Placement as at date of this result announcement	**46.7**

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
28 February 2017