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SIIC ENVIRONMENT HOLDINGS LTD.

上海實業環境控股有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong stock code: 807)

(Singapore stock code: BHK)

Unaudited Financial Statements and Dividend Announcement for the Third Quarter and Nine Months ended 30 September 2019

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

This results announcement is made in accordance to Listing Manual of the Singapore Exchange Securities Trading Limited. This results announcement contains financial information based on Singapore Financial Reporting Standards (International) and International Financial Reporting Standards, and have not been reviewed by auditors. Shareholders and public investors should be cautious trading in the shares of the Company.

By Order of the Board
SIIC Environment Holdings Ltd.
Mr. Xu Xiaobing
Executive Director

Hong Kong, 6 November 2019

As at the date of this announcement, the non-executive Chairman is Mr. Zhou Jun; the executive Directors are Mr. Feng Jun, Mr. Huang Hanguang, Mr. Zhao Youmin, Mr. Xu Xiaobing and Mr. Xu Zhan; and the independent non-executive Directors are Mr. Yeo Guat Kwang, Mr. An Hongjun and Mr. Zhong Ming.

** For identification purpose only*



SIIC ENVIRONMENT HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200210042R)

Unaudited Financial Statements and Dividend
Announcement for the Third Quarter and Nine Months
ended 30 September 2019

6 November 2019

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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 THIRD QUARTER ("3QFY2019") AND NINE MONTHS ("9MFY2019) ENDED 30 SEPTEMBER 2019

	Note	Group					
		3 Months Ended		Changes	9 Months Ended		Changes
		30.9.19	30.9.18		30.9.19	30.9.18	
		RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	8(A)	1,571,242	1,073,940	46.3	4,493,021	3,924,862	14.5
Cost of sales		(1,058,900)	(698,028)	51.7	(3,053,295)	(2,744,676)	11.2
Gross profit	8(B)	512,342	375,912	36.3	1,439,726	1,180,186	22.0
Other income	8(C)	51,072	45,988	11.1	172,528	176,531	(2.3)
Other gains and losses	8(C)	(1,931)	5,850	N.M.	(2,331)	6,607	N.M.
Selling and distribution costs	8(D)	(19,325)	(17,985)	7.5	(54,442)	(54,355)	0.2
Administrative expenses	8(E)	(112,065)	(86,358)	29.8	(324,536)	(295,067)	10.0
Finance expenses	8(F)	(181,478)	(157,158)	15.5	(506,470)	(420,988)	20.3
Share of results of joint ventures	8(G)	10,906	12,870	(15.3)	34,274	41,309	(17.0)
Share of results of associates	8(G)	(4,612)	(691)	567.4	(5,401)	(2,095)	157.8
Profit before tax	(i),8(H)	254,909	178,428	42.9	753,348	632,128	19.2
Income tax expense	(ii)	(63,452)	(45,990)	38.0	(188,337)	(159,100)	18.4
Profit for the period		191,457	132,438	44.6	565,011	473,028	19.4
Other comprehensive (loss)/ income:							
<i>Items that will not be reclassified to profit or loss:</i>							
Exchange difference arising from translation		(67,919)	(33,286)	104.0	(61,343)	(57,618)	6.5
Fair value change on investments in equity instruments designated as at FVTOCI		(150)	-	N.M.	(2,718)	-	N.M.
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences arising from translation of foreign operations		(10,486)	(13,733)	(23.6)	(16,308)	(6,805)	139.6
Total comprehensive income for the period		112,902	85,419	32.2	484,642	408,605	18.6
Profit for the period attributable to:							
Owners of the Company		150,011	114,254	31.3	450,194	369,854	21.7
Non-controlling interests		41,446	18,184	127.9	114,817	103,174	11.3
		191,457	132,438	44.6	565,011	473,028	19.4
Total comprehensive income attributable to:							
Owners of the Company		71,456	67,235	6.3	369,825	305,431	21.1
Non-controlling interests		41,446	18,184	127.9	114,817	103,174	11.3
		112,902	85,419	32.2	484,642	408,605	18.6

N.M. – Not Meaningful

Notes:

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

	3 Months Ended		9 Months Ended	
	30.9.19	30.9.18	30.9.19	30.9.18
	RMB'000	RMB'000	RMB'000	RMB'000
Amortisation of intangible assets (Note H)	72,538	66,635	213,594	202,319
Amortisation of land use rights	77	67	218	203
Depreciation of property, plant and equipment	8,638	8,278	26,492	22,756
Loss/(Gain) on disposal of property, plant and equipment	133	(70)	120	1,190
Foreign exchange loss/(gain), net (Note C)	1,753	(5,586)	2,645	(7,172)
Loss allowance for trade receivables, net	269	4,703	310	5,207
Reversal of loss allowance for non-trade receivables, net	-	-	-	(51)
Fair value loss/(gain) on financial assets at fair value through profit and loss	178	(264)	(314)	565

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

	3 Months Ended		9 Months Ended	
	30.9.19	30.9.18	30.9.19	30.9.18
	RMB'000	RMB'000	RMB'000	RMB'000
Under/(Over) provision of tax in respect of prior periods	(3,795)	(3,608)	1,295	(3,719)

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 30.9.19	As At 31.12.18	As At 30.9.19	As At 31.12.18
		RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Cash and cash equivalents		2,147,581	2,133,225	263,680	37,910
Pledged bank deposits		99,221	119,354	-	-
Trade and other receivables		2,439,101	2,286,958	11,831	4,667
Bills receivables		4,879	1,964	-	-
Prepayments		36,882	45,781	232	76
Inventories		126,899	121,219	-	-
Receivables under service concession arrangements		435,538	361,619	-	-
Amounts due from customers for contract work		102,234	56,553	-	-
Amounts due from subsidiaries		-	-	938,276	848,107
Amounts due from joint venture		137	137	137	137
Amounts due from associates		50,860	43,250	-	-
Financial assets at fair value through profit or loss		3,381	3,067	-	-
Assets classified as held for sale		202,390	198,434	-	-
Total current assets	8(I)	5,649,103	5,371,561	1,214,156	890,897
Non-current assets					
Financial assets at fair value through other comprehensive income		45,279	44,017	15,394	15,080
Prepayments		131,890	67,464	-	-
Receivables under service concession arrangements		17,058,786	15,484,851	-	-
Property, plant and equipment		328,011	315,635	604	927
Intangible assets		6,774,110	6,702,690	-	-
Land use rights		5,971	6,189	-	-
Long term receivables		353,253	362,528	-	-
Deferred tax assets		68,818	67,045	-	-
Investment in subsidiaries		-	-	5,734,149	5,731,030
Interest in joint ventures		530,821	736,516	340,369	557,858
Interest in associates		75,206	80,927	-	-
Goodwill on consolidation		457,241	457,241	-	-
Amounts due from associates		17,478	22,081	-	-
Total non-current assets	8(J)	25,846,864	24,347,184	6,090,516	6,304,895
Total assets		31,495,967	29,718,745	7,304,672	7,195,792
Current liabilities					
Trade and other payables		3,660,067	3,253,304	40,754	40,296
Bills payable to banks		51,339	59,070	-	-
Tax payable		94,849	126,198	-	-
Amounts due to customers for contract work		14,474	5,098	-	-
Amounts due to subsidiaries		-	-	71,262	69,926
Bank and other borrowings		4,983,535	4,285,898	847,772	691,221
Finance lease		162,466	123,194	-	-
Liabilities directly associated with assets classified as held for sale		157,794	157,665	-	-
Total current liabilities	8(K)	9,124,524	8,010,427	959,788	801,443
Non-current liabilities					
Bank and other borrowings		8,599,860	8,235,639	-	-
Finance lease		409,437	463,707	-	-
Deferred tax liabilities		1,977,314	1,890,824	-	-
Other non-current liabilities		128,159	204,478	-	-
Total non-current liabilities	8(L)	11,114,770	10,794,648	-	-
Capital, reserves and non-controlling interest					
Share capital	1(d)(ii)	5,947,420	5,951,793	5,947,420	5,951,793
Retained earnings		2,249,590	1,942,675	(40,065)	133,458
Other reserves		(118,541)	(49,672)	437,529	309,098
Equity attributable to owners of the Company		8,078,469	7,844,796	6,344,884	6,394,349
Non-controlling interests		3,178,204	3,068,874	-	-
Total equity		11,256,673	10,913,670	6,344,884	6,394,349
Total liabilities and equity		31,495,967	29,718,745	7,304,672	7,195,792

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 30.9.19 RMB'000		As at 31.12.18 RMB'000	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
3,095,211	2,102,129	2,712,387	1,755,775

Amount repayable after one year

As at 30.9.19 RMB'000		As at 31.12.18 RMB'000	
Secured/ Guaranteed	Unsecured/ Unguaranteed	Secured/ Guaranteed	Unsecured/ Unguaranteed
7,602,102	1,407,195	7,201,062	1,498,284

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 9 Months Ended	
	30.9.19	30.9.18	30.9.19	30.9.18
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit before tax	254,909	178,428	753,348	632,128
Adjustments for:				
Loss allowance for trade receivables, net	269	4,703	310	5,207
Reversal of loss allowance for non-trade receivables, net	-	-	-	(51)
Depreciation of property, plant and equipment	8,638	8,278	26,492	22,756
Amortisation of intangible assets	72,538	66,635	213,594	202,319
Amortisation of land use rights	77	67	218	203
Loss/(Gain) on disposal of property, plant and equipment	133	(70)	120	1,190
Gain on disposal of intangible assets	-	(2)	-	(2)
Finance income	(6,067)	(1,946)	(16,922)	(7,464)
Finance expenses	181,478	157,158	506,470	420,988
Share of results of associates	4,612	691	5,401	2,095
Share of results of joint ventures	(10,906)	(12,870)	(34,274)	(41,309)
Foreign exchange loss	71	494	135	249
Fair value loss/(gain) on financial assets at fair value through profit and loss	178	(264)	(314)	565
Operating cash flow before working capital changes	505,930	401,302	1,454,578	1,238,874
(Increase)/decrease in:				
Inventories	(7,696)	(4,452)	(3,183)	(18,486)
Amounts due from/to customers for contract work, net	(20,393)	(10,917)	(39,236)	(22,830)
Trade receivables, other receivables and prepayments	92,257	(43,451)	(233,118)	(313,786)
Bills receivables	(1,714)	1,069	(2,915)	6,489
Amounts due from joint ventures	738	630	916	1,241
Amounts due from associate	(1,243)	(1,148)	(3,209)	1,404
Increase/(decrease) in:				
Trade payables and other payables(inclusive of non-current liabilities)	(17,662)	153,486	304,902	493,701
Bills payable to banks	9,469	9,018	21,917	(6,923)
Cash from operating activities before service concession arrangement projects	559,686	505,537	1,500,652	1,379,684
Change in receivables under service concession arrangements (Note A)	(394,989)	(623,574)	(1,608,465)	(1,852,706)
Cash generated from (used in) operating activities after service concession arrangement projects	164,697	(118,037)	(107,813)	(473,022)
Interest received	4,988	1,754	12,468	4,578
Income tax paid	(37,470)	(21,212)	(133,361)	(86,657)
Net cash generated from (used in) operating activities	132,215	(137,495)	(228,706)	(555,101)
Cash flows from investing activities:				
Purchase of property, plant and equipment	(15,332)	(13,201)	(63,637)	(29,283)
Purchase of intangible assets, net of amount on credit terms	(54,245)	(80,017)	(286,773)	(193,174)
Increase in prepayment for property, plant and equipment and intangible assets	(7,967)	(6,695)	(5,148)	(16,423)
Proceeds from disposal of property, plant and equipment	142	126	163	177
Proceeds from disposal of intangible assets	-	2	-	2
Net cash outflow on acquisition of subsidiaries	-	-	-	(157,269)
Net cash outflow on disposal of subsidiaries	-	(2,500)	-	(2,500)
Net cash inflow on disposal of associates	-	1,250	-	1,250
Proceeds from capital reduction from joint venture	225,000	-	225,000	-

	Group		Group	
	For 3 Months Ended		For 9 Months Ended	
	30.9.19	30.9.18	30.9.19	30.9.18
	RMB'000	RMB'000	RMB'000	RMB'000
Purchase of financial assets at fair value through other comprehensive income	-	-	(3,000)	-
Dividend received from joint ventures	22,568	31,006	22,888	31,006
Net cash generated from/(used in) investing activities	170,166	(70,029)	(110,507)	(366,214)

Cash flows from financing activities:				
Proceeds from bank and other borrowings	1,045,027	1,366,092	3,308,227	2,981,376
Repayment of bank and other borrowings	(1,542,896)	(664,480)	(2,336,817)	(1,494,221)
Proceeds from finance leaseback arrangement	110,194	203,580	110,194	335,000
Repayment under finance leaseback arrangements	(63,567)	(34,383)	(123,842)	(202,239)
Interest paid	(148,459)	(133,557)	(484,403)	(388,866)
Dividend paid to equity shareholders	-	(130,773)	(131,779)	(130,773)
Dividend paid to non-controlling interest in subsidiaries	(1,470)	(973)	(6,560)	(17,293)
Contribution from non-controlling interests upon additional capital injection of a subsidiary	2,573	149,200	2,573	164,460
Acquisition of non-controlling interests in subsidiaries	-	(74,682)	-	(74,682)
Repurchase of shares	(4,373)	-	(4,373)	-
Return of capital to non-controlling interest on capital reduction of a subsidiary	(1,500)	-	(1,500)	-
Decrease/(Increase) in deposits pledged to banks	8,838	6,452	20,156	(27,083)
Net cash (used in)/generated from financing activities	(595,633)	686,476	351,876	1,145,679
Net (decrease)/increase in cash and cash equivalents	(293,252)	478,952	12,663	224,364
Cash and cash equivalents at beginning of period	2,441,487	1,151,430	2,133,225	1,402,104
Effects of exchange rate changes on the balance of cash held in foreign currencies	(654)	(3,126)	1,693	788
Cash and cash equivalents at end of period	2,147,581	1,627,256	2,147,581	1,627,256

Cash and cash equivalents at end of period				
Cash and bank balances	2,246,802	1,784,976	2,246,802	1,784,976
Less: Pledged bank deposits	(99,221)	(157,720)	(99,221)	(157,720)
Cash and cash equivalents	2,147,581	1,627,256	2,147,581	1,627,256

Note A

In accordance with the application of SFRS(I) INT 12 *Service Concession Arrangements* and SFRS(I) 1-7 *Statement of Cash Flows*, the movement in the receivables under service concession arrangements has been classified under operating activities. The movement in the receivables under service concession arrangements was mainly arising from the construction and/or purchase of new or existing water treatment facilities for 9MFY2019 and 3QFY2019 respectively.

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

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 1.1.19	5,951,793	-	1,942,675	(49,672)	296,162	(7,269)	(122,760)	(15,490)	(200,315)	7,844,796	3,068,874	10,913,670
Profit for the period	-	-	150,085	-	-	-	-	-	-	150,085	40,628	190,713
<u>Other comprehensive income</u>												
Exchange differences arising on translation	-	-	-	45,372	-	-	45,372	-	-	45,372	-	45,372
Exchange differences arising on translation of foreign operations	-	-	-	3,606	-	-	3,606	-	-	3,606	-	3,606
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	-	(1,781)	-	(1,781)	-	-	-	(1,781)	-	(1,781)
Other comprehensive income for the period, net of tax	-	-	-	47,197	-	(1,781)	48,978	-	-	47,197	-	47,197
Total comprehensive income for the period	-	-	150,085	47,197	-	(1,781)	48,978	-	-	197,282	40,628	237,910
<u>Transactions with owners recognised directly in equity</u>												
Transfer to general reserve	-	-	(11,500)	11,500	11,500	-	-	-	-	-	-	-
Total	-	-	(11,500)	11,500	11,500	-	-	-	-	-	-	-
<u>Others</u>												
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(3,480)	(3,480)
Total	-	-	-	-	-	-	-	-	-	-	(3,480)	(3,480)
Balance at 31.3.19	5,951,793	-	2,081,260	9,025	307,662	(9,050)	(73,782)	(15,490)	(200,315)	8,042,078	3,106,022	11,148,100
Profit for the period	-	-	150,098	-	-	-	-	-	-	150,098	32,743	182,841
<u>Other comprehensive loss</u>												
Exchange differences arising on translation	-	-	-	(38,796)	-	-	(38,796)	-	-	(38,796)	-	(38,796)
Exchange differences arising on translation of foreign operations	-	-	-	(9,428)	-	-	(9,428)	-	-	(9,428)	-	(9,428)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	-	(787)	-	(787)	-	-	-	(787)	-	(787)
Other comprehensive loss for the period, net of tax	-	-	-	(49,011)	-	(787)	(48,224)	-	-	(49,011)	-	(49,011)
Total comprehensive income for the period	-	-	150,098	(49,011)	-	(787)	(48,224)	-	-	101,087	32,743	133,830
<u>Others</u>												
Dividend declared to equity shareholders	-	-	(131,779)	-	-	-	-	-	-	(131,779)	-	(131,779)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,610)	(1,610)
Total	-	-	(131,779)	-	-	-	-	-	-	(131,779)	(1,610)	(133,389)
Balance at 30.6.19	5,951,793	-	2,099,579	(39,986)	307,662	(9,837)	(122,006)	(15,490)	(200,315)	8,011,386	3,137,155	11,148,541

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 30.6.19	5,951,793	-	2,099,579	(39,986)	307,662	(9,837)	(122,006)	(15,490)	(200,315)	8,011,386	3,137,155	11,148,541
Profit for the period	-	-	150,011	-	-	-	-	-	-	150,011	41,446	191,457
<u>Other comprehensive loss</u>												
Exchange differences arising on translation	-	-	-	(67,919)	-	-	(67,919)	-	-	(67,919)	-	(67,919)
Exchange differences arising on translation of foreign operations	-	-	-	(10,486)	-	-	(10,486)	-	-	(10,486)	-	(10,486)
Fair value change on investments in equity instruments designated as at FVTOCI	-	-	-	(150)	-	(150)	-	-	-	(150)	-	(150)
Other comprehensive loss for the period, net of tax	-	-	-	(78,555)	-	(150)	(78,405)	-	-	(78,555)	-	(78,555)
Total comprehensive income for the period	-	-	150,011	(78,555)	-	(150)	(78,405)	-	-	71,456	41,446	112,902
<u>Others</u>												
Repurchased and cancelled shares	(4,373)	-	-	-	-	-	-	-	-	(4,373)	-	(4,373)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,470)	(1,470)
Contribution from non-controlling interests upon additional capital injection of a subsidiary	-	-	-	-	-	-	-	-	-	-	2,573	2,573
Return of capital to non-controlling interest on capital reduction of a subsidiary	-	-	-	-	-	-	-	-	-	-	(1,500)	(1,500)
Total	(4,373)	-	150,011	(78,555)	-	-	-	-	-	67,083	41,049	108,132
Balance at 30.9.19	5,947,420	-	2,249,590	(118,541)	307,662	(9,987)	(200,411)	(15,490)	(200,315)	8,078,469	3,178,204	11,256,673

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 1.1.18	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
Profit for the period	-	-	101,865	-	-	-	-	-	-	101,865	44,880	146,745
Other comprehensive income												
Exchange differences arising on translation	-	-	-	55,434	-	-	55,434	-	-	55,434	-	55,434
Exchange differences arising on translation of foreign operations	-	-	-	(10,337)	-	-	(10,337)	-	-	(10,337)	-	(10,337)
Other comprehensive income for the period, net of tax	-	-	-	45,097	-	-	45,097	-	-	45,097	-	45,097
Total comprehensive income for the period	-	-	101,865	45,097	-	-	45,097	-	-	146,962	44,880	191,842
Transactions with owners recognised directly in equity												
Transfer to general reserve	-	-	(4,365)	4,365	4,365	-	-	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	75,980	75,980
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	-	-	-	-	-	-	-	15,260	15,260
Cancellation of treasury shares	(96)	96	-	-	-	-	-	-	-	-	-	-
Total	(96)	96	(4,365)	4,365	4,365	-	-	-	-	-	91,240	91,240
Others												
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(16,320)	(16,320)
Total	-	-	-	-	-	-	-	-	-	-	(16,320)	(16,320)
Balance at 31.3.18	5,951,793	-	1,689,379	18,687	241,859	-	(2,603)	(20,254)	(200,315)	7,659,859	2,850,494	10,510,353
Profit for the period	-	-	153,735	-	-	-	-	-	-	153,735	40,110	193,845
Other comprehensive loss												
Exchange differences arising on translation	-	-	-	(79,766)	-	-	(79,766)	-	-	(79,766)	-	(79,766)
Exchange differences arising on translation of foreign operations	-	-	-	17,265	-	-	17,265	-	-	17,265	-	17,265
Other comprehensive loss for the period, net of tax	-	-	-	(62,501)	-	-	(62,501)	-	-	(62,501)	-	(62,501)
Total comprehensive income for the period	-	-	153,735	(62,501)	-	-	(62,501)	-	-	91,234	40,110	131,344
Balance at 30.6.18	5,951,793	-	1,843,114	(43,814)	241,859	-	(65,104)	(20,254)	(200,315)	7,751,093	2,890,604	10,641,697

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 30.6.18	5,951,793	-	1,843,114	(43,814)	241,859	-	(65,104)	(20,254)	(200,315)	7,751,093	2,890,604	10,641,697
Profit for the period	-	-	114,254	-	-	-	-	-	-	114,254	18,184	132,438
<u>Other comprehensive loss</u>												
Exchange differences arising on translation	-	-	-	(33,286)	-	-	(33,286)	-	-	(33,286)	-	(33,286)
Exchange differences arising on translation of foreign operations	-	-	-	(13,733)	-	-	(13,733)	-	-	(13,733)	-	(13,733)
Other comprehensive loss for the period, net of tax	-	-	-	(47,019)	-	-	(47,019)	-	-	(47,019)	-	(47,019)
Total comprehensive income for the period	-	-	114,254	(47,019)	-	-	(47,019)	-	-	67,235	18,184	85,419
<u>Transactions with owners recognised directly in equity</u>												
Transfer to general reserve	-	-	191	(191)	(191)	-	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(2,500)	(2,500)
Non-controlling interest upon proportional capital injection in a subsidiary	-	-	-	-	-	-	-	-	-	-	149,200	149,200
Acquisition of non-controlling interests	-	-	-	4,764	-	-	-	4,764	-	4,764	(79,446)	(74,682)
Total	-	-	191	4,573	(191)	-	-	4,764	-	4,764	67,254	72,018
<u>Others</u>												
Dividend declared to equity shareholders	-	-	(130,773)	-	-	-	-	-	-	(130,773)	-	(130,773)
Dividend declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(973)	(973)
Total	-	-	(130,773)	-	-	-	-	-	-	(130,773)	(973)	(131,746)
Balance at 30.9.18	5,951,793	-	1,826,786	(86,260)	241,668	-	(112,123)	(15,490)	(200,315)	7,692,319	2,975,069	10,667,388

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 1.1.19	5,951,793	-	133,458	309,098	6,394,349
Loss for the period	-	-	(3,210)	-	(3,210)
<u>Other comprehensive loss</u>					
Exchange differences arising on translation, net of tax	-	-	-	(120,263)	(120,263)
Other comprehensive loss for the period, net of tax	-	-	-	(120,263)	(120,263)
Total comprehensive loss for the period	-	-	(3,210)	(120,263)	(123,473)
Balance at 31.3.19	5,951,793	-	130,248	188,835	6,270,876
Loss for the period	-	-	(32,123)	-	(32,123)
<u>Other comprehensive income</u>					
Exchange differences arising on translation, net of tax	-	-	-	153,483	153,483
Other comprehensive income for the period, net of tax	-	-	-	153,483	153,483
Total comprehensive income for the period	-	-	(32,123)	153,483	121,360
<u>Others</u>					
Dividend declared to equity shareholders	-	-	(131,779)	-	(131,779)
Balance at 30.6.19	5,951,793	-	(33,654)	342,318	6,260,457
Loss for the period	-	-	(6,411)	-	(6,411)
<u>Other comprehensive income</u>					
Exchange differences arising on translation, net of tax	-	-	-	95,211	95,211
Other comprehensive income for the period, net of tax	-	-	-	95,211	95,211
Total comprehensive income for the period	-	-	(6,411)	95,211	88,800
<u>Others</u>					
Repurchased and cancelled shares	(4,373)	-	-	-	(4,373)
Balance at 30.9.19	5,947,420	-	(40,065)	437,529	6,344,884

* 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 1.1.18	5,951,889	(96)	(62,101)	62,283	5,951,975
Loss for the period	-	-	(45,295)	-	(45,295)
<u>Other comprehensive loss</u>					
Exchange differences arising on translation, net of tax	-	-	-	(71,170)	(71,170)
Other comprehensive loss for the period, net of tax	-	-	-	(71,170)	(71,170)
Total comprehensive loss for the period	-	-	(45,295)	(71,170)	(116,465)
Cancellation of treasury shares	(96)	96	-	-	-
Balance at 31.3.18	5,951,793	-	(107,396)	(8,887)	5,835,510
Profit for the period	-	-	140,291	-	140,291
<u>Other comprehensive income</u>					
Exchange differences arising on translation, net of tax	-	-	-	79,401	79,401
Other comprehensive income for the period, net of tax	-	-	-	79,401	79,401
Total comprehensive income for the period	-	-	140,291	79,401	219,692
Balance at 30.6.18	5,951,793	-	32,895	70,514	6,055,202
Profit for the period	-	-	98,280	-	98,280
<u>Other comprehensive income</u>					
Exchange differences arising on translation, net of tax	-	-	-	210,161	210,161
Other comprehensive income for the period, net of tax	-	-	-	210,161	210,161
Total comprehensive income for the period	-	-	98,280	210,161	308,441
<u>Other</u>					
Dividend declared to equity shareholders	-	-	(130,773)	-	(130,773)
	-	-	(130,773)	-	(130,773)
Balance at 30.9.18	5,951,793	-	402	280,675	6,232,870

* 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
<u>Issued and paid up share capital</u>		
Balance at 1 January 2019	2,606,588,726	5,951,793
Less: Share buy-back and cancelled	(3,771,000)	(4,373)
Balance at 30 September 2019	2,602,817,726	5,947,420

As at 30 September 2019, the number of ordinary shares in issue was 2,602,817,726 (30 September 2018: 2,606,588,726 ordinary 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 30 September 2019, there were no convertible securities outstanding (30 September 2018: 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 30 September 2019, there were no treasury shares held (31 December 2018: Nil). Total number of issued shares as at 30 September 2019 was 2,602,817,726 (31 December 2018: 2,606,588,726).

- 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 30 September 2019.

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 as that of the audited financial statements for the year ended 31 December 2018, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 January 2019 as follows:

SFRS(I) 16 *Leases*

The adoption of the above new and revised standards does not have any significant impact on the financial statements of the Group.

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		9 Months Ended	
	30.9.19	30.9.18	30.9.19	30.9.18
	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)	5.76	4.38	17.27	14.19
- Weighted average number of shares ('000)	2,606,427	2,606,589	2,606,533	2,606,589
(ii) On a fully diluted basis of ordinary shares (RMB cents)	5.76	4.38	17.27	14.19
- Weighted average number of shares ('000)	2,606,427	2,606,589	2,606,533	2,606,589

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 30 September 2019	310.37	243.77
As at 31 December 2018	300.96	245.31

Net asset value per share is calculated based on the number of shares in issue of 2,602,817,726 as at 30 September 2019 (31 December 2018: 2,606,588,726).

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 RMB3,924.9 million in 9MFY2018 to RMB4,493.0 million in 9MFY2019, representing an increase of 14.5%. Gross profit ("GP") has increased from RMB1,180.2 million in 9MFY2018 to RMB1,439.7 million in 9MFY2019.

Consequently, the Group's profit after tax (attributable to owners of the Company) increased from RMB369.9 million in 9MFY2018 to RMB450.2 million in 9MFY2019, representing an increase of 21.7%.

The increase was due mainly to higher water treatment and supply sales volume contributed from existing entities.

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

(A) Revenue

	3QFY2019	3QFY2018	Change	9MFY2019	9MFY2018	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Construction	625,375	303,866	105.8	1,799,215	1,712,392	5.1
Operating and maintenance income from service concession arrangements	637,821	473,794	34.6	1,718,336	1,319,710	30.2
Financial income from service concession arrangements	241,820	208,284	16.1	713,655	622,653	14.6
Service income	37,463	42,858	(12.6)	127,680	117,038	9.1
Other revenue	28,763	45,138	(36.3)	134,135	153,069	(12.4)
Total	1,571,242	1,073,940	46.3	4,493,021	3,924,862	14.5

Overall, the Group's revenue increased by RMB568.1 million or 14.5%, from RMB3,924.9 million in 9MFY2018 to RMB4,493.0 million in 9MFY2019.

Construction Revenue

Construction revenue amounted to RMB625.4 million and RMB1,799.2 million in 3QFY2019 and 9MFY2019 respectively (3QFY2018: RMB303.9 million; 9MFY2018: RMB1,712.4 million). The higher revenue was mainly due to relatively higher amount of construction activities in progress in 3QFY2019 and 9MFY2019 as compared to 3QFY2018 and 9MFY2018.

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

(A) Revenue – cont'd

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 RMB879.6 million and RMB2,432.0 million in 3QFY2019 and 9MFY2019 respectively (3QFY2018: RMB682.1 million; 9MFY2018: RMB1,942.4 million). The higher revenue was due mainly to higher water treatment and supply sales volume.

Service Income

Service income from non-service concession arrangements amounted to RMB37.5 million and RMB127.7 million in 3QFY2019 and 9MFY2019 respectively (3QFY2018: RMB42.9 million; 9MFY2018: RMB117.0 million). The movement of service income in 3Q2019 and 9MF2019 was due mainly to the fluctuation of water treatment volume from operations and maintenance projects as compared to 3QFY2018 and 9MFY2018.

Other Revenue

Other revenue amounted to RMB28.8 million and RMB134.1 million in 3QFY2019 and 9MFY2019 respectively (3QFY2018: RMB45.1 million; 9MFY2018: RMB153.1 million). The decrease was mainly due to lower volume of installation works carried out, which are ad-hoc in nature.

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

The Group's GP increased by RMB136.4 million or 36.3% from RMB375.9 million in 3QFY2018 to RMB512.3 million in 3QFY2019. Meanwhile, GP increased by RMB259.5 million or 22.0% from RMB1,180.2 million in 9MFY2018 to RMB1,439.7 million in 9MFY2019. The increase was mainly due to higher revenue from operation category achieved by the Group as explained in Note A.

GPM decreased by 2.4 percentages from 35.0% in 3QFY2018 to 32.6% in 3QFY2019. The decrease was due mainly to higher contribution from construction category during 3QFY2019. (which has a relatively lower GPM).

There is no material variance for GPM between 9MFY2018 as compared to 9MFY2019.

(C) Other Income / Other gains and losses

Other income amounted to RMB51.1 million and RMB172.5 million in 3QFY2019 and 9MFY2019 respectively (3QFY2018: RMB46.0 million; 9MFY2018: RMB176.5 million). The increase was mainly due to ad hoc maintenance work carried out in 3QFY2019 compared to 3QFY2018.

Other gains and losses decreased from a gain of RMB5.9 million in 3QFY2018 to a loss of RMB1.9 million in 3QFY2019. From 9MFY2018 to 9MFY2019, other gains and losses decreased from a gain of RMB6.6 million to a loss of RMB2.3 million. The movement in other gains and losses is due mainly to the fluctuation of foreign exchange (mainly resulting from movement of RMB against SGD) as well as fair value change from financial assets during the period.

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

(D) Selling and Distribution costs

Selling and distribution costs increased from RMB18.0 million in 3QFY2018 to RMB19.3 million in 3QFY2019. There is no material change in selling and distribution costs.

(E) Administrative Expenses

Administrative expenses increased from RMB86.4 million in 3QFY2018 to RMB112.1 million in 3QFY2019 and RMB295.1 million in 9MFY2018 to RMB324.5 million in 9MFY2019. The increase in administrative expenses was due mainly to expansion of business.

(F) Finance expenses

Finance expenses amounted RMB181.5 million in 3QFY2019 (3QFY2018: RMB157.2 million) and RMB506.5 million in 9MFY2019 (9MFY2018: RMB421.0 million). The increase in finance expenses was due mainly to new borrowings taken up.

(G) 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 joint ventures in 9MFY2019 as compared to 9MFY2018 was due mainly to lower contribution from joint ventures.

The increase in share of results of associates in 9MFY2019 as compared to 9MFY2018 was due mainly to higher contribution from joint associates.

(H) Profit before tax

Amortisation of intangible assets increased from RMB66.6 million in 3QFY2018 to RMB72.5 million in 3QFY2019 and RMB202.3 million in 9MFY2018 to RMB213.6 million in 9MFY2019. The increase was due to additions of intangible asset in 3QFY2019 and 9MFY2019.

STATEMENTS OF FINANCIAL POSITION

(I) Current Assets

Current assets as at 30 September 2019 amounted to RMB5.65 billion (31 December 2018: RMB5.37 billion). The increase was mainly due to net cash inflows during 3QFY2019 and 9MFY2019 (for detail, please refer to analysis on "Statement of cash flows" below).

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

(J) Non-current Assets

Non-current assets as at 30 September 2019 amounted to RMB25.85 billion (31 December 2018: RMB24.35 billion). The increase was due mainly to construction of certain wastewater treatment projects during 9MFY2019.

(K) Current Liabilities

Current liabilities as at 30 September 2019 amounted to RMB9.12 billion (31 December 2018: RMB8.01 billion). The increase was due mainly to (i) new borrowings taken up which are due for repayment within one year as well (ii) increase in trade and other payables as a result of the ongoing construction activities in 9MFY2019.

(L) Non-current Liabilities

Non-current liabilities as at 30 September 2019 amounted to RMB11.11 billion (31 December 2018: RMB10.79 billion). The increase was due mainly to new borrowings taken up which are due for repayment after one year.

STATEMENT OF CASH FLOWS

As at 30 September 2019, the Group's cash and cash equivalents stood at RMB2,147.6 million (31 December 2018: RMB2,133.2 million). In 9MFY2019, net cash of RMB228.7 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 was RMB1,500.7 million.

Net cash used in the Group's investing activities of RMB110.5 million in 9MFY2019 was due mainly to net cash outflow from purchase of property, plant and equipments and intangibles assets.

Net cash generated from financing activities of RMB351.9 million in 9MFY2019 was due mainly to net proceeds from bank borrowings, which is partially offset by the interest paid, net repayment of finance leaseback arrangement, 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 ("China") continues to hold a strong position on environmental protection in order to achieve notable progress in pollution control by 2020. China attaches importance to the ecological environment protection along the Yangtze River Economic Belt.

China's "Three-year Action Plan for Improving Quality and Increasing Efficiency of Municipal Wastewater Treatment (2019-2021)" has commenced implementation in a number of provinces since its introduction in April 2019, and will continue to be enforced together with local government authorities to improve efficiency of collecting and treating municipal wastewater by polishing water tariff systems and promoting other relative policies. The Action Plan for Water Pollution Prevention and Control issued by the State Council has also emphasized that existing wastewater treatment facilities should be modified or upgraded according to local situations and needs to higher discharge standards by the end of 2020. Given stricter environmental requirements and robust Governmental initiatives of improving treated discharge standards, the Group is getting orders from local governments to upgrade wastewater treatment facilities with new tariffs and new commercial terms.

In addition to water sector, China continually advocates the development in municipal solid waste ("MSW") treatment sector. Waste incineration will be the anchor in MSW sector going forward gradually taking the place of landfill, a traditional way of treating MSW. According to the "13th Five-Year Plan on the Construction of Urban Domestic Waste Treatment and Disposal Facilities," the scale of waste to energy ("WTE") facilities in China is expected to reach approximately 600,000 tonnes per day by 2020. Furthermore, 46 major cities as pilot cities in China currently launched waste sorting programs. The above-mentioned governmental policies and promotions are favorable for the Group's development in solid waste management and WTE business.

The Group is staying in line with the China's overarching direction on environment conservation. Upgrading its existing wastewater treatment facilities remains a key business focus for the Group in FY2019. Additionally, the Group will continue to expand its WTE business through acquisition and greenfield to further increase its market shares in China's environment protection industry.

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.

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

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained from shareholders.

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

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

As at to-date, the net proceeds from the 2017 Share Placement has been fully utilized.

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

We, Feng Jun and Xu Zhan, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the period ended 30 September 2019, to be false or misleading, in any material aspect.

16. Confirmation that the Issuer has Procured Undertakings from All Its Directors and Executive Officers

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

BY ORDER OF THE BOARD

Xu Xiaobing

Executive Director

6 November 2019