



**CHINA JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED**

中国锦江环境控股有限公司

(Company Registration Number: 245144)

(Incorporated in the Cayman Islands on 8 September 2010)

**Unaudited Fourth Quarter And Full Year Financial Statements For The Period Ended 31 December 2017**

**Background**

China Jinjiang Environment Holding Company Limited (the “Company” and together with its subsidiaries, the “Group”) was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 8 September 2010. The Company was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 3 August 2016.

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

The Board of Directors of the Company announces the unaudited financial results of the Group for the fourth quarter (“4Q”) and full year (“FY”) ended 31 December 2017.

**1(a)(i) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Statement of Comprehensive Income**

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Change +/(-) %</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>	<b>Change +/(-) %</b>
Revenue	858,637	777,973	10.4	2,715,076	2,631,888	3.2
Cost of sales	(505,717)	(487,365)	3.8	(1,680,454)	(1,582,483)	6.2
<b>Gross profit</b>	<b>352,920</b>	<b>290,608</b>	<b>21.4</b>	<b>1,034,622</b>	<b>1,049,405</b>	<b>(1.4)</b>
Other income and other gains and losses	33,694	69,536	(51.5)	188,125	145,714	29.1
Share of loss of a joint venture	(904)	-	N.M.	(904)	-	N.M.
Administrative expenses	(36,866)	(68,924)	(46.5)	(200,456)	(205,402)	(2.4)
Finance costs	(84,235)	(60,415)	39.4	(202,187)	(159,731)	26.6
<b>Profit before tax</b>	<b>264,609</b>	<b>230,805</b>	<b>14.6</b>	<b>819,200</b>	<b>829,986</b>	<b>(1.3)</b>
Income tax expense	(62,880)	(62,797)	0.1	(227,417)	(240,023)	(5.3)
<b>Profit and total comprehensive income</b>	<b>201,729</b>	<b>168,008</b>	<b>20.1</b>	<b>591,783</b>	<b>589,963</b>	<b>0.3</b>

Profit and total comprehensive

	Group 4Q2017 RMB'000	Group 4Q2016 RMB'000	Change +/(-) %	Group FY2017 RMB'000	Group FY2016 RMB'000	Change +/(-) %
income						
attributable to:						
- owners of the Company	204,653	185,250	10.5	601,207	597,583	0.6
- non-controlling interests	(2,924)	(17,242)	(83.0)	(9,424)	(7,620)	23.7
	<u>201,729</u>	<u>168,008</u>	20.1	<u>591,783</u>	<u>589,963</u>	0.3

#### 1 (a)(ii) Notes to the Consolidated Statement of Comprehensive Income

	Group 4Q2017 RMB'000	Group 4Q2016 RMB'000	Change +/(-) %	Group FY2017 RMB'000	Group FY2016 RMB'000	Change +/(-) %
<b>Profit before tax has been arrived at after charging (crediting):</b>						
Staff costs (including directors' emoluments)	67,028	64,819	3.4	213,558	192,407	11.0
Cost of inventories recognised as expense	96,457	93,099	3.6	431,204	338,065	27.6
Share award expense	1,583	-	N.M.	13,475	-	N.M.
Depreciation of property, plant and equipment	82,704	82,833	(0.2)	297,634	276,487	7.6
Amortisation of prepaid leases	3,016	2,999	0.6	11,337	11,330	0.1
Amortisation of intangible assets	26,958	9,106	196.0	58,710	28,666	104.8
Total depreciation and amortisation	<u>112,678</u>	<u>94,938</u>	18.7	<u>367,681</u>	<u>316,483</u>	16.2
Over(Under) provision of tax in the prior years	3,377	(9,426)	(135.8)	(2,536)	(19,687)	(87.1)
Government grants	12,478	57,931	(78.5)	27,499	84,000	(67.3)
Value added tax refund	(16,121)	23,133	(169.7)	18,940	77,252	(75.5)
Bank interest income	859	2,569	(66.6)	5,517	3,433	60.7
Gains from disposal of property, plant and equipment	28	26	7.7	28	-	N.M.
Impairment losses recognised on:						
- trade receivables	(13)	(31,391)	(100.0)	(3,600)	(31,391)	(88.5)
- property, plant and equipment	-	(3,120)	(100.0)	-	(3,120)	(100.0)
Gain on disposal of a subsidiary	3,546	-	N.M.	68,527	-	N.M.
Foreign exchange gains (losses)	22,673	11,319	100.3	30,098	(51)	(59,115.7)
Gain on sales of scrap materials	10,041	9,069	10.7	23,657	15,591	51.7
Sludge disposal fee	203	-	N.M.	17,459	-	N.M.

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Change +/(-) %</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>	<b>Change +/(-) %</b>
Other income and other gains and losses	33,694	69,536	(51.5)	188,125	145,714	29.1

**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.**

	<b>Group</b> <b>As at 31 Dec</b> <b>2017</b> <b>RMB'000</b>	<b>Group</b> <b>As at 31 Dec</b> <b>2016</b> <b>RMB'000</b>	<b>Company</b> <b>As at 31 Dec</b> <b>2017</b> <b>RMB'000</b>	<b>Company</b> <b>As at 31 Dec</b> <b>2016</b> <b>RMB'000</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5,660,781	5,525,788	-	-
Prepaid leases	298,571	251,915	-	-
Intangible assets	2,020,488	1,550,546	-	-
Investment in an associate	53,804	43,804	-	-
Investment in subsidiaries	-	-	1,795,679	1,790,640
Investment in joint ventures	14,019	-	-	-
Service concession receivables	316,816	320,438	-	-
Other receivables	140,243	228,565	-	-
<b>Total non-current assets</b>	<b>8,504,722</b>	<b>7,921,056</b>	<b>1,795,679</b>	<b>1,790,640</b>
<b>Current assets</b>				
Inventories	58,791	42,171	-	-
Prepaid leases	11,228	11,330	-	-
Service concession receivables	34,421	34,421	-	-
Trade and other receivables	766,163	679,679	9,868	-
Other tax recoverable	124,694	90,573	-	-
Amounts due from related parties	354,557	69,132	1,220,567	619,667
Amounts due from non-controlling interests	27,976	19,641	-	-
Assets classified as held for sale	1,397,312	-	-	-
Pledged bank deposits	340,980	320,970	239,556	251,189
Bank balances and cash	1,123,446	540,854	364,360	30,089
<b>Total current assets</b>	<b>4,239,568</b>	<b>1,808,771</b>	<b>1,834,351</b>	<b>900,945</b>
<b>Total assets</b>	<b>12,744,290</b>	<b>9,729,827</b>	<b>3,630,030</b>	<b>2,691,585</b>
<b>Current liabilities</b>				
Trade and other payables	1,198,941	930,190	8,735	6,007
Amounts due to related parties	115,368	364,384	-	-
Amount due to subsidiaries	-	-	1,947	1,947
Income tax liabilities	102,565	90,321	-	-
Other tax liabilities	49,812	52,762	-	-

	<b>Group As at 31 Dec 2017 RMB'000</b>	<b>Group As at 31 Dec 2016 RMB'000</b>	<b>Company As at 31 Dec 2017 RMB'000</b>	<b>Company As at 31 Dec 2016 RMB'000</b>
Dividends payable	1,397	1,397	-	-
Borrowings	1,208,678	989,650	-	-
Obligations under finance leases	385,895	267,138	-	-
Deferred grant	36,157	4,776	-	-
Notes payable	38,201	-	38,201	-
Liabilities directly associated with assets held for sale	665,937	-	-	-
<b>Total current liabilities</b>	<b>3,802,951</b>	<b>2,700,618</b>	<b>48,883</b>	<b>7,954</b>
<b>Net current assets (liabilities)</b>	<b>436,617</b>	<b>(891,847)</b>	<b>1,785,468</b>	<b>892,991</b>
<b>Total assets less current liabilities</b>	<b>8,941,339</b>	<b>7,029,209</b>	<b>3,581,147</b>	<b>2,683,631</b>
<b>Non-current liabilities</b>				
Borrowings	1,601,790	1,369,796	-	-
Notes payable	1,272,209	-	1,272,209	-
Obligations under finance leases	591,387	637,819	-	-
Deferred tax liabilities	398,030	327,261	-	-
Deferred grant	164,533	92,665	-	-
Provision for major overhauls	22,197	10,363	-	-
<b>Total non-current liabilities</b>	<b>4,050,146</b>	<b>2,437,904</b>	<b>1,272,209</b>	<b>-</b>
<b>Net assets</b>	<b>4,891,193</b>	<b>4,591,305</b>	<b>2,308,938</b>	<b>2,683,631</b>
<b>Capital and reserves</b>				
Share capital	81	81	81	81
Reserves	4,735,214	4,422,611	2,308,857	2,683,550
Equity attributable to owners of the company	4,735,295	4,422,692	2,308,938	2,683,631
Non-controlling interests	155,898	168,613	-	-
<b>Total equity</b>	<b>4,891,193</b>	<b>4,591,305</b>	<b>2,308,938</b>	<b>2,683,631</b>

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

**Amount repayable in one year or less, or on demand**

As at 31 Dec 2017		As at 31 Dec 2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
1,630,834	1,940	1,255,055	1,733

**Amount repayable after one year**

As at 31 Dec 2017		As at 31 Dec 2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
3,462,166	3,220	2,002,328	5,287

**Details of any collateral**

The borrowings are secured by the pledge of electricity tariffs receivables, certain property, plant and equipment, prepaid leases and intangible assets.

**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.**

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
<b>Operating activities</b>				
Profit before tax	264,609	230,805	819,200	829,986
Adjustments for:				
Finance costs	84,235	60,415	202,187	159,731
Interest income	(14,201)	(9,699)	(35,173)	(23,037)
Depreciation of property, plant and equipment	82,704	82,833	297,634	276,487
Amortisation of prepaid leases	3,016	2,999	11,337	11,330
Amortisation of intangible assets	26,958	9,106	58,710	28,666
Loss from disposal of property, plant and equipment	(28)	(26)	(28)	-
Impairment losses recognised on:				
- trade receivables	13	31,391	3,600	31,391
- property, plant and equipment	-	3,120	-	3,120
Deferred grant recognised	(7,795)	(53,913)	(12,030)	(80,769)
Share award expense	1,583	-	13,475	-
Gains on foreign exchange	(22,673)	(11,319)	(30,098)	51
Share of loss of a joint venture	904	-	904	-
Gains on disposal of a subsidiary	(3,546)	-	(68,527)	-
Operating cash flows before movements in working capital	415,779	345,712	1,261,191	1,236,956
Decrease (Increase) in trade and other receivables	74,159	(48,322)	(193,040)	(250,709)
Decrease (Increase) in service concession receivables	1,785	(70,611)	3,622	(134,530)
(Increase) Decrease in other tax recoverable	(18,344)	6,611	(45,468)	(3,324)
Increase in inventories	(17,616)	(944)	(18,397)	(3,777)
Increase in intangible assets	(199,597)	(156,369)	(528,652)	(572,557)
Increase in trade and other payables	208,681	94,350	179,612	147,343
(Decrease) Increase in other tax liabilities	(10,171)	5,718	(2,946)	22,872
(Increase) Decrease in amounts due from related parties	(69,990)	96,261	(41,493)	188,971
Decrease (Increase) in amounts due from non-controlling interests	16,714	(186)	(7,635)	(743)
(Decrease) Increase in amounts due to related parties	(99,465)	5,197	(16,395)	20,786
Increase in deferred grants	103,877	3,491	155,079	31,457
<b>Cash generated from</b>	<b>405,812</b>	<b>280,908</b>	<b>745,478</b>	<b>682,745</b>

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
<b>operations</b>				
Income tax paid	(15,544)	(23,913)	(130,415)	(159,358)
<b>Net cash from operating activities</b>	<b>390,268</b>	<b>256,995</b>	<b>615,063</b>	<b>523,387</b>
<b>Investing activities</b>				
Interest received	1,416	2,523	6,074	3,433
Payment for property, plant and equipment	(792,074)	(409,452)	(1,711,705)	(795,715)
Proceeds from disposal of property, plant and equipment	3,085	146	3,085	171
Payable for acquisition of subsidiaries	-	(56,220)	-	(56,220)
Payment for acquisition of subsidiaries	-	(426,794)	(66)	(439,494)
Payment for prepaid leases	(35,922)	(1,685)	(119,537)	(1,685)
Investment in joint ventures	(16,443)	-	(24,923)	-
Increase in pledged bank deposits	(90)	(85,112)	(24,121)	(85,112)
<b>Net cash used in investing activities</b>	<b>(840,028)</b>	<b>(976,594)</b>	<b>(1,871,193)</b>	<b>(1,374,622)</b>
<b>Financing activities</b>				
Proceeds from borrowings	704,533	150,000	2,663,188	1,005,262
Proceeds from obligations under finance leases	114,134	108,199	356,914	500,995
Repayment of borrowings	(354,705)	(274,832)	(1,413,310)	(986,524)
Repayment of obligations under finance leases	(45,306)	(59,718)	(287,698)	(152,253)
Payment of finance costs	(102,966)	(57,118)	(242,705)	(172,046)
Proceeds from issue of notes	-	-	1,320,240	-
Payment for notes issue costs	(12,932)	-	(9,797)	-
Proceeds from issue of shares	-	-	5,592	963,586
Payment for share issue costs	-	-	-	(35,512)
Dividends paid to owners of the Company	-	-	(303,500)	-
Dividends paid to non-controlling interests	(6,470)	(1,675)	(6,470)	(1,675)
Capital contribution	100	32,530	100	32,530
Payable for acquisition of subsidiaries	-	(12,700)	-	(12,700)
Advance for disposal of subsidiaries	209,496	-	209,496	-
Advances/Repayment from related parties	57,613	283,648	57,613	490,204



	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
Advances/Repayment to related parties	(205,072)	(263,690)	(306,214)	(384,431)
Increase in pledged notes	(7,521)	-	(7,521)	-
Increase in pledged bank deposits	-	(235,858)	-	(235,858)
<b>Net cash flow from (used in) financing activities</b>	<b>350,904</b>	<b>(331,214)</b>	<b>2,035,928</b>	<b>1,011,578</b>
<b>Net (decrease) increase in cash and cash equivalent</b>	<b>(98,856)</b>	<b>(1,050,813)</b>	<b>779,798</b>	<b>160,343</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>1,408,085</b>	<b>1,591,667</b>	<b>540,854</b>	<b>380,511</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>(32,776)</b>	<b>-</b>	<b>(44,199)</b>	<b>-</b>
<b>Cash and cash equivalent at end of period represented by bank balances and cash **</b>	<b>1,276,453</b>	<b>540,854</b>	<b>1,276,453</b>	<b>540,854</b>

\*\*: An amount of RMB153,007,000 is classified under assets held for sale.

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
<b>Operating activities</b>				
Profit before tax	264,609	230,805	819,200	829,986
Adjustments for:				
Finance costs	84,235	60,415	202,187	159,731
Interest income	(14,201)	(9,699)	(35,173)	(23,037)
Depreciation of property, plant and equipment	82,704	82,833	297,634	276,487
Amortisation of prepaid leases	3,016	2,999	11,337	11,330
Amortisation of intangible assets	26,958	9,106	58,710	28,666
Loss from disposal of property, plant and equipment	(28)	(26)	(28)	-
Impairment losses recognised on:				
- trade receivables	13	31,391	3,600	31,391
- property, plant and equipment	-	3,120	-	3,120

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
Deferred grant recognised	(7,795)	(53,913)	(12,030)	(80,769)
Share award expense	1,583	-	13,475	-
Gains on foreign exchange	(22,673)	-	(30,098)	-
Share of loss of a joint venture	904	-	904	-
Gains on disposal of a subsidiary	(3,546)	-	(68,527)	-
Operating cash flows before movements in working capital	415,779	357,031	1,261,191	1,236,905
Decrease (Increase) in trade and other receivables	49,428	(48,322)	(217,771)	(250,709)
Decrease (Increase) in service concession receivables	1,785	(70,611)	3,622	(134,530)
(Increase) Decrease in other tax recoverable	(18,344)	6,611	(45,468)	(3,324)
Increase in inventories	(17,616)	(944)	(18,397)	(3,777)
Increase in intangible assets	(199,597)	(156,369)	(528,652)	(572,557)
Increase in trade and other payables	208,681	83,031	179,612	147,394
(Decrease) Increase in other tax liabilities	(10,171)	5,718	(2,946)	22,872
(Increase) Decrease in amounts due from related parties	(69,990)	96,261	(41,493)	188,971
Decrease (Increase) in amounts due from non-controlling interests	16,714	(186)	(7,635)	(743)
(Decrease) Increase in amounts due to related parties	(99,465)	5,197	(16,395)	20,786
Increase in deferred grants	103,877	3,491	155,079	31,457
<b>Cash generated from operations</b>	<b>381,081</b>	<b>280,908</b>	<b>720,747</b>	<b>682,745</b>
Income tax paid	(15,544)	(23,913)	(130,415)	(159,358)
<b>Net cash from operating activities</b>	<b>365,537</b>	<b>256,995</b>	<b>590,332</b>	<b>523,387</b>
<b>Investing activities</b>				
Interest received	1,416	2,523	6,074	3,433
Payment for property, plant and equipment				

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
	(767,343)	(409,452)	(1,686,974)	(795,715)
Proceeds from disposal of property, plant and equipment	3,085	146	3,085	171
Payable for acquisition of subsidiaries	-	(56,220)	-	(56,220)
Payment for acquisition of subsidiaries	-	(426,794)	(66)	(439,494)
Payment for prepaid leases	(35,922)	(1,685)	(119,537)	(1,685)
Investment in joint ventures	(16,443)	-	(24,923)	-
Increase in pledged bank deposits	(90)	(85,112)	(24,121)	(85,112)
<b>Net cash used in investing activities</b>	<b>(815,297)</b>	<b>(976,594)</b>	<b>(1,846,462)</b>	<b>(1,374,622)</b>
<b>Financing activities</b>				
Proceeds from borrowings	704,533	150,000	2,663,188	1,005,262
Proceeds from obligations under finance leases	114,134	108,199	356,914	500,995
Repayment of borrowings	(354,705)	(274,832)	(1,413,310)	(986,524)
Repayment of obligations under finance leases	(45,306)	(59,718)	(287,698)	(152,253)
Payment of finance costs	(102,966)	(57,118)	(242,705)	(172,046)
Proceeds from issue of notes	(34,640)	-	1,320,240	-
Payment for notes issue costs	21,708	-	(9,797)	-
Proceeds from issue of shares	-	-	5,592	963,586
Payment for share issue costs	-	-	-	(35,512)
Dividends paid to owners of the Company	-	-	(303,500)	-
Dividends paid to non-controlling interests	(6,470)	(1,675)	(6,470)	(1,675)
Capital contribution	100	32,530	100	32,530
Payable for acquisition of subsidiaries	-	(12,700)	-	(12,700)
Advance for disposal of subsidiaries	209,496	-	209,496	-

	<b>Group 4Q2017 RMB'000</b>	<b>Group 4Q2016 RMB'000</b>	<b>Group FY2017 RMB'000</b>	<b>Group FY2016 RMB'000</b>
Advances/Repayment from related parties	57,613	283,648	57,613	490,204
Advances/Repayment to related parties	(205,072)	(263,690)	(306,214)	(384,431)
Increase in pledged notes	(7,521)	-	(7,521)	-
Increase in pledged bank deposits	-	(235,858)	-	(235,858)
<b>Net cash flow from (used in) financing activities</b>	<b>350,904</b>	<b>(331,214)</b>	<b>2,035,928</b>	<b>1,011,578</b>
<b>Net (decrease) increase in cash and cash equivalent</b>	<b>(98,856)</b>	<b>(1,050,813)</b>	<b>779,798</b>	<b>160,343</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>1,408,085</b>	<b>1,591,667</b>	<b>540,854</b>	<b>380,511</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>(32,776)</b>	<b>-</b>	<b>(44,199)</b>	<b>-</b>
<b>Cash and cash equivalent at end of period represented by bank balances and cash **</b>	<b>1,276,453</b>	<b>540,854</b>	<b>1,276,453</b>	<b>540,854</b>

\*\* : An amount of RMB153,007,000 is classified under assets held for sale.

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

	Attributable to owners of the Company						Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
	Share capital RMB'000	Capital reserve RMB'000	Merger reserves RMB'000	Statutory surplus reserve RMB'000	Translation reserve RMB'000	Retained earnings RMB'000			
<b>Group</b>									
<b>At 1 January 2017</b>	81	2,071,719	(41,455)	99,012	-	2,293,335	4,422,692	168,613	4,591,305
Profit and total comprehensive income for the period	-	-	-	-	-	127,445	127,445	(1,040)	126,405
<b>At 31 March 2017</b>	81	2,071,719	(41,455)	99,012	-	2,420,780	4,550,137	167,573	4,717,710
<b>At 1 April 2017</b>	81	2,071,719	(41,455)	99,012	-	2,420,780	4,550,137	167,573	4,717,710
Profit and total comprehensive income for the period	-	-	-	-	-	168,289	168,289	(187)	168,102
<u>Transactions with owners, recognised directly in equity</u>									
Dividends paid	-	-	-	-	-	(303,500)	(303,500)	-	(303,500)
<b>At 30 June 2017</b>	81	2,071,719	(41,455)	99,012	-	2,285,569	4,414,926	167,386	4,582,312
<b>At 1 July 2017</b>	81	2,071,719	(41,455)	99,012	-	2,285,569	4,414,926	167,386	4,582,312
Profit and total comprehensive income for the period	-	-	-	-	-	100,819	100,819	(5,273)	95,546
<u>Transactions with owners, recognised directly in equity</u>									
Issuance of share awards	-	17,484	-	-	-	-	17,484	-	17,484

	Attributable to owners of the Company						Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
	Share capital RMB'000	Capital reserve RMB'000	Merger reserves RMB'000	Statutory surplus reserve RMB'000	Translation reserve RMB'000	Retained earnings RMB'000			
Disposal of subsidiary	-	-	-	-	-	-	-	(1,409)	(1,409)
<b>At 30 September 2017</b>	81	2,089,203	(41,455)	99,012	-	2,386,388	4,533,229	160,704	4,693,933
<b>At 1 October 2017</b>	81	2,089,203	(41,455)	99,012	-	2,386,388	4,533,229	160,704	4,693,933
Profit and total comprehensive income for the period	-	-	-	-	-	204,653	204,653	(2,924)	201,729
<u>Transactions with owners, recognised directly in equity</u>									
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	100	100
Disposal of subsidiary	-	-	-	-	-	-	-	4,488	4,488
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(6,470)	(6,470)
Issuance of shares	-	1,583	-	-	-	-	1,583	-	1,583
Appropriation to reserves	-	-	-	4,950	-	(4,950)	-	-	-
Foreign currency translation difference	-	-	-	-	(4,170)	-	(4,170)	-	(4,170)
<b>At 31 December 2017</b>	81	2,090,786	(41,455)	103,962	(4,170)	2,586,091	4,735,295	155,898	4,891,193
<b>At 1 January 2016</b>	67	1,143,659	191,648	31,488	-	1,943,694	3,310,556	184,265	3,494,821
Profit and total comprehensive income for	-	-	-	-	-	119,349	119,349	2,567	121,916

Attributable to owners of the Company

	Share capital RMB'000	Capital reserve RMB'000	Merger reserves RMB'000	Statutory surplus reserve RMB'000	Translation reserve RMB'000	Retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
the period									
<b>At 31 March 2016</b>	67	1,143,659	191,648	31,488	-	2,063,043	3,429,905	186,832	3,616,737
<b>At 1 April 2016</b>	67	1,143,659	191,648	31,488	-	2,063,043	3,429,905	186,832	3,616,737
Profit and total comprehensive income for the period	-	-	-	-	-	152,998	152,998	3,118	156,116
<u>Transactions with owners, recognised directly in equity</u>									
Acquisition of non-controlling interests	-	-	22,017	-	-	-	22,017	(24,717)	(2,700)
<b>At 30 June 2016</b>	67	1,143,659	213,665	31,488	-	2,216,041	3,604,920	165,233	3,770,153
<b>At 1 July 2016</b>	67	1,143,659	213,665	31,488	-	2,216,041	3,604,920	165,233	3,770,153
Profit and total comprehensive income for the period	-	-	-	-	-	139,986	139,986	3,937	143,923
<u>Transactions with owners, recognised directly in equity</u>									
Issuance of shares	14	963,572	-	-	-	-	963,586	-	963,586
Share issue costs	-	(35,512)	-	-	-	-	(35,512)	-	(35,512)
Acquisition of non-controlling interests	-	-	4,170	-	-	-	4,170	(14,170)	(10,000)
<b>At 30 September 2016</b>	81	2,071,719	217,835	31,488	-	2,356,027	4,677,150	155,000	4,832,150

Attributable to owners of the Company

	Share capital RMB'000	Capital reserve RMB'000	Merger reserves RMB'000	Statutory surplus reserve RMB'000	Translation reserve RMB'000	Retained earnings RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
<b>At 1 October 2016</b>	81	2,071,719	217,835	31,488	-	2,356,027	4,677,150	155,000	4,832,150
Profit and total comprehensive income for the period	-	-	-	-	-	185,250	185,250	(17,242)	168,008
<u>Transactions with owners, recognised directly in equity</u>									
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	32,530	32,530
Acquisition of subsidiaries under common control	-	-	(259,290)	-	-	(180,418)	(439,708)	-	(439,708)
Appropriation to reserves	-	-	-	67,524	-	(67,524)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,675)	(1,675)
<b>At 31 December 2016</b>	81	2,071,719	(41,455)	99,012	-	2,293,335	4,422,692	168,613	4,591,305



	Share capital RMB'000	Capital reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
<b>Company</b>				
<b>At 1 January 2017</b>	81	2,733,172	(49,622)	2,683,631
Loss and total comprehensive loss for the period	-	-	(2,934)	(2,934)
<b>At 31 March 2017</b>	81	2,733,172	(52,556)	2,680,697
<b>At 1 April 2017</b>	81	2,733,172	(52,556)	2,680,697
Profit and total comprehensive profit for the period	-	-	8,869	8,869
Dividends paid	-	-	(303,500)	(303,500)
<b>At 30 June 2017</b>	81	2,733,172	(347,187)	2,386,066
<b>At 1 July 2017</b>	81	2,733,172	(347,187)	2,386,066
Profit and total comprehensive profit for the period	-	-	(23,141)	(23,141)
Issuance of share awards	-	17,484	-	17,484
<b>At 30 September 2017</b>	81	2,750,656	(370,328)	2,380,409
<b>At 1 October 2017</b>	81	2,750,656	(370,328)	2,380,409
Profit and total comprehensive profit for the period	-	-	(73,054)	(73,054)
Issuance of share awards	-	1,583	-	1,583
<b>At 31 December 2017</b>	81	2,752,239	(443,382)	2,308,938
<b>At 1 January 2016</b>	67	1,805,112	(15,278)	1,789,901
Loss and total comprehensive loss for the period	-	-	(2,926)	(2,926)
<b>At 31 March 2016</b>	67	1,805,112	(18,204)	1,786,975
<b>At 1 April 2016</b>	67	1,805,112	(18,204)	1,786,975
Loss and total comprehensive loss for the period	-	-	(5,582)	(5,582)
<b>At 30 June 2016</b>				

	Share capital	Capital reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
	67	1,805,112	(23,786)	1,781,393
<b>At 1 July 2016</b>	67	1,805,112	(23,786)	1,781,393
Loss and total comprehensive loss for the period	-	-	(31,685)	(31,685)
<u>Transactions with owners, recognised directly in equity</u>				
Issuance of shares	14	963,572	-	963,586
Share issue costs	-	(35,512)	-	(35,512)
<b>At 30 September 2016</b>	81	2,733,172	(55,471)	2,677,782
<b>At 1 October 2016</b>	81	2,733,172	(55,471)	2,677,782
Profit and total comprehensive income for the period	-	-	5,849	5,849
<b>At 31 December 2016</b>	81	2,733,172	(49,622)	2,683,631

**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.**

There were no changes in the share capital of the Company in 4Q2017. The Company has no outstanding convertibles, treasury shares or subsidiary holdings.

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

The total number of issued ordinary shares in the capital of the Company ("Shares") as at 31 December 2017 and 31 December 2016 was 1,221,581,000 and 1,216,824,200 respectively. The Company has no treasury shares.

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

Not applicable as the Company has no treasury shares.

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

Not applicable as the Company has no subsidiary holdings.

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

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

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

Not applicable.

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

Apart from what is disclosed in paragraph (5) below, the same accounting policies and methods of computation have been applied in these unaudited financial statements as those applied in the most recently audited financial statements for the year ended 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.**

The Group has adopted all accounting standards that are effective from 1 January 2017 but the adopted changes have no material effect.

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

	Group		Group	
	4Q2017	4Q2016	FY2017	FY2016
Basic earnings per Share (RMB cents)	16.75	15.22	49.35	54.85
Weighted average number of Shares	1,221,581,000	1,216,824,200	1,218,362,015	1,089,491,683
Fully diluted earnings per Share (RMB cents)	16.75	15.22	49.35	54.85
Weighted average number of Shares	1,221,581,000	1,216,824,200	1,218,362,015	1,089,491,683

On 29 June 2016, every one Share was sub-divided into 100 Shares. On 1 August 2016, the Company issued 204,819,300 Shares pursuant to its initial public offering. On 5 September 2016, pursuant to the partial exercise of an over-allotment option, the Company issued 12,004,800 Shares. The earnings per Share for FY2016 was computed based on the weighted average number of Shares sub-divided into 100 Shares for comparison purposes.

On 5 September 2017, pursuant to the vesting of share awards granted under the Jinjiang Environment Performance Share Plan, the Company issued and allotted an aggregate of 4,756,800 new Shares.

The total number of issued Shares as at 31 December 2017 and 31 December 2016 was 1,221,581,000 and 1,216,824,200 respectively.

**(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	
	As at 31 Dec 2017	As at 31 Dec 2016	As at 31 Dec 2017	As at 31 Dec 2016
Net asset value per Share (RMB cents)	387.64	363.46	189.01	220.54
Number of Shares in issue at the end of the period	1,221,581,000	1,216,824,200	1,221,581,000	1,216,824,200

The net asset value per Share as at 31 December 2017 and 31 December 2016 was computed based on the number of Shares in issue at the end of the period.

(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

## Income Analysis

### 4Q2017 vs 4Q2016

#### Revenue

	4Q2017		Revenue		4Q2016		Change	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
Sales of electricity	219,823	25.6	287,400	36.9			(23.5)	
Sales of steam	99,463	11.6	86,311	11.1			15.2	
Revenue from waste treatment fees	137,298	16.0	107,302	13.8			28.0	
<b>Waste-to-energy business</b>	<b>456,584</b>	<b>53.2</b>	<b>481,013</b>	<b>61.8</b>			<b>(5.1)</b>	
Revenue from construction services provided under service concession agreements	190,278	22.2	203,865	26.2			(6.7)	
Financial income under service concession agreements	12,785	1.5	7,130	0.9			79.3	
<b>Construction services</b>	<b>203,063</b>	<b>23.6</b>	<b>210,995</b>	<b>27.1</b>			<b>(3.8)</b>	
<b>Project technical and management service and EMC business</b>	<b>198,990</b>	<b>23.2</b>	<b>85,965</b>	<b>11.0</b>			<b>131.5</b>	
<b>Total</b>	<b>858,637</b>	<b>100.0</b>	<b>777,973</b>	<b>100.0</b>			<b>10.4</b>	

Revenue increased 10.4% by RMB80.6 million from RMB778.0 million in 4Q2016 to RMB858.6 million in 4Q2017, primarily due to an increase in revenue from:-

Our WTE business (excluding revenue from construction services provided under BOT concession agreements)

Revenue from our waste-to-energy ("WTE") business (excluding revenue from construction services provided under BOT concession agreements) decreased 5.1% by RMB24.4 million from RMB481.0 million in 4Q2016 to RMB456.6 million in 4Q2017. The decrease was attributable to a decrease in sales of electricity arising from eight WTE facilities undergoing expansion and upgrading in the second half of 2017 and the voluntary cessation of operations at the Hangzhou Yuhang WTE Facility from August 2017 onwards, which resulted in a decrease in waste treated and on-grid electricity supplied. This is offset by (i) an increase in revenue from sales of steam which was primarily attributable to additional coal-fired generation facilities of the Zhuji Bafang WTE Facility, becoming operational in 2017 and, (ii) an increase in waste disposal revenue from the commencement of waste collection and transportation operations for the Lucknow project in India.

Details of the electricity generated and supplied, steam supplied and waste treated for 4Q2017 and 4Q2016 are as follows:

	Group	Group	Change
	4Q2017	4Q2016	%
Electricity generated ('000 KWh)	553,738	626,294	(11.6)
On-grid electricity supplied ('000 KWh)	380,808	457,447	(16.8)
Steam supplied ('000 tonnes)	718	640	12.2
Waste treated ('000 tonnes)	2,016	2,102	(4.1)

On-grid electricity supplied and waste treated decreased 16.8% and 4.1% respectively, while steam supplied increased 12.2% in 4Q2017 as compared to 4Q2016, due to eight WTE facilities undergoing expansion and upgrading in the second half of 2017 and the voluntary cessation of operations at the Hangzhou Yuhang WTE Facility from August 2017 onwards, and the increase in steam supplied is due to additional coal-fired generation facilities of the Zhuji Bafang WTE Facility becoming operational in 2017. The decrease in waste treated was partially offset by an increase in waste treated following the

commencement of waste collection and transportation operations for the Lucknow project in India.

#### Construction services provided under BOT concession agreements

Revenue from construction services provided under build-operate-transfer (“BOT”) concession agreements decreased by 3.8% from RMB211.0 million in 4Q2016 to RMB203.1 million in 4Q2017 due to a decrease in revenue from the provision of construction services under BOT concession agreements from RMB203.9 million in 4Q2016 to RMB190.3 million in 4Q2017, which was primarily attributable to lesser BOT construction in 4Q2017, partially offset by an increase in financial income from service concession agreements from RMB7.1 million in 4Q2016 to RMB12.8 million in 4Q2017.

#### Project technical and management services and our EMC business

Revenue from project technical and management services and our EMC business increased 131.5% from RMB86.0 million in 4Q2016 to RMB199.0 million in 4Q2017 due to an increase in the number of energy saving technical services and management services contracts as well as a portion of such contracts providing for settlement in 4Q2017, resulting in an increase in revenue.

#### **Cost of sales**

Cost of sales increased 3.8% by RMB18.3 million from RMB487.4 million in 4Q2016 to RMB505.7 million in 4Q2017, due to an increase in the cost of sales from:-

#### Our WTE business (excluding revenue from construction services provided under BOT concession agreements)

The cost of sales from our WTE business (excluding cost of sales from construction services provided under BOT concession agreements) decreased 12.6% from RMB327.0 million in 4Q2016 to RMB285.9 million in 4Q2017. The decrease is due to decreased operating costs arising from smaller amounts of waste treated and electricity generated.

#### Construction services provided under BOT concession agreements

The cost of sales from construction services provided under BOT concession agreements increased 11.6% from RMB147.2 million in 4Q2016 to RMB164.3 million in 4Q2017, due to (i) a decrease in revenue from the provision of construction services under BOT concession agreements, resulting in a corresponding decrease in cost of sales in 4Q2017 and, (ii) the Yinchuan Zhongke WTE Facility received its electricity price subsidy during its trial operation in a prior period, and in accordance with accounting standards, the BOT construction cost is reduced by the subsidy in the current period.

#### Project technical and management services and our EMC business

The cost of sales from project technical and management services and our EMC business increased 322.3% from RMB13.2 million in 4Q2016 to RMB55.5 million in 4Q2017, primarily due to a portion of the energy saving project technical and management service contracts providing for settlement in 4Q2017, resulting in a corresponding increase in cost of sales in 4Q2017.

#### **Gross profit and gross profit margin**

	<b>Gross Profit (RMB million)</b>		<b>Gross Profit Margin</b>	
	<b>4Q2017</b>	<b>4Q2016</b>	<b>4Q2017</b>	<b>4Q2016</b>
WTE business (excluding gross profit from construction services provided under BOT concession agreements)	170,697.0	153,998.0	37.4%	32.0%
Construction services provided under BOT concession agreements	25,978.0	56,665.0	13.7%	27.8%
Project technical and management service and EMC business	143,460.0	72,815.0	72.1%	84.7%
Financial income under service concession agreements	12,785.0	7,130.0	N.A.	N.A.
<b>Total</b>	<b>352,920.0</b>	<b>290,608.0</b>	<b>41.1%</b>	<b>37.4%</b>

As a result of the foregoing, the gross profit increased 21.4% by RMB62.3 million from RMB290.6 million in 4Q2016 to RMB352.9 million in 4Q2017, which was driven by (i) an increase in the gross profit of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) and project technical and management services and our EMC business and (ii) an increase in financial income under service concession agreements, partially offset by a decrease in the gross profit of construction services provided under BOT concession agreements and our project technical and management service and EMC business. The gross profit margin increased from 37.4% in 4Q2016 to 41.1% in 4Q2017, which was primarily attributable to an increase in the gross profit margin of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) from 32.0% in 4Q2016 to 37.4% in 4Q2017, partially offset by (i) a decrease in the gross profit margin of construction services provided under BOT concession agreements from 27.8% in 4Q2016 to 13.7% in 4Q2017 and (ii) a decrease in the gross profit margin of our project technical and management service and EMC business from 84.7% in 4Q2016 to 72.1% in 4Q2017.

#### Gross profit and gross profit margin of our WTE business (excluding gross profit from construction services provided under BOT concession agreements)

The gross profit of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) increased 10.8% from RMB154.0 million in 4Q2016 to RMB170.7 million in 4Q2017, primarily due to a decrease in the cost of sales from our WTE business (excluding the cost of sales from construction services provided under BOT concession agreements) from RMB327.0 million in 4Q2016 to RMB285.9 million in 4Q2017 due to lower waste treated and electricity generated, partially offset by a decrease in the revenue from our WTE business (excluding revenue from construction services provided under BOT concession agreements) from RMB481.0 million in 4Q2016 to RMB456.6 million in 4Q2017. The decrease in revenue was attributable to a decrease in sales of electricity arising from eight WTE facilities undergoing expansion and upgrading in the second half of 2017 and the voluntary cessation of operations at the Hangzhou Yuhang WTE Facility from August 2017 onwards, which resulted in a decrease in waste treated and on-grid electricity supplied, offset by an increase in revenue from sales of steam from Zhuji Bafang WTE Facility and an increase in waste disposal revenue from the commencement of waste collection and transportation operations for the Lucknow project in India. The gross profit margin of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) increased from 32.0% in 4Q2016 to 37.4% in 4Q2017, which was primarily due to lower cost of sales as described in the cost of sales section above.

#### Gross profit and gross profit margin of construction services provided under BOT concession agreements

The gross profit from construction services provided under BOT concession agreements decreased 39.3% from RMB63.8 million in 4Q2016 to RMB38.7 million in 4Q2017, due to a decrease in the revenue recognised from construction services provided under BOT concession agreements from RMB203.9 million in 4Q2016 to RMB190.3 million in 4Q2017, and an increase in the cost of sales from construction services provided under BOT concession agreements from RMB147.2 million in 4Q2016 to RMB164.3 million in 4Q2017. The gross profit margin of construction services provided under BOT concession agreements decreased from 27.8% in 4Q2016 to 13.7% in 4Q2017. Besides lesser BOT construction in 4Q2017, in 4Q2016, the Yinchuan Zhongke WTE Facility received its electricity price subsidy during its trial operation in a prior period, and this reduces the BOT construction cost.

#### Gross profit and gross profit margin of project technical and management services and our EMC business

The gross profit from project technical and management services and our EMC business increased 97.0% from RMB72.8 million in 4Q2016 to RMB143.5 million in 4Q2017, due to an increase in the revenue from project technical and management services and our EMC business from RMB86.0 million in 4Q2016 to RMB199.0 million in 4Q2017, due to an increase in the number of energy saving project technical and management service contracts as well as a portion of such contracts providing for settlement in 4Q2017. This is partially offset by an increase in the cost of sales from project technical and management services and our EMC business from RMB13.2 million in 4Q2016 to RMB55.5 million in 4Q2017. Accordingly, the gross profit margin of project technical and management services and our EMC business decreased from 84.7% in 4Q2016 to 66.7% in 4Q2017, as the gross profit margin of project technical and management services is lower than that for our EMC business.

#### ***Other income and other gains and losses***

Other income and other gains and losses decreased 51.5% from RMB69.5 million in 4Q2016 to RMB33.7 million in 4Q2017, due primarily to decrease in one-time government subsidy directly recognised as other income, and increase in output tax arising from the upgrading of WTE facilities and higher coal unit prices, offset by an increase in foreign exchange gains and a reduction in the impairment of trade receivables and

again on disposal of a subsidiary in 4Q2017 amounted to RMB3.5 million, arose from the disposal of the Group's 42.0% equity interest in the PLT Energy WTE Facility in 3Q2017 for an aggregate consideration of RMB68.5 million.

### **Share of loss of a joint venture**

Share of loss of a joint venture in 4Q2017 amounted to RMB0.9 million.

### **Administrative expenses**

Administrative expenses decreased 46.5% from RMB68.9 million in 4Q2016 to RMB36.9 million in 4Q2017, mainly due to cost control measures and reclassification of expenses.

### **Finance costs**

Finance costs increased 39.4% from RMB60.4 million in 4Q2016 to RMB84.2 million in 4Q2017, primarily due to the interest from the issuance of notes by the Company, with gross proceeds of approximately US\$200 million.

### **Profit before tax**

As a result of the foregoing, profit before tax increased 14.7% from RMB230.8 million in 4Q2016 to RMB264.6 million in 4Q2017.

### **Income tax expense**

Income tax expense increased 0.1% from RMB62.8 million in 4Q2016 to RMB62.9 million in 4Q2017. Income tax expense is computed separately for each entity of the Group and any tax adjustment is made in the last quarter of the year.

### **Profit for the period**

As a result of the foregoing, profit for the period increased 20.1% from RMB168.0 million in 4Q2016 to RM201.7 million in 4Q2017.

## **FY2017 vs FY2016**

### **Revenue**

	FY2017		Revenue		Change
	RMB'000	%	FY2016 RMB'000	%	
Sales of electricity	962,913	35.5	942,899	35.8	2.1
Sales of steam	338,136	12.5	253,197	9.6	33.5
Revenue from waste treatment fees	466,679	17.2	424,700	16.1	9.9
<b>Waste-to-energy business</b>	<b>1,767,728</b>	<b>65.1</b>	<b>1,620,796</b>	<b>61.6</b>	<b>9.1</b>
Revenue from construction services provided under service concession agreements	527,175	19.4	708,171	26.9	(25.6)
Financial income under service concession agreements	29,099	1.1	19,604	0.7	48.4
<b>Construction services</b>	<b>556,274</b>	<b>20.5</b>	<b>727,775</b>	<b>27.7</b>	<b>(23.6)</b>
<b>Project technical and management service and EMC business</b>	<b>391,074</b>	<b>14.4</b>	<b>283,317</b>	<b>10.8</b>	<b>38.0</b>
<b>Total</b>	<b>2,715,076</b>	<b>100.0</b>	<b>2,631,888</b>	<b>100.0</b>	<b>3.2</b>

Revenue increased 3.2% by RMB83.2 million from RMB2,631.9 million in FY2016 to RMB2,715.1 million in FY2017, primarily due to an increase in revenue from:-



### Our WTE business (excluding revenue from construction services provided under BOT concession agreements)

Revenue from our WTE business (excluding revenue from construction services provided under BOT concession agreements) increased 9.1% by RMB146.9 million from RMB1,620.8 million in FY2016 to RMB1,767.7 million in FY2017. The increase was attributable to (i) an increase in revenue from sales of steam and on-grid electricity supplied due to additional coal-fired generation facilities of the Zhuji Bafang WTE Facility becoming operational in FY2017 and, (ii) an increase in waste disposal revenue from the commencement of waste collection and transportation operations for the Lucknow project in India.

Details of the electricity generated and supplied, steam supplied and waste treated for FY2017 and FY2016 are as follows:

	<b>Group FY2017</b>	<b>Group FY2016</b>	<b>Change %</b>
Electricity generated ('000 KWh)	2,433,599	2,314,303	5.2
On-grid electricity supplied ('000 KWh)	1,746,567	1,709,687	2.2
Steam supplied ('000 tonnes)	2,404	1,992	20.7
Waste treated ('000 tonnes)	8,395	8,134	3.2

On-grid electricity supplied, steam supplied and waste treated increased by 2.2%, 20.7% and 3.2% respectively in FY2017 as compared to FY2016. The increase in steam supplied is due to additional coal-fired generation facilities of the Zhuji Bafang WTE Facility becoming operational in 2017 and more waste treated due to the commencement of waste collection and transportation operations for the Lucknow project in India.

### Construction services provided under BOT concession agreements

Revenue from construction services provided under BOT concession agreements decreased 23.6% from RMB727.8 million in FY2016 to RMB556.3 million in FY2017 due to a decrease in revenue from the provision of construction services under BOT concession agreements from RMB708.2 million in FY2016 to RMB527.2 million in FY2017, partially offset by an increase in financial income from service concession agreements from RMB19.6 million in FY2016 to RMB29.1 million in FY2017. The second phase expansion of the Wenling Green Energy WTE Facility and Gaomi Lilangmingde WTE Facility and expansion of Yinchuan Zhongke WTE Facility in FY2017 were of a smaller scale as compared to the construction in FY2016 for Gaomi Lilangminde WTE Facility and Songyuan Xinxiang WTE Facility, resulting in lower revenue recorded for FY2017.

### Project technical and management services and our EMC business

Revenue from project technical and management services and our EMC business increased 38.0% from RMB283.3 million in FY2016 to RMB391.1 million in FY2017 due to an increase in the number of energy saving technical services and management services contracts as well as a portion of the energy saving technical services and management services contracts providing for settlement in 4Q2017.

### **Cost of sales**

Cost of sales increased 6.2% by RMB98.0 million from RMB1,582.5 million in FY2016 to RMB1,680.5 million in FY2017, due to an increase in the cost of sales from:-

### Our WTE business (excluding revenue from construction services provided under BOT concession agreements)

The cost of sales from our WTE business (excluding cost of sales from construction services provided under BOT concession agreements) increased 20.3% from RMB933.6 million in FY2016 to RMB1,122.7 million in FY2017. The increase is due to (i) the phase one expansion of Zhuji Bafang WTE facility which resulted in increased utilisation of coal upon the commencement of operations of the additional coal-fired generation units and the costs of the additional coal used is 25% of the total increased in cost of sales, (ii) a 30% increase in coal prices which is 45% of the total increased in cost of sales and (iii) the commencement of operations of new facilities and upgraded facilities resulted in increased operating costs such as depreciation and materials, arising from larger amounts of electricity and steam generated.

### Construction services provided under BOT concession agreements

The cost of sales from construction services provided under BOT concession agreements decreased 22.4% from RMB586.5 million in FY2016 to RMB455.3 million in FY2017 due to (i) the second phase

expansion of the Wenling Green Energy WTE Facility and Gaomi Lilangmingde WTE Facility and expansion of Yinchuan Zhongke WTE Facility in FY2017 were of a smaller scale as compared to the construction in FY2016 for Gaomi Lilangminde WTE Facility and Songyuan Xinxiang WTE Facility, resulting in a lower cost of sales for FY2017 and, (ii) the Yinchuan Zhongke WTE Facility received its electricity price subsidy during its trial operation in a prior period, and in accordance with accounting standards, the BOT construction cost is reduced by the subsidy in the current period.

#### Project technical and management services and EMC business

The cost of sales from project technical and management services and our EMC business increased 64.4% from RMB62.4 million in FY2016 to RMB102.5 million in FY2017, primarily due to an increase in revenue arising from an increase in the number of energy saving technical services and management services contracts as well as a portion of such contracts providing for settlement in 4Q2017, , resulting in a corresponding increase in cost of sales in FY2017.

#### **Gross profit and gross profit margin**

	<b>Gross Profit (RMB million)</b>		<b>Gross Profit Margin</b>	
	<b>FY2017</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2016</b>
WTE business (excluding gross profit from construction services provided under BOT concession agreements)	645,074.0	687,193.0	36.5%	42.4%
Construction services provided under BOT concession agreements	71,875.0	121,671.0	13.6%	17.2%
Project technical and management service and EMC business	288,574.0	220,937.0	73.8%	78.0%
Financial income under service concession agreements	29,099.0	19,604.0	N.A.	N.A.
<b>Total</b>	<b>1,034,622.0</b>	<b>1,049,405.0</b>	<b>38.1%</b>	<b>39.9%</b>

As a result of the foregoing, the gross profit decreased 1.4% by RMB14.8 million from RMB1,049.4 million in FY2016 to RMB1,034.6 million in FY2017, which was driven mainly by a decrease in the gross profit of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) and construction services provided under BOT concession agreements, partially offset by an increase in the gross profit of project technical and management services and our EMC business and an increase in financial income under service concession agreements. The gross profit margin decreased from 39.9% in FY2016 to 38.1% in FY2017, which was primarily attributable to (i) a decrease in the gross profit margin of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) from 42.4% in FY2016 to 36.5% in FY2017, (ii) a decrease in the gross profit margin of construction services provided under BOT concession agreements from 17.2% in FY2016 to 13.6% in FY2017 and (iii) a decrease in the gross profit margin of our project technical and management service and EMC business from 78.0% in FY2016 to 73.8% in FY2017.

#### Gross profit and gross profit margin of our WTE business (excluding gross profit from construction services provided under BOT concession agreements)

The gross profit of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) decreased 6.1% from RMB687.2 million in FY2016 to RMB645.1 million in FY2017, primarily due to an increase in the cost of sales from our WTE business (excluding the cost of sales from construction services provided under BOT concession agreements) from RMB933.6 million in FY2016 to RMB1,122.7 million in FY2017, due to higher costs from additional coal used and increase in coal prices, and the voluntary cessation of operations at the Hangzhou Yuhang WTE Facility from August 2017 onwards. This is partially offset by an increase in the revenue from our WTE business (excluding revenue from construction services provided under BOT concession agreements) from RMB1,621.0 million in FY2016 to RMB1,767.7 million in FY2017. This increase in revenue is from the sales of steam from Zhuji Bafang WTE Facility and waste disposal revenue from the commencement of waste collection and transportation operations for the Lucknow project in India. The gross profit margin of our WTE business (excluding gross profit from construction services provided under BOT concession agreements) decreased from 42.4% in FY2016 to 36.5% in FY2017, which was primarily due to higher cost of sales as described in the cost of sales section above.

### Gross profit and gross profit margin of construction services provided under BOT concession agreements

The gross profit from construction services provided under BOT concession agreements decreased 28.5% from RMB141.3 million in FY2016 to RMB101.0 million in FY2017, due to a decrease in the revenue recognised from construction services provided under BOT concession agreements from RMB708.2 million in FY2016 to RMB527.2 million in FY2017, partially offset by a decrease in the cost of sales from construction services provided under BOT concession agreements from RMB586.5 million in FY2016 to RMB455.3 million in FY2017. The gross profit margin of construction services provided under BOT concession agreements decreased from 17.2% in FY2016 to 13.6% in FY2017. Besides lesser BOT construction in FY2017, in FY2016, the Yinchuan Zhongke WTE Facility received its electricity price subsidy during its trial operation in a prior period, and this reduces the BOT construction cost.

### Gross profit and gross profit margin of project technical and management services and our EMC business

The gross profit from project technical and management services and our EMC business increased 30.6% from RMB220.9 million in FY2016 to RMB288.6 million in FY2017, due to an increase in revenue from our project technical and management services and our EMC business from RMB283.3 million in FY2016 to RMB391.1 million in FY2017, due to an increase in the number of energy saving technical services and management services contracts as well as a portion of such contracts providing for settlement in 4Q2017. This is partially offset by an increase in the cost of sales from project technical and management services and our EMC business from RMB62.4 million in FY2016 to RMB102.5 million in FY2017. Accordingly, the gross profit margin of project technical and management services and our EMC business decreased from 78.0% in FY2016 to 73.8% in FY2017, as the gross profit margin of project technical and management services is lower than that for our EMC business.

### ***Other income and other gains and losses***

Other income and other gains and losses increased 29.1% from RMB145.7 million in FY2016 to RMB188.1 million in FY2017, due primarily to decrease in one-time government subsidy directly recognised as other income, and increase in output tax arising from the upgrading of WTE facilities and higher coal unit prices, offset by (i) an increase in foreign exchange gains, (ii) a reduction in the impairment of trade receivables, (iii) income from the disposal of sludge by the Shijiazhuang Jiasheng WTE Facility and, (iv) a gain on disposal of a subsidiary arose from the disposal of the Group's 42.0% equity interest in the PLT Energy WTE Facility for an aggregate consideration and gain of RMB68.5 million, further details of which are set out in the Company's announcement dated 14 November 2017.

### ***Share of loss of a joint venture***

Share of loss of a joint venture in FY2017 amounted to RMB0.9 million.

### ***Administrative expenses***

Administrative expenses decreased 2.4% by RMB4.9 million from RMB205.4 million in FY2016 to RMB200.5 million in FY2017, mainly due to the one-time costs associated with the initial public offering of the Company in FY2016 amounting to RMB27.0 million not being incurred in FY2017, offset by expense of RMB13.5 million arising from the grant of share awards to employees under the Jinjiang Environment Performance Share Plan in FY2017. Excluding this, administrative increased by 4.8% in FY2017 as compared to FY2016, due to the increase in salaries and social security costs.

### ***Finance costs***

Finance costs increased 26.6% from RMB159.7 million in FY2016 to RMB202.2 million in FY2017, primarily increase in bank borrowings and finance leases, expensing of interest for projects that commenced operations and interest from the issuance of notes by the Company, with gross proceeds of approximately US\$200 million.

### ***Profit before tax***

As a result of the foregoing, profit before tax decreased 1.3% from RMB830.0 million in FY2016 to RMB819.2 million in FY2017.

### ***Income tax expense***

Income tax expense decreased 5.3% from RMB240.0 million in FY2016 to RMB227.4 million in FY2017 due to decrease in taxable profit and the gains from the disposal of a subsidiary is not subjected to

corporate tax.

***Profit for the period***

As a result of the foregoing, profit for the period increased 0.3% from RMB590.0 million in FY2016 to RMB591.8 million in FY2017 and profit attributable to owners of the Company increased 0.6% from RMB597.6 million in FY2016 to RMB601.2 million in FY2017.

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Financial Position**

As at 31 December 2017, total assets amounted to RMB12,744.3 million, an increase of RMB3,014.5 million or 31.0% as compared to total assets of RMB9,729.8 million as at 31 December 2016. The increase in total assets is due to an increase in non-current assets of RMB583.7 million and an increase in current assets of RMB2,430.8 million.

### **Non-current assets**

Non-current assets increased 7.1% by RMB583.7 million from RMB7,921.1 million as at 31 December 2016 to RMB8,504.7 million as at 31 December 2017.

The increase is attributable to (i) property, plant and equipment increasing 2.4% by RMB135.0 million from RMB5,525.8 million as at 31 December 2016 to RMB5,660.8 million as at 31 December 2017, and (ii) intangible assets increasing 30.3% by RMB470.0 million from RMB1,550.5 million as at 31 December 2016 to RMB2,020.5 million as at 31 December 2017 due to construction services provided under the BOT service concession agreement for the expansion of the Yinchuan Zhongke WTE Facility, Wenling Green Energy WTE Facility and Gaomi Lilangminde WTE Facility, which is offset by other receivables decreasing 38.7% by RMB88.4 million from RMB228.6 million as at 31 December 2016 to RMB140.2 million as at 31 December 2017 as a result of reclassification of the certain assets for the Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility to assets held for sale.

### **Current assets**

Current assets increased 134.4% by RMB2,430.8 million from RMB1,808.8 million as at 31 December 2016 to RMB4,239.6 million as at 31 December 2017.

The increase is mainly due to (i) bank balances increasing 107.7% by RMB582.5 million from RMB540.9 million as at 31 December 2016 to RMB1,123.4 million as at 31 December 2017 due to the receipt of the net proceeds from the issuance of notes by the Company, more bank borrowings and retained profits for FY2017, (ii) pledged deposits increasing 6.2% by RMB20.0 million from RMB321.0 million as at 31 December 2016 to RMB341.0 million as at 31 December 2017 due to issuance of performance bonds for overseas projects, (iii) amount due from related parties increasing 413.2% by RMB285.5 million from RMB69.1 million as at 31 December 2016 to RMB354.6 million as at 31 December 2017, including proceeds from the disposal of a subsidiary and settled subsequently, (iv) trade and other receivables increasing 12.7% by RMB86.5 million from RMB679.7 million as at 31 December 2016 to RMB766.2 million as at 31 December 2017 due mainly to the revenue increase from our operations in FY2017 attributable to existing and new facilities, prepayments for coal purchases and deposits made, and (iv) assets held for sale for Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility, amounting to RMB1,397.3 million as at 31 December 2017.

### **Current liabilities**

Current liabilities increased 40.8% by RMB1,102.4 million from RMB2,700.6 million as at 31 December 2016 to RMB3,803.0 million as at 31 December 2017.

The increase is mainly due to (i) borrowings increasing 22.1% by RMB219.0 million from RMB989.7 million as at 31 December 2016 to RMB1,208.7 million as at 31 December 2017 due to more short term bank borrowings by the Gevin Limited and long term borrowings reclassified into short term borrowings, (ii) obligations under finance leases increasing 44.5% by RMB118.8 million from RMB267.1 million as at 31 December 2016 to RMB385.9 million as at 31 December 2017 due to new finance leases and long term finance leases reclassified into short term finance leases, (iii) trade and other payables increasing 28.9% by RMB268.7 million from RMB930.2 million as at 31 December 2016 to RMB1,198.9 million as at 31 December 2017 due to advance receipt of funds arising from the share transfer for Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility and more payments in accordance with contract terms, and (iv) liabilities directly associated with the assets held for sale for Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility, amounting to RMB665.9 million as at 31 December 2017. This is offset by amounts due to related parties decreasing 68.3% by RMB249.0 million from RMB364.4 million as at 31 December 2016 to RMB115.4 million as at 31 December 2017, due to the repayments of the amounts due to related parties on the books of the Zhuji Bafang WTE Facility and Wenling Green Energy WTE Facility after their acquisition by the Group.

### **Non-current liabilities**

Non-current liabilities increased 66.1% by RMB1,612.2 million from RMB2,437.9 million as at 31 December 2016 to RMB4,050.1 million as at 31 December 2017.

The increase is mainly due to (i) the issuance of notes by the Company amounting to RMB1,272.2 million, (ii) borrowings increasing 16.9% by RMB232.0 million from RMB1,369.8 million as at 31 December 2016 to RMB1,601.8 million as at 31 December 2017 due to more long term borrowings by the Zhuji Bafang WTE Facility and Yinchuan Zhongke WTE Facility, offset by certain classification of long term borrowings into short term borrowings, (iii) deferred tax liabilities increasing 21.6% by RMB70.7 million from RMB327.3 million as at 31 December 2016 to RMB398.0 million as at 31 December 2017 arising from construction services provided under the BOT concession agreements and tax provision for dividends and, (iv) deferred grant increasing 77.5% by RMB71.8 million from RMB92.7 million as at 31 December 2016 to RMB164.5 million as at 31 December 2017, arising from the amortization of government grants for Yinchuan Zhongke WTE Facility and Songyuan Xinxiang WTE Facility.

### **Capital and reserves**

As at 31 December 2017, capital and reserves amounted to RMB4,891.2 million, an increase of approximately RMB299.9 million as compared to total net assets of RMB4,591.3 million as at 31 December 2016, due to the retained earnings for FY2017, offset by the payment of dividends.

### **Cashflow Review**

Operating cashflow increased by RMB108.5 million from RMB257.0 million inflow in 4Q2016 to RMB365.5 million inflow in 4Q2017 and increased by RMB66.9 million from RMB523.4 million inflow in FY2016 to RMB590.3 million inflow in FY2017. The increase is mainly due to retained profits for the year, receipt of government grants for Songyuan Xinxiang WTE Facility and Yinchuan Zhongke WTE Facility.

Investing cash outflow decreased by RMB161.3 million from RMB976.6 million outflow in 4Q2016 to RMB815.3 million outflow in 4Q2017 and increased by RMB471.9 million from RMB1,374.6 million outflow in FY2016 to RMB1,846.5 million outflow in FY2017. For 4Q2017, the decrease is mainly due to less payment for property, plant and equipment, preparatory costs for overseas projects and prepaid leases for Shijiazhuang Jiasheng WTE Facility and Qitaihe Green Energy WTE Facility. For FY2017, the increase is mainly due to more payment for property, plant and equipment for Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility and preparatory costs for overseas projects.

Financing cashflow increased by RMB682.1 million from RMB331.2 million outflow in 4Q2016 to RMB350.9 million inflow in 4Q2017 and increased by RMB1,024.3 million from RMB1,011.6 million inflow in FY2016 to RMB2,035.9 million inflow in FY2017. For 4Q2017, the increase is mainly due to the advance receipt of funds arising from the share transfer for Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility, increased borrowings and obligations under finance leases. For FY2017, the increase is mainly due to the receipt of the net proceeds from the issuance of notes by the Company, advance receipt of funds arising from the share transfer for Zibo New Energy WTE Facility and Hohhot Jiasheng New Energy WTE Facility and, increased borrowings and obligations under finance leases, offset by more repayment made to related parties.

Bank balances and cash as at 31 December 2017 is RMB1,123.4 million.

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

Not applicable.

### **(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.**

As of 31 December 2017, the Group has twenty WTE facilities in commercial or trial operation (excluding the Hangzhou Yuhang WTE Facility which voluntarily ceased operations in August 2017), with a total installed waste treatment capacity and installed electricity generation capacity of 28,280 t/d and 521 MW/d, respectively. Three WTE projects of the Group under construction, namely, the Zibo New Energy WTE Facility, expansion of the Yinchuan Zhongke WTE Facility and second phase expansion of the Zhuji Bafang WTE Facility are expected to commence trial operations by the first quarter of 2018, the second quarter of 2018 and the third quarter 2018 respectively. Upon completion, these three projects are expected to add 3,000 t/d and 107 MW/d to the Group's total installed waste treatment capacity and installed electricity generation capacity, respectively.

In addition, the Group has commenced preparatory work for the construction or expansion of the waste treatment capacity of another 21 projects in the PRC. The relevant preparatory work has been completed,

and approvals obtained, for the Shijiazhuang Jiasheng WTE Facility, Kunming Wuhua WTE Facility, Tangshan Jiasheng WTE Facility, Linzhou Jiasheng WTE Facility, and Yueyang Sunrise WTE Facility for which construction is expected to begin by the first half of 2018. The relevant governmental approvals are in the process of being sought for the Yulin Green Energy WTE Facility, Yan'an Guojin WTE Facility and Zhongwei Green Energy WTE Facility. In addition, the expansion of the Wenling Green Energy WTE Facility, for which construction is expected to begin by the first half of 2018, is expected to add 1,000 t/d (including 200 t/d of sludge treatment capacity) of treatment capacity. In aggregate, the aforesaid 21 pipeline projects are expected to increase the Group's total installed waste treatment capacity and installed electricity generation capacity by 21,550 t/d and 462 MW/d, respectively.

In addition, the Group will continue to focus on the development of its resource recycling projects. The Group has commenced construction or preparatory work for seven resource recycling projects in Jiangsu, Shandong, Hebei, Hubei and Heilongjiang, which upon completion, will increase the installed waste treatment capacity of the Group by 3,160 t/d.

The Group has secured three overseas projects in Lucknow, Gwalior and Gurgaon, India. Construction of these projects are expected to commence in the first half of 2018 and when completed, are expected to add 3,271 t/d and 55 MW/d to the Group's total installed waste treatment capacity and installed electricity generation capacity, respectively.

Taking into consideration all the projects under construction, to be constructed or expanded and new potential projects, both in the PRC and overseas, the Group's total installed waste treatment capacity is expected to reach approximately 59,261 t/d upon the completion of these projects.

As disclosed in the Company's IPO prospectus and the announcement of the results for the third quarter ended 30 September 2017, due to constraints in the availability of land resources in urban areas for physical expansion to meet the growing demand for waste treatment and the need to calibrate WTE boilers to handle municipal solid waste of a higher calorific value following pre-treatment, the Group has been undertaking a large-scale technical upgrading project. As at 31 December 2017, the aforesaid technical upgrading project involves eight of the Group's operational WTE facilities which are older and have a higher waste treatment capacity. The expected investment for the upgrading is approximately RMB1 billion, which works out to be about RMB200,000 per ton of daily waste treatment capacity, which is much lower than the investment required to construct a new WTE facility. When completed, the technical upgrading project is expected to expand the waste treatment capacity by approximately 5,000 t/d and increase operational efficiency, whilst also reducing emission levels and the proportion of coal used at the Group's WTE facilities.

As disclosed in the announcement of the results for the third quarter ended 30 September 2017, due to changes in the land use planning and environmental policies of the relevant local governments, the Group had signed a letter of intent with the relevant local authorities in charge of the Hangzhou Yuhang WTE Facility for it to be shut down and disposed of in the first half of 2018. Negotiations with the relevant local authorities regarding compensation payments for the closure of the Hangzhou Yuhang WTE Facility are expected to conclude by the end of the first half of 2018, and the Group has already received approximately RMB30 million, with the final compensation amount expected to be close to the book value of the Hangzhou Yuhang WTE Facility. The Group may also be required to close or cease operations at another two of its older WTE facilities, namely the Zibo Jinjiang WTE Facility and Kunming Jinjiang WTE Facility. The Zibo Jinjiang WTE Facility and Kunming Jinjiang WTE Facility are currently operating as per normal, and the timeline for any such closure or cessation of operations will be determined based on the progress of completion of new WTE facilities which the Group is constructing in the same locations as the Zibo Jinjiang WTE Facility and Kunming Jinjiang WTE Facility. The Group's intention is for the waste currently treated by the Zibo Jinjiang WTE Facility and Kunming Jinjiang WTE Facility to be treated by the new facilities when they are completed. Management will actively review the situation and liaise with the relevant local governments to manage the procedures for any closures that may be required and the corresponding compensation.

To more efficiently manage its balance sheet and the capital expenditure requirements of expanding its pipeline of WTE projects, the Group intends to jointly develop the WTE market in the PRC with its strategic partner, Hangzhou Financial Investment Group Co., Ltd. ("HFIG"), which is owned by the Hangzhou municipal government. In furtherance of such strategic cooperation and to leverage on (i) the support provided by HFIG as a state-owned enterprise established to, among other things, promote the growth of the WTE sector in the PRC and (ii) the strong financial platform of HFIG, the Group has signed sale and purchase agreements with an affiliate of HFIG for the transfer of a 70% stake in the Hohhot New Energy WTE Facility and Zibo New Energy WTE Facility from the Group to such affiliate of HFIG. The Group will continue to hold a 30% stake in the Hohhot New Energy WTE Facility and Zibo New Energy WTE Facility, and as part of such strategic cooperation, will maintain operational and management control of the facilities.

It is intended that the Group will enter into operational and maintenance agreement(s) for the operation, maintenance and management of the Zibo New Energy WTE Facility and the Hohhot New Energy WTE Facility on a continuing basis, to take effect upon completion of the aforesaid equity transfer. Please refer to the Company's SGXNET announcement dated 28 February 2018 for further details.

In 2017, the PRC authorities have stepped up their degree of supervision of the environmental protection industry and placed increased policy focus on protecting the environment and improving environmental quality. As part of the 13th five-year plan of the PRC, the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development had on 31 December 2016 issued a plan seeking to achieve zero usage of landfills for the disposal of municipal solid waste in certain cities and municipalities by the end of 2020, and a harmless treatment incineration capacity of more than 50% of municipal solid waste for certain cities. This will ensure strong momentum for growth and development in relation to the waste treatment industry in the PRC.

Given the opportunities and challenges, the Group will regularly evaluate its strategies and plans and continuously strengthen its management of the business, through organic and inorganic growth opportunities in order to maintain a leading market position in an increasingly competitive marketplace. The Group will further enhance operational efficiency through technological advancement, continuous research and development and adoption of advanced technology and equipment. At the same time, the Group will step up its research and development for efficient resource recycling and comply with more stringent environmental emission targets. The stricter environmental regulations and closer supervision of the PRC authorities may result in a positive impact on the Group in the long term by upgrading the standards of the WTE sector in the PRC, thereby providing a comparative advantage to the Group on account of its technological know-how and efficient processes, and forcing smaller WTE players out of the market. In addition, the Group intends to leverage on the "One-Belt-One-Road" initiative, focusing on locations in Southeast Asia where the waste composition is likely to be similar to that in the PRC, through increased bidding for projects and mergers and acquisitions both within the PRC and in the international markets.

**(11) If a decision regarding dividend has been made:-**

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

Yes, a final cash dividend has been recommended.

**(b)(i) Amount per share (cents)**

5.10 Singapore cents per ordinary share (based on approximately 50% of the profit and total comprehensive income attributable to owners of the Company and using an exchange rate of RMB4.83:SGD1.00 as at the date of this announcement)

**(b)(ii) Previous corresponding period (cents)**

5.05 Singapore cents per ordinary share

**(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 the shareholders, this must be stated).**

The dividend is tax exempt in the hands of the shareholders.

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

The date for dividend payment will be announced at a later date, subject to approval by shareholders at the forthcoming annual general meeting.

**(e) Books closure date**

To be announced at a later date.

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

Not applicable.



**(13) If the Group has obtained a general mandate from shareholders for Interested Person Transactions (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.**

Name of interested person	Aggregate value of all interested person transactions during FY2017 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) RMB'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) RMB'000
<b>Purchases of coal from:</b>		
Linan Huawang Reneng Co., Ltd.	51,363	-
Ningbo Daxie Deran Trading Co., Ltd.	-	1,991
<b>Construction services contracts awarded to:</b>		
Zhejiang Jinxin Construction Engineering Co., Ltd.	-	145,299
<b>Sales of goods to:</b>		
Zhejiang Jinxin Construction Engineering Co., Ltd.	4,714	-
<b>Registered capital paid up in WTE project company pursuant to entrustment agreement with:</b>		
Hangzhou Jinjiang Group Co., Ltd.	1,000	-
<b>Capital paid up in joint venture with:</b>		
Zhejiang Jinxin Construction Engineering Co., Ltd.	6,000	-
<b>Disposal of equity interest in a subsidiary to:</b>		
Zhejiang Kangrui Investment Co., Ltd.	67,200	-
	130,277	147,290
<b>Project technical and management services provided to:</b>		
Guizhou Huajin Aluminium Industry Co., Ltd.	-	4,856
Shanxi Fusheng Aluminium Industry Co., Ltd.	-	5,319
Cayman Shanxian Energy Comprehensive Utilisation Co., Ltd.	-	9,536
Guangxi Tiandong Jinsheng Chemical Engineering Co., Ltd.	-	29,617
Zhejiang Jinxin Construction Engineering Co., Ltd.	3,774	-
	3,774	49,328
<b>Energy management contracting services provided to:</b>		
Shanxi Xiaoyi Xing'an Chemical Co., Ltd.	-	235,021
Zhejiang Jiyang Thermal Power Co., Ltd.	-	66,172
Cayman Shanxian Energy Comprehensive Utilisation Co., Ltd.	-	9,818
Shanxian Jinhua Chemical Engineering Co., Ltd.	-	9,361

Name of interested person	Aggregate value of all interested person transactions during FY2017 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) RMB'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) RMB'000
Guangxi Tiandong Jinsheng Chemical Engineering Co., Ltd.	-	1,107
	-	321,479
<b>Total</b>	<b>134,051</b>	<b>518,097</b>

**(14) Confirmation pursuant to Rule 720 (1) of the Listing Manual.**

The Company confirms that it has procured the undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

## PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

**(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.**

The Group’s reportable and operating segments are as follows:

- (1) Waste-to-energy project construction and operation
  - Comprise sales of electricity and steam, waste treatment and provision of construction services and financial income under service concession arrangements.
- (2) Project technical and management service and EMC business
  - Comprise of service income

**31 December 2017**

	<b>Waste-to-energy project construction and services RMB '000</b>	<b>Project technical and management services and EMC business RMB '000</b>	<b>Total RMB '000</b>
<b>Segment revenue</b>			
External revenue	2,324,002	391,074	2,715,076
Inter-segment revenue	-	53,768	53,768
	2,324,002	444,842	2,768,844
Elimination	-	(53,768)	(53,768)
<b>Revenue</b>	<b>2,324,002</b>	<b>391,074</b>	<b>2,715,076</b>
<b>Segment profit</b>	<b>746,069</b>	<b>288,553</b>	<b>1,034,622</b>
Government grants and VAT refund	45,556	883	46,439
Other income (expense)			73,159
Administrative expenses			(200,456)
Finance costs			(202,187)
Share of loss of a joint venture			(904)
Gain on disposal of subsidiary			68,527
<b>Profit before tax</b>			<b>819,200</b>
<b>Assets and Liabilities</b>			
Segment assets	10,621,127	275,815	10,896,942
Unallocated			1,847,348
Consolidated total assets			12,744,290
Segment liabilities	7,243,115	58,178	7,301,293
Unallocated			551,804
Consolidated total liabilities			7,853,097
<b>Other segment information</b>			
Depreciation and amortisation	330,014	37,667	367,681
Additions to non-current assets	2,565,225	31,377	2,596,602

	<b>Waste-to-energy project construction and services RMB '000</b>	<b>Project technical and management services and EMC business RMB '000</b>	<b>Total RMB '000</b>
<b>Segment revenue</b>			
External revenue	2,348,571	283,317	2,631,888
Inter-segment revenue	-	59,410	59,410
	2,348,571	342,727	2,691,298
Elimination	-	(59,410)	(59,410)
<b>Revenue</b>	<b>2,348,571</b>	<b>283,317</b>	<b>2,631,888</b>
<b>Segment profit</b>			
Government grants	828,464	220,941	1,049,405
Other income (expense)	160,925	327	161,252
Administrative expenses			(15,538)
Finance costs			(205,402)
<b>Profit before tax</b>			<b>(159,731)</b>
			<b>829,986</b>
<b>Assets and Liabilities</b>			
Segment assets	8,475,644	288,456	8,764,100
Unallocated			965,727
Consolidated total assets			<b>9,729,827</b>
Segment liabilities	4,335,306	61,808	4,397,114
Unallocated			741,408
Consolidated total liabilities			<b>5,138,522</b>
<b>Other segment information</b>			
	<b>Waste-to-energy project construction and services RMB '000</b>	<b>Project technical and management services and EMC business RMB '000</b>	<b>Total RMB '000</b>
Depreciation and amortisation	288,695	27,788	316,483
Additions to non-current assets	1,405,907	31,377	1,437,284

**Geographical information**

Most of the Group's revenue is generated from sales and the provision of services in the PRC based on where products are sold or services are rendered, and most of the Group's identifiable assets and liabilities are located in the PRC.

**Information about major customers**

- (1) Waste-to-energy project construction and operation  
In 2017 and 2016, no single customer accounted for 10% or more of the Group's revenue.
- (2) Project technical and management service and EMC business  
In 2017 and 2016, no single customer accounted for 10% or more of the Group's revenue.

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

Please refer to notes 8 and 15.

(17) A breakdown of sales as follows:-

	Group 31 Dec 2017 RMB '000	Group 31 Dec 2016 RMB '000	% Increase / (Decrease)
(a) Sales reported for first half	1,276,033	1,195,519	6.7%
(b) Operating profit after tax before deducting minority interests reported for first half year	294,507	278,031	5.9%
(c) Sales reported for second half	1,439,043	1,436,369	0.2%
(d) Operating profit after tax before deducting minority interests reported for second half year	297,276	311,932	-4.7%

(18) A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

	31 Dec 2017 SGD	31 Dec 2016 SGD
Ordinary	62,300,631.00	61,449,622.10
Preference	Nil	Nil
	62,300,631.00	61,449,622.10

(19) 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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholders	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
王元玲 (Wang Yuenling)	72	Sister of Wang Yuanluo	Position: Senior Administrative Manager for Gevin Limited and Prime Gain Investments Limited  Duties: To manage the administrative affairs, provide administrative support and other adhoc duties.  Appointed on 16 November 2016	NA

			Position: Managing Director and for Gevin Limited and Prime Gain Investments Limited	
			Duties include:	
			1) Manage internal resources and liaise with third parties to ensure the implementation of the project	
陈志雄 (Chen Zhixiong)	72	Brother in law of Wang Yuanluo	2) Establish and maintain business relations with third parties	NA
			3) Execute project risk management to minimize project risk	
			4) Maintain project documentation	
			5) Ensure that all projects are completed within the specified time, scope and budget	
			Appointed on 16 November 2016	

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**BY ORDER OF THE BOARD**

Wang Yuanluo  
Non-Executive, Non-Independent Chairman

28 February 2018

China International Capital Corporation (Singapore) Pte. Limited was the sole issue manager, global coordinator, bookrunner and underwriter (the “**Sole Issue Manager, Global Coordinator, Bookrunner and Underwriter**”) for the initial public offering of China Jinjiang Environment Holding Company Limited. The Sole Issue Manager, Global Coordinator, Bookrunner and Underwriter assumes no responsibility for the contents of this announcement.