



雲南水務投資股份有限公司

YUNNAN WATER INVESTMENT CO., LIMITED*

(於中華人民共和國註冊成立的股份有限公司)

(a joint stock limited liability company incorporated
in the People's Republic of China)

股份代號 Stock Code : 06839

2017 INTERIM REPORT
中期報告

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BOARD OF DIRECTORS

Executive Directors

Mr. Dai Richeng (*Vice-Chairman*)
Mr. Yang Fang (*Deputy Chief Executive Officer*)

Non-executive Directors

Mr. Yang Tao (*Chairman*)
Mr. He Yuanping
Ms. Li Bo
Mr. Feng Zhuangzhi

Independent Non-executive Directors

Mr. Kwok For Chi
Mr. Hu Song
Mr. Ma Shihao

AUDIT COMMITTEE

Mr. Kwok For Chi (*Chairman*)
Mr. Hu Song
Mr. Ma Shihao

REMUNERATION COMMITTEE

Mr. Hu Song (*Chairman*)
Mr. Yang Fang
Mr. Ma Shihao

NOMINATION COMMITTEE

Mr. Yang Tao (*Chairman*)
Mr. Hu Song
Mr. Ma Shihao

董事會

執行董事

戴日成先生(*副主席*)
楊方先生(*副總裁*)

非執行董事

楊濤先生(*主席*)
何願平先生
李波女士
馮壯志先生

獨立非執行董事

郭科志先生
胡松先生
馬世豪先生

審核委員會

郭科志先生(*主席*)
胡松先生
馬世豪先生

薪酬委員會

胡松先生(*主席*)
楊方先生
馬世豪先生

提名委員會

楊濤先生(*主席*)
胡松先生
馬世豪先生

COMPLIANCE COMMITTEE

Mr. Dai Richeng (*Chairman*)
Mr. Kwok For Chi
Mr. Yang Fang
Mr. Hu Song
Mr. Ma Shihao
Ms. Yang Chuanyun (*Supervisor*)

合規委員會

戴日成先生(主席)
郭科志先生
楊方先生
胡松先生
馬世豪先生
楊川雲女士(監事)

COMPANY SECRETARY

Mr. Li Bo

公司秘書

李博先生

AUTHORIZED REPRESENTATIVES

Mr. Yang Fang
Mr. Dai Richeng

授權代表

楊方先生
戴日成先生

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

15th and 16th Floor, Block A
He Cheng International
1088 Haiyuan Zhong Road
Gaoxin District
Kunming, Yunnan
PRC

總部及中國
主要營業地址

中國
雲南昆明
高新區
海源中路 1088 號
和成國際 A 座 15、16 樓

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 5007
50/F, Central Plaza
18 Harbour Road
Wanchai, Hong Kong

香港主要營業地點

香港灣仔
港灣道 18 號
中環廣場 50 樓 5007 室

BRANCH SHARE REGISTRAR IN HONG KONG

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

香港股份過戶登記分處

卓佳證券登記有限公司
香港灣仔
皇后大道東 183 號
合和中心 22 樓

LEGAL ADVISERS

As to Hong Kong law:
Holman Fenwick Willan
15th Floor, Tower 1
Lippo Centre
89 Queensway, Admiralty, Hong Kong
Hong Kong

法律顧問

有關香港法律：
夏禮文律師行
香港
香港金鐘道 89 號
力寶中心一座 15 樓

Corporate Information

公司資料

As to PRC law:

Jia Yuan Law Offices
4th Floor Ocean Plaza
158 Fuxing Men Nei Street
Xicheng District, Beijing
PRC

COMPLIANCE ADVISER

Somerley Capital Limited
20/F, China Building
29 Queen's Road Central
Hong Kong

PRINCIPAL BANKERS

Bank of China Limited
Ping An Bank Co., Ltd.
Industrial Bank Co., Ltd.
DBS Bank (Hong Kong) Limited
The Bank of East Asia (China) Limited
Bank of Communications Co., Ltd.
China Bohai Bank Co., Ltd.
China Merchants Bank Co., Ltd.
Hang Seng Bank Limited

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central
Hong Kong

STOCK CODE

6839

COMPANY'S WEBSITE

<http://www.yunnanwater.cn>

有關中國法律：

嘉源律師事務所
中國北京
西城區
復興門內大街158號
遠洋大廈4層

合規顧問

新百利融資有限公司
香港中環
皇后大道中29號
華人行20樓

主要往來銀行

中國銀行股份有限公司
平安銀行股份有限公司
興業銀行股份有限公司
星展銀行(香港)有限公司
東亞銀行(中國)有限公司
交通銀行股份有限公司
渤海銀行股份有限公司
招商銀行股份有限公司
恒生銀行有限公司

核數師

羅兵咸永道會計師事務所
執業會計師
香港中環
太子大廈22樓

股份代號

6839

公司網址

<http://www.yunnanwater.cn>

In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings:

於本中期報告內，除文義另有所指外，下列詞彙具有以下涵義：

“associate(s)”	has the meaning ascribed to it under the Listing Rules
「聯繫人」	具有上市規則賦予該詞的涵義
“Beijing OriginWater”	Beijing OriginWater Technology Co., Ltd.* (北京碧水源科技股份有限公司), a limited liability company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 300070)
「北京碧水源」	北京碧水源科技股份有限公司，於中國註冊成立的股份有限公司，其股份在深圳證券交易所上市(股份代號：300070)
“Board” or “Board of Directors”	the board of Directors of the Company
「董事會」	本公司的董事會
“Chairman”	the chairman of the Board
「主席」	董事會主席
“Company”	Yunnan Water Investment Co., Limited* (雲南水務投資股份有限公司), a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6839)
「本公司」	雲南水務投資股份有限公司，於中國註冊成立的股份有限公司，其H股在聯交所主板上市(股份代號：6839)
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
「控股股東」	具有上市規則賦予該詞的涵義
“Corporate Governance Code”	the Corporate Governance Code and Corporate Governance Report, as set out in Appendix 14 to the Listing Rules
「企業管治守則」	上市規則附錄十四所載的企業管治守則及企業管治報告
“Director(s)”	the director(s) of the Company
「董事」	本公司董事

Definitions

釋義

“Domestic Share(s)”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are subscribed for or credited as paid up in RMB
「內資股」	以人民幣認購或列作繳足的本公司股本中每股面值人民幣 1.00 元的已發行普通股
“Group”	the Company and its subsidiaries from time to time
「本集團」	本公司及其不時的附屬公司
“H Share(s)”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are listed on the Main Board of the Stock Exchange
「H 股」	在聯交所主板上市的本公司股本中每股面值人民幣 1.00 元的已發行普通股
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
「港元」	香港法定貨幣港元
“HKFRS”	Hong Kong Financial Reporting Standards, including Hong Kong Accounting Standards and Interpretations promulgated by the Hong Kong Accounting Standard Board
「香港財務報告準則」	香港財務報告準則，包括香港會計準則及香港會計準則委員會頒佈的詮釋
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
「香港」	中國香港特別行政區
“IPO”	the initial public offering of the Company’s Shares through the Stock Exchange in May 2015
「首次公開發售」	二零一五年五月本公司股份通過聯交所首次公開發售
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
「上市規則」	聯交所證券上市規則
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
「標準守則」	上市規則附錄十所載的上市發行人董事進行證券交易的標準守則
“PRC”	the People’s Republic of China, and for the purpose of this report only, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
「中國」	中華人民共和國，僅就本報告而言，不包括香港、中華人民共和國澳門特別行政區及台灣

“Prospectus”	the prospectus of the Company dated 13 May 2015, issued in relation to the IPO and listing of H Shares on the Stock Exchange
「招股章程」	日期為二零一五年五月十三日有關首次公開發售及H股於聯交所上市的本公司招股章程
“Reporting Period”	The 6-month period from 1 January 2017 to 30 June 2017
「報告期」	由二零一七年一月一日起至二零一七年六月三十日止六個月期間
“RMB”	Renminbi, the lawful currency of the PRC
「人民幣」	中國法定貨幣人民幣
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
「證券及期貨條例」	香港法例第571章《證券及期貨條例》
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including the H Shares and the Domestic Shares
「股份」	本公司股本中每股面值人民幣1.00元的普通股，包括H股及內資股
“Shareholder(s)”	holder(s) of the Share(s)
「股東」	股份持有人
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
「聯交所」	香港聯合交易所有限公司
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
「附屬公司」	具有上市規則賦予該詞的涵義
“Supervisor(s)”	supervisor(s) of the Company
「監事」	本公司的監事
“YMCI”	Yunnan Metropolitan Construction Investment Co., Ltd.* (雲南省城市建設投資集團有限公司), a limited liability company incorporated in the PRC and is the sole shareholder of Yunnan Province Water, the Company’s controlling shareholder
「雲南城投集團」	雲南省城市建設投資集團有限公司，於中國註冊成立的有限責任公司及雲南省水務的唯一股東，為本公司控股股東
“Yunnan Province Water”	Yunnan Province Water Industry Investment Co., Ltd.* (雲南省水務產業投資有限公司), a limited liability company incorporated in the PRC
「雲南省水務」	雲南省水務產業投資有限公司，於中國註冊成立的有限責任公司

Definitions

釋義

“Yunnan Water (Hong Kong)”	Yunnan Water (Hong Kong) Company Limited, a company incorporated in Hong Kong with limited liability, and a wholly-owned subsidiary of the Company
「雲南水務(香港)」	雲南水務(香港)股份有限公司，在香港註冊成立之有限公司，為本公司之全資附屬公司
“Yunnan Solid Waste”	Yunnan Solid Waste Investment Co., Ltd., a company established in the PRC with limited liability, and a 75% owned subsidiary of the Company
「雲南固廢」	雲南固廢投資有限公司，於中國成立的有限責任公司，為本公司持有75%權益之附屬公司
“%”	per cent
「%」	百分比
* For identification purposes only	
* 僅供識別	

Financial Highlights

財務摘要

The Board is pleased to announce the following financial highlights:

董事會欣然宣佈下列財務摘要：

Six months ended 30 June

截至六月三十日止六個月

		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	Percentage Change 百分比 變動
Revenue	收益	1,657,722	867,692	91.0%
Gross profit	毛利	413,120	277,503	48.9%
Profit before income tax	所得稅前利潤	186,322	106,643	74.7%
Profit for the period	期內利潤	155,542	89,294	74.2%
EBITDA ^(Note)	除利息、稅項、折舊及 攤銷前利潤 ^(附註)	595,035	262,500	126.7%
Profit attributable to ordinary shareholders of the Company	本公司普通股股東 應佔利潤	91,766	80,201	14.4%
Return on shareholders' equity – half year (%)	股東權益回報率 – 半年 (%)	2.51%	1.75%	43.4%
Basic earnings per share (RMB)	每股基本盈利(人民幣元)	0.077	0.067	14.9%

Note: EBITDA is the profit for the Reporting Period before deduction of finance cost-net, income taxation, depreciation and amortisation.

附註：除利息、稅項、折舊及攤銷前利潤為扣除融資成本-淨額、所得稅項、折舊及攤銷前之本報告期內利潤。

Management Discussion and Analysis

管理層討論及分析

INDUSTRY OVERVIEW

In recent years, the environmental protection industry in the PRC has been developing rapidly which is driven by various factors, such as the rapid development of ecological civilization system, tightened and strict enforcement of environmental laws and regulations, and enhanced public awareness towards energy saving and environmental protection. In 2017, enhanced monitoring from the PRC government and the introduction of new and tightened laws and regulations for the prevention and treatment of air, water and soil pollution are expected to continue to provide a platform for an intensive growth of the environmental protection industry. During the Reporting Period, the PRC government has introduced certain new environmental protection policies, for example, the Law of the PRC on Water Pollution Prevention and Control (中華人民共和國水污染防治法), the Law of the PRC on Prevention and Control of Soil Pollution (Draft) (中華人民共和國土壤污染防治法(草案)), the “13th Five-Year” Development Plan for the National Standards of Environmental Protection (國家環境保護標準「十三五」發展規劃), the Proposal on Implementation of Domestic Waste Classification System (生活垃圾分類制度實施方案), the Implementation Regulation on the Environmental Protection Tax Law of the PRC (Draft for Comment) (中華人民共和國環境保護稅法實施條例(徵求意見稿)) and the Belt and Road Ecological and Environmental Cooperation Plan (「一帶一路」生態環境保護合作規劃).

During the “13th Five-Year Plan” period, the environmental protection industry has seen an upward trend. There has been stable growth in the traditional market segments, such as rural wastewater treatment, sponge city development, river watercourse treatment, municipal wastewater treatment, sludge treatment and municipal solid waste incineration market, as well as the emergence of new market segments, such as soil remediation and sanitation.

2017 is an important year since it is the first year with the full implementation of the ecological and environmental protection plan under the “13th Five-Year Plan”. The parallel implementation and the promotion of various reforms for ecological and environmental protection and the strict enforcement of environmental laws and regulation are believed and guaranteed to provide a strong platform for realizing the phrasal objectives of environmental management and continue to drive the rapid development of the environmental protection industry.

行業概覽

近年來，受生態文明體系快速發展、從嚴從嚴執行環保法律法規及社會公眾節能環保意識提高等諸多因素推動，中國環保產業發展迅速。二零一七年，預計中國政府加強監控以及出台防治大氣、水、土壤污染的新訂及嚴格法律法規會繼續為環保產業的集約型增長提供平台。報告期內，中國政府出台若干環保新政，例如《中華人民共和國水污染防治法》、《中華人民共和國土壤污染防治法(草案)》、《國家環境保護標準「十三五」發展規劃》、《生活垃圾分類制度實施方案》、《中華人民共和國環境保護稅法實施條例(徵求意見稿)》及《「一帶一路」生態環境保護合作規劃》。

「十三五」期間，環保行業呈上升趨勢。傳統市場分部(例如農村污水治理、海綿城市、河道治理、城鎮污水處理、污泥治理及城鎮生活垃圾焚燒處理市場)出現穩定增長，新市場分部(例如土壤修復及環衛)正在興起。

二零一七年是全面實施「十三五」生態環保規劃的第一年，因此是重要一年。實施和促進生態環保領域各項改革以及嚴格執行環保法律法規等多項措施並行，相信將為實現環境治理階段性目標提供強大平台，同時也將繼續推動環保行業加快發展。

DEVELOPMENT STRATEGIES AND PROSPECT

The environmental protection market has become increasingly challenging with intensified market competition and a decline of liquidity in the market with increased interest rate. In order to deal with these challenges, on one hand, the Group has actively explored and adopted new models for centralized regional project management whereby the Group has successfully achieved synergies across different projects in different regions; on the other hand, the Group has actively broadened its financing sources both locally and internationally as well as exploring new financing method for example, the issuance of financial products and debt securities, which have become an important capital source of the Group. The Group believes that its overall liquidity structure has been stable and reasonable.

In the second half of 2017, the Group will adhere to its primary business strategy of steady development and will continue to strengthen the management of the newly acquired projects in terms of project operation, financial management and corporate governance, with the aim of generating investment return for the Group as soon as possible. Furthermore, the Group will further promote the application of centralized project management for its solid waste treatment projects and will increase its investment in the research and development of technologies relating to solid waste treatments, such as sludge carbonization and waste gasification, with a view to strengthening its core technologies and manufacturing of equipment in this area which the Company believes may serve as a new source of income for the Group and enhance the Group's overall competitiveness and profitability.

As part of its future strategic development plan, the Group plans to set up integrated platform of investment, financing and project management in Xinjiang, Shandong, Shanghai, Heilongjiang and Fujian, to integrate regional resources and to improve operational efficiency. The Company believes that with an optimized project network, the Company will be able to further achieve synergy effect and operate in a more cost-effective manner in terms of project operation, project management and financing.

發展策略及展望

在市場競爭加劇、市場資金面偏緊及利率上行的影響下，環保市場日益充滿挑戰。為了應對該等挑戰，本集團一方面積極探索及採用片區化集中項目管理的新模式，成功實現不同地區不同項目之間的協同效應。另一方面，本集團積極拓寬海內外融資渠道，探索新融資方式（例如發行金融產品及債券），現已成為本集團的重要資金來源。本集團認為其整體債務結構穩定合理。

二零一七年下半年，本集團將秉承穩健發展的首要業務目標，繼續從項目運營、財務管理及企業管治等方面加大對新收購項目的管理力度，從而盡快為本集團帶來投資回報。另外，本集團將進一步推進對固廢處理項目的集中化管理，並將增加對污泥碳化、垃圾氣化等固廢處理技術研發的投入，以期加強該領域的核心技術及裝備製造，本公司認為該領域可作為本集團新的收入來源並提高本集團的整體競爭力和盈利能力。

作為未來戰略發展計劃的一部分，本集團計劃在新疆、山東、上海、黑龍江、福建等地區設立集投資、融資及項目管理為一體的平台公司，整合區域資源，提高運營效力。本公司相信，憑藉優化後的項目網絡，本公司將能夠進一步實現協同效應，並在項目運營、項目管理及融資方面以更具成本效益的方式運營。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group is one of the leading municipal environment integrated services providers in the PRC. The Group mainly adopts the Build-Operate-Transfer (“**BOT**”), Build-Own-Operate (“**BOO**”), Transfer-Own-Operate (“**TOO**”), Transfer-Operate-Transfer (“**TOT**”), Build and Transfer (“**BT**”), Engineering-Procurement-Construction (“**EPC**”), Operation and Maintenance (“**O&M**”) and Public-Private-Partnership (“**PPP**”) project models to provide customized and integrated turnkey solutions for water supply, wastewater treatment and solid waste treatment as well as the comprehensive treatment of urban environment (which includes watercourse treatment, black and odorous water treatment, reservoir work and etc.) to customers. The Group’s businesses are principally carried out in the PRC and Southeast Asian countries. The Group’s principal businesses comprise five major segments, namely, wastewater treatment, water supply, solid waste treatment, construction and sales of equipment, and others.

As at 30 June 2017, the Group’s relevant water projects (including all water related projects under the following wastewater treatment, water supply and others segments) had a total daily treatment capacity of approximately 3,874,000 tonnes, representing an increase of approximately 47.1% as compared to the total daily treatment capacity of 2,634,000 tonnes as at 31 December 2016. As at 30 June 2017, the Group’s relevant solid waste treatment projects (including all solid waste treatment related projects under the following solid waste treatment and others segments) had a total annual solid waste treatment capacity of approximately 1,454,000 tonnes, representing an increase of approximately 7.7% as compared to the total annual capacity of 1,350,000 tonnes as at 31 December 2016.

Wastewater Treatment Projects

As at 30 June 2017, the Group had a total of 85 concession wastewater treatment projects under construction and in operation, including 5 BOO projects, 62 BOT projects, 2 TOO projects and 16 TOT projects, with a total daily wastewater treatment capacity of 2,038,000 tonnes, representing an addition of 14 BOT projects and 4 TOT projects, and an increase in the total daily wastewater treatment capacity of 659,000 tonnes or a growth rate of approximately 47.8% as compared with 31 December 2016.

業務回顧

本集團為中國領先的城市環境綜合服務商之一。本集團主要採用建設－營運－移交(「**BOT**」)、建設－擁有－營運(「**BOO**」)、移交－擁有－營運(「**TOO**」)、移交－營運－移交(「**TOT**」)、建設及移交(「**BT**」)、設計－採購－施工(「**EPC**」)、營運及維護(「**O&M**」)及政府與社會資本合作模式(「**PPP**」)等項目模式，向客戶提供訂製及綜合的供水、污水處理、固廢處理及城市環境綜合整治服務(包括河道整治、黑臭水體治理、水庫工程等)。本集團的業務主要在中國境內及東南亞國家開展，主營業務包括五個主要分部，即污水處理、供水、固廢處理、建造及設備銷售，以及其他業務。

截至二零一七年六月三十日，本集團相關水務項目(包含以下污水處理項目，供水項目及其他業務分部中的所有水務相關項目)的日處理總量約為3,874,000噸，較截至二零一六年十二月三十一日處理總量2,634,000噸增長約47.1%。截至二零一七年六月三十日，本集團相關固廢處理項目(包含以下固廢處理項目及其他業務分部中的所有固廢處理相關項目)的年固廢處理總量約為1,454,000噸，較截至二零一六年十二月三十一日年處理總量1,350,000噸增長約7.7%。

污水處理項目

截至二零一七年六月三十日，本集團在建和運營的特許經營污水處理項目共85個，包括5個BOO項目、62個BOT項目、2個TOO項目及16個TOT項目，日污水總處理量為2,038,000噸，較截至二零一六年十二月三十一日新增14個BOT項目以及4個TOT項目，日污水總處理量增加659,000噸，增加率約為47.8%。

As at 30 June 2017, 71 concession projects had commenced commercial operation with a total daily wastewater treatment capacity of 1,629,000 tonnes, representing an addition of 9 BOT projects and 4 TOT projects and an increase in the total daily wastewater treatment capacity of 505,000 tonnes as compared with 31 December 2016. During the Reporting Period, the Group's effective wastewater treatment utilization rate was approximately 74.0%, and the average unit charge of wastewater treatment was approximately RMB1.24 per tonne.

As at 30 June 2017, 14 concession projects had not commenced commercial operation with a total daily wastewater treatment capacity of 409,000 tonnes, representing an addition of 5 BOT projects and an increase in the total daily wastewater treatment capacity of 154,000 tonnes as compared with 31 December 2016.

Water Supply Projects

As at 30 June 2017, the Group had a total of 47 concession water supply projects, including 14 BOO projects, 21 BOT projects and 12 TOT projects, with a total daily capacity of 1,547,000 tonnes, representing an addition of 12 BOT projects and 4 TOT projects, and an increase in the total daily capacity of 531,000 tonnes or a growth rate of approximately 52.3% as compared with 31 December 2016.

As at 30 June 2017, 33 concession projects with a total daily capacity of 1,155,000 tonnes had commenced commercial operation, representing an addition of 9 BOT projects, 3 TOT projects and 1 BOO project and an increase in the total daily capacity of 480,000 tonnes as compared with 31 December 2016. During the Reporting Period, the Group's effective water supply utilization rate was approximately 70.3%, and the average unit charge of water supply was approximately RMB 2.33 per tonne.

As at 30 June 2017, 14 concession projects with a total daily capacity of approximately 392,000 tonnes had not commenced commercial operation, representing an addition of 3 BOT projects and 1 TOT project and an increase in the total daily capacity of approximately 61,000 tonnes as compared with 31 December 2016. During the Reporting Period, 1 BOO project had commenced commercial operation with a total daily capacity of 10,000 tonnes.

截至二零一七年六月三十日，71個特許經營項目已投入商業運營，日污水總處理量為1,629,000噸，較截至二零一六年十二月三十一日新增9個BOT項目以及4個TOT項目，日污水總處理量增加505,000噸。於報告期內，本集團的實際污水處理利用率約為74.0%，平均污水處理收費單價約為每噸人民幣1.24元。

截至二零一七年六月三十日，日污水總處理量為409,000噸的14個特許經營項目尚未投入商業運營，較截至二零一六年十二月三十一日新增5個BOT項目，日污水總處理量增加154,000噸。

供水項目

截至二零一七年六月三十日，本集團擁有47個供水特許經營項目，其中包括14個BOO項目，21個BOT項目及12個TOT項目，日處理總量為1,547,000噸，較截至二零一六年十二月三十一日新增12個BOT項目以及4個TOT項目，日處理總量增加531,000噸，增加率約為52.3%。

截至二零一七年六月三十日，日處理總量約1,155,000噸的33個特許經營項目已投入商業運營，較截至二零一六年十二月三十一日新增9個BOT項目、3個TOT項目及1個BOO項目，日處理總量增加480,000噸。於報告期內，本集團的實際供水利用率約為70.3%，平均供水收費單價約為每噸人民幣2.33元。

截至二零一七年六月三十日，日處理總量約392,000噸的14個特許經營項目尚未投入商業運營，較截至二零一六年十二月三十一日新增3個BOT項目及1個TOT項目，日處理總量增加約61,000噸。於報告期內，日處理總量為10,000噸的1個BOO項目已投入商業運營。

Management Discussion and Analysis

管理層討論及分析

Solid Waste Treatment Projects

As at 30 June 2017, the Group had 9 solid waste treatment projects with a total annual treatment capacity of 1,308,000 tonnes, among which 6 of them with an annual treatment capacity of 729,000 tonnes had commenced commercial operation and 3 of them with an annual treatment capacity of 579,000 tonnes were pending for operation. As compared with 31 December 2016, 2 additional solid waste treatment projects were pending for operation and the total annual treatment capacity increased by 323,000 tonnes. During the Reporting Period, the Group's effective solid waste treatment utilization rate was approximately 91.0%.

PPP Projects

The Group has been actively capturing opportunities brought upon by the PPP projects introduced by the Chinese government and carried out PPP projects since 2016. As at 30 June 2017, the Group had been awarded tenders of five main PPP projects, including "Erhai main river inflow watercourse comprehensive treatment" in Dali city, Yunnan Province, "Comprehensive utilization of water resources and integration of urban and rural sanitation" in Luoyuan County, Fujian Province and "Environment upgrade and ecological restoration works for Yanjin Lake within Chishui river areas" in Renhuai City, Guizhou Province. The total investment amount of the above-mentioned PPP projects was approximately RMB6.6 billion, with business involving water treatment, solid waste treatment, watercourse comprehensive treatment and reservoir building, etc..

Construction and Sales of Equipment

The Group's construction and sales of equipment segment comprises BT projects, EPC projects and sales of equipment. As at 30 June 2017, the Group had a total of 11 BT projects, which were either under construction and/or completed, among which the income of 10 BT projects were recognized during the Reporting Period.

During the Reporting Period, the Group had a total of 9 EPC projects, representing an addition of 2 EPC projects as compared with 31 December 2016.

The Group engages in the production, sales and installation of equipment for wastewater treatment, water supply and solid waste treatment facilities. The major category of water treatment equipment in the Group's production is membrane products. All of the membrane products are produced by the own plant of the Group.

固廢處理項目

截至二零一七年六月三十日，本集團擁有9個固廢處理項目，年處理總量為1,308,000噸，其中年處理量為729,000噸的6個項目已經投入商業運營，年處理量為579,000噸的3個項目有待投入商業運營。較截至二零一六年十二月三十一日新增2個待投入商業運營的固廢處理項目，年處理總量增加323,000噸。於報告期內，本集團的實際固廢處理利用率約為91.0%。

PPP項目

本集團自二零一六年以來緊抓國家大力推行PPP模式的契機，積極開展PPP項目。截至二零一七年六月三十日，本集團先後中標雲南省大理市洱海主要入湖河道綜合治理工程、福建省羅源縣水資源綜合利用及城鄉環衛一體化項目、貴州省仁懷市赤水河流域鹽津湖環境整治與生態修復工程等五個主要PPP項目，總投資額約人民幣66億元，業務覆蓋水治理、固廢處理、河道綜合治理、水庫建設等多個方面。

建造及設備銷售

本集團的建造及設備銷售分部包括BT項目、EPC項目及設備銷售。截至二零一七年六月三十日，本集團在建設及／或已完工的BT項目共11個，其中於報告期內確認收益的BT項目共10個。

於報告期內，本集團EPC項目共9個，較二零一六年十二月三十一日新增2個EPC項目。

本集團生產、銷售及安裝污水處理、供水設備及固廢處理設施，本集團所生產的水務設備的主要類別為膜產品。全部膜產品均由本集團自有工廠生產。

Others

During the Reporting Period, the Group also undertook O&M projects for wastewater treatment, water supply and solid waste treatment facilities owned by third parties, as well as the provision of technical and consultancy services in relation to environmental protection projects. As at 30 June 2017, the Group had 27 O&M projects, including 25 wastewater treatment projects with a daily wastewater treatment capacity of approximately 284,000 tonnes, 1 water supply project with a daily capacity of approximately 5,000 tonnes and 1 solid waste treatment project with an annual treatment capacity of approximately 146,000 tonnes, representing an addition of 1 wastewater treatment O&M project, and an increase in the daily capacity of 50,000 tonnes as compared with 31 December 2016. During the Reporting Period, an O&M agreement of a solid waste treatment project with an annual treatment capacity of approximately 219,000 tonnes was terminated.

FINANCIAL REVIEW

Results of Operation

During the Reporting Period, the Group recorded a revenue of approximately RMB1,657.7 million, representing a year-on-year increase of 91.0% as compared with the corresponding period in 2016. During the Reporting Period, the Group realized a net profit of approximately RMB155.5 million, representing a year-on-year increase of 74.1% as compared with the corresponding period in 2016. Profit attributable to the ordinary shareholders of the Company was approximately RMB91.8 million, representing a year-on-year increase of 14.5% as compared with the corresponding period in 2016. Earnings per share for the six months ended 30 June 2017 was approximately RMB0.077.

Revenue

Revenue of the Group increased from approximately RMB867.7 million for the six months ended 30 June 2016 to approximately RMB1,657.7 million for the Reporting Period, representing an increase of approximately 91.0%.

其他

本集團在報告期內也就第三方擁有的污水處理、供水及固廢處理設施開展O&M項目，並提供了與環境保護項目相關的技術及諮詢服務。截至二零一七年六月三十日，本集團擁有27個O&M項目，其中25個每日污水處理量約為284,000噸的污水處理項目，1個每日規模約為5,000噸的供水項目，1個年處理能力約為146,000噸的固廢處理項目，較二零一六年十二月三十一日新增1個污水處理O&M項目，每日規模增加50,000噸。於報告期內，1個年處理能力約為219,000噸的固廢處理O&M項目協議到期終止。

財務回顧

經營成果

本集團於報告期內錄得收益約人民幣1,657.7百萬元，與二零一六年同期相比增幅為91.0%。本集團報告期內實現淨溢利約人民幣155.5百萬元，與二零一六年同期相比增幅為74.1%。本公司普通股股東應佔溢利約為人民幣91.8百萬元，與二零一六年同期相比增幅為14.5%。截至二零一七年六月三十日止六個月的每股盈利約為人民幣0.077元。

收益

本集團的收益由截至二零一六年六月三十日止六個月約人民幣867.7百萬元增長至報告期內約人民幣1,657.7百萬元，增幅約91.0%。

Management Discussion and Analysis

管理層討論及分析

In respect of the business segments of the Group, revenue from the wastewater treatment business segment increased by approximately 136.6% from approximately RMB252.2 million for the six months ended 30 June 2016 to approximately RMB596.8 million for the Reporting Period. Revenue from the water supply segment increased by approximately 100.5% from approximately RMB309.3 million for the six months ended 30 June 2016 to approximately RMB620.2 million for the Reporting Period. Revenue from solid waste treatment business segment increased by approximately 119.8% from RMB108.5 million for the six months ended 30 June 2016 to approximately RMB238.5 million for the Reporting Period. Revenue from construction and sales of equipment business segment increased by approximately 7.2% from approximately RMB166.0 million for the six months ended 30 June 2016 to approximately RMB178.0 million for the Reporting Period. Revenue from other business decreased by approximately 23.7% from approximately RMB31.7 million for the six months ended 30 June 2016 to approximately RMB24.2 million for the Reporting Period.

The increase in revenue from the wastewater treatment business segment was mainly attributable to (i) an increase in construction revenue generated by certain wastewater treatment projects under construction; and (ii) the commencement of commercial operation of certain wastewater treatment projects newly acquired by the Group in the second half of 2016 and in the first half of 2017.

The increase in revenue from the water supply business segment was mainly attributable to (i) the increase in construction revenue generated by certain water supply projects under construction; and (ii) the commencement of commercial operation of certain water supply projects newly acquired by the Group in the second half of 2016 and in the first half of 2017.

The increase in revenue from the solid waste treatment business segment was mainly attributable to (i) the commencement of commercial operation of certain solid waste treatment projects acquired by the Group in the second half of 2016 which realized a half-year revenue during the Reporting Period; and (ii) the construction revenue generated by solid waste treatment projects under construction.

The increase in revenue from the construction and sales of equipment business segment was mainly attributable to (i) business expansion of EPC and sales of equipment in wastewater treatment, water supply, watershed management and solid waste treatment industries; and (ii) the increasing construction and interest income of existing BT projects under construction during the Reporting Period.

就本集團的業務分部而言，污水處理業務分部的收益由截至二零一六年六月三十日止六個月約人民幣252.2百萬元增長約136.6%至報告期約人民幣596.8百萬元。供水業務分部的收益由截至二零一六年六月三十日止六個月約人民幣309.3百萬元增長約100.5%至報告期約人民幣620.2百萬元。固廢處理業務分部的收益由截至二零一六年六月三十日止六個月約人民幣108.5百萬元增長約119.8%至報告期約人民幣238.5百萬元。建造及設備銷售業務分部的收益由截至二零一六年六月三十日止六個月約人民幣166.0百萬元增加約7.2%至報告期約人民幣178.0百萬元。其他業務的收益由截至二零一六年六月三十日止六個月約人民幣31.7百萬元減少約23.7%至報告期約人民幣24.2百萬元。

污水處理業務分部收益增加主要是由於(i)在建的若干污水處理項目所產生的建造收益增加；及(ii)本集團於二零一六年下半年及二零一七年上半年新收購的若干污水項目開始商業運營所致。

供水業務分部收益增加主要是由(i)在建的若干供水項目產生的建造收益增加；及(ii)本集團於二零一六年下半年及二零一七年上半年新收購的若干供水項目開始商業經營所致。

固廢處理業務分部收益增加主要是由於本集團於(i)二零一六年下半年收購的若干固廢處理項目開始商業運營並於報告期內實現收益；及(ii)在建的若干固廢處理項目產生的建造收益。

建造及設備銷售業務分部收益增加主要是由於(i)污水處理、供水、流域治理及固廢處理行業的EPC及設備銷售業務擴大；及(ii)報告期內在建的BT項目的建造及利息收益增加。

Cost of Sales

During the Reporting Period, the Group recorded cost of sales of approximately RMB1,244.6 million, representing a year-on-year increase of RMB654.4 million or a growth rate of approximately 110.9% as compared with approximately RMB590.2 million for the six months ended 30 June 2016. The increase was primarily due to (i) the acquisitions of certain wastewater treatment and water supply projects in the Reporting Period which resulted in an increase in operating costs; (ii) certain solid waste treatment projects acquired in the second half of 2016 recorded a half-year operation cost during the Reporting Period; and (iii) the increase in construction costs of a number of existing BT, BOT and PPP projects which entered critical construction period.

Gross Profit Margin

During the Reporting Period, gross profit margin of the Group was approximately 24.9%, representing a decrease of approximately 7.1% as compared with approximately 32.0% for the six months ended 30 June 2016. The decrease was primarily due to (i) the gross profit margins of certain newly acquired water supply and wastewater treatment projects being slightly lower than the margins of the existing water plant projects; and (ii) certain newly-operated BOO projects recording a lower gross profit margin as a result of a relatively higher depreciation and other fixed cost against a lower initial unit price and utilization rate.

Other Income

During the Reporting Period, the Group recorded other income of approximately RMB155.0 million as compared with approximately RMB44.5 million for the six months ended 30 June 2016, representing an increase of more than a double as compared to the same period ended 30 June 2016. The increase in other income during the Reporting Period was mainly attributable to the recovery of certain other receivables which had been considered as unrecoverable in previous years.

Other Gains - net

During the Reporting Period, the Group recorded other net gains of approximately RMB59.5 million, representing a substantial increase as compared with approximately RMB3.5 million for the six months ended 30 June 2016. The increase was mainly attributable to fair value gains on the remeasurement of a joint venture and an associate.

銷售成本

本集團銷售成本於報告期內錄得約人民幣1,244.6百萬元，與截至二零一六年六月三十日止六個月約人民幣590.2百萬元，同比增加人民幣654.4百萬元，增加率約110.9%。該增加主要是由於(i)報告期內收購若干污水處理及供水項目，導致運營成本增加；(ii)二零一六年下半年收購的若干固廢項目於報告期內錄得半年的運營成本；及(iii)以往年度開工若干BT，BOT和PPP項目進入大規模建設期，建設成本增加。

毛利率

於報告期內，本集團的毛利率約24.9%，較截至二零一六年六月三十日止六個月約32.0%降低約7.1%。該減少主要是由於(i)新收購的若干供水及污水處理項目的毛利率略低於已有水廠項目；及(ii)新運營的若干BOO項目折舊及其他固定成本相對較高且初始服務單價及利用率較低，導致毛利率較低。

其他收入

於報告期內，本集團錄得其他收入約人民幣155.0百萬元，而截至二零一六年六月三十日止六個月則錄得約人民幣44.5百萬元，較截至二零一六年六月三十日止同期增加上年同期的兩倍以上。其他收入增加主要是由於在報告期內收回若干以往年度預計無法收回的其他應收款所致。

其他收益淨額

於報告期內，本集團錄得其他收益淨額約人民幣59.5百萬元，與截至二零一六年六月三十日止六個月約人民幣3.5百萬元相比有較大增長。其他收益增加主要是由於重新計量一家合營企業及一家聯營公司的公允價值而產生的公允價值變動損益所致。

Management Discussion and Analysis

管理層討論及分析

Selling Expenses

During the Reporting Period, selling expenses of the Group were approximately RMB18.3 million, representing a year-on-year increase of RMB5.1 million or a growth rate of approximately 38.6% from approximately RMB13.2 million for the six months ended 30 June 2016. The increase in selling expenses was mainly due to the increase in selling expenses from newly acquired businesses in the second half of 2016 and in the first half of 2017.

Administrative Expenses

During the Reporting Period, administrative expenses of the Group were approximately RMB202.5 million, representing a year-on-year increase of RMB60.2 million or a growth rate of approximately 42.3% from approximately RMB 142.3 million for the six months ended 30 June 2016. The increase in administrative expenses was primarily due to the expansion of the Group's business by acquisitions, which resulted in an increase in expenses such as employee remuneration expenses and legal and professional fees for the acquisitions.

Finance Costs - net

Net finance costs increased by RMB152.8 million from approximately RMB63.3 million for the six months ended 30 June 2016 to approximately RMB216.1 million for the Reporting Period, representing an increase of more than a double as compared with the corresponding period ended 30 June 2016. The increase in net finance costs was primarily due to a number of additional bank borrowings and the issuance of debt securities to support the Group's business acquisitions and operation.

The average interest rate on borrowings of the Group for the Reporting Period was approximately 4.26% per annum, representing a year-on-year decrease of 0.44% as compared with 4.70% per annum for the year ended 31 December 2016. Decrease in the average borrowing rate was due to the diversified financing sources in the Reporting Period.

Profit Before Income Tax

As a result of the above factors, the Group recorded a profit before income tax of approximately RMB186.3 million for the six months ended 30 June 2017, representing an increase of approximately 74.8% as compared with approximately RMB106.6 million recorded for the six months ended 30 June 2016.

銷售開支

於報告期內，本集團的銷售開支約人民幣18.3百萬元，與截至二零一六年六月三十日止六個月約人民幣13.2百萬元，同比增加人民幣5.1百萬元，增加率約38.6%。銷售開支增加主要是由於二零一六年下半年及二零一七年上半年新收購業務銷售開支增加所致。

行政開支

於報告期內，本集團的行政開支約人民幣202.5百萬元，與截至二零一六年六月三十日止六個月約人民幣142.3百萬元，同比增加人民幣60.2百萬元，增加率約42.3%。行政開支增加主要是由於本集團業務隨著收購多項新業務而擴大導致針對收購的僱員薪酬開支、法律及專業費用等開支增加所致。

融資成本淨額

融資成本淨額由截至二零一六年六月三十日止六個月約人民幣63.3百萬元增加人民幣152.8百萬元至報告期內約人民幣216.1百萬元，較截至二零一六年六月三十日止相應期間增加兩倍以上。融資成本淨額增加主要是由於增加的銀行借款及發行債券以支持本集團的業務收購及營運所致。

本集團於報告期內平均借款利率約為每年4.26%，與截至二零一六年十二月三十一日止年度的4.70%同比減少0.44%。平均借款利率降低主要是由於報告期內融資多元化所致。

所得稅前溢利

由於上述因素，本集團截至二零一七年六月三十日止六個月錄得所得稅前溢利約人民幣186.3百萬元，相對於截至二零一六年六月三十日止六個月錄得約人民幣106.6百萬元，增幅約為74.8%。

Income Tax Expenses

Income tax expenses increased by RMB13.5 million from approximately RMB17.3 million for the six months ended 30 June 2016 to approximately RMB30.8 million for the Reporting Period, representing an increase of approximately 78.0%. The weighted average effective tax rate was approximately 16.5% (for the year ended 31 December 2016: 19.8%). The fluctuation was caused by the change in the profitability of the Group's subsidiaries in respective countries or regions applying different corporate income tax rates.

Profit and Net Profit Margin for the Reporting Period

As a result of the foregoing, profit for the Reporting Period increased by RMB66.2 million from approximately RMB89.3 million for the six months ended 30 June 2016 to approximately RMB155.5 million for the Reporting Period, representing an increase of approximately 74.1%. Net profit margin decreased from approximately 10.3% for the six months ended 30 June 2016 to approximately 9.4% for the Reporting Period.

Receivables under Service Concession Arrangements

The Group's receivables under service concession arrangements increased by RMB1,008.1 million from approximately RMB2,891.2 million as at 31 December 2016 to approximately RMB3,899.3 million as at 30 June 2017, representing an increase of approximately 34.9%. Such increase was primarily due to (i) the receivables of the wastewater and water supply concession projects newly acquired during the Reporting Period; and (ii) the additional investments on BOT projects under construction by the Group which led to an increase in receivables under the service concession arrangements.

Trade and Other Receivables and Prepayments

The Group's trade and other receivables and prepayments increased by RMB1,067.8 million from approximately RMB4,216.1 million as at 31 December 2016 to approximately RMB5,283.9 million as at 30 June 2017, representing an increase of approximately 25.3%. Such increase was primarily due to (i) an increase in trade and other receivables and prepayments from the projects acquired by the Group during the Reporting Period; (ii) a continuous increase of sales of equipment; and (iii) an increase in prepayments for ongoing construction projects.

所得稅開支

所得稅開支由截至二零一六年六月三十日止六個月約人民幣17.3百萬元增加人民幣13.5百萬元至報告期內約人民幣30.8百萬元，增幅約78.0%。加權平均有效稅率約為16.5%（截至二零一六年十二月三十一日止年度：19.8%）。波動乃由於本集團於採用不同企業所得稅率的各自國家或地區的子公司的盈利情況發生變化。

報告期內溢利及純利率

由於上述各項，報告期內溢利由截至二零一六年六月三十日止六個月約人民幣89.3百萬元增加人民幣66.2百萬元至報告期內約人民幣155.5百萬元，增幅約74.1%。純利率由截至二零一六年六月三十日止六個月約10.3%降低至報告期內約9.4%。

服務特許經營權安排下的應收款項

本集團服務特許經營權安排下的應收款項由二零一六年十二月三十一日的約人民幣2,891.2百萬元增加人民幣1,008.1百萬元至二零一七年六月三十日的約人民幣3,899.3百萬元，增幅約34.9%。增加主要是由於(i)報告期內新收購的污水及供水特許經營權項目應收款項所導致；及(ii)本集團增加對BOT在建項目投資導致應計服務特許經營安排下的應收款增加所致。

貿易及其他應收款項以及預付款項

本集團的貿易及其他應收款項以及預付款項由二零一六年十二月三十一日的約人民幣4,216.1百萬元增加人民幣1,067.8百萬元至二零一七年六月三十日的約人民幣5,283.9百萬元，增幅約25.3%。該增長主要是由於(i)報告期內本集團收購項目的貿易應收款項及其他應收款項以及預付款項增加；(ii)設備銷售的持續增加；及(iii)持續建設的在建工程的預付款增加所致。

Management Discussion and Analysis

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Cash and Cash Equivalents

The Group's total cash balance decreased by RMB116.0 million from approximately RMB4,129.9 million as at 31 December 2016 to approximately RMB4,013.9 million as at 30 June 2017, representing a slight decrease of approximately 2.8%.

Perpetual capital instruments

During the Reporting Period, the Company issued perpetual capital instruments with an aggregate proceeds of RMB1,200.0 million to a financial institution in the PRC (for the six months ended 30 June 2016: nil); and redeemed perpetual capital instruments amounted to RMB2,000.0 million from a financial institution in the PRC (for the six months ended 30 June 2016: nil). The perpetual capital instruments have no maturity date, and the payments of distribution can be deferred at the discretion of the Company. The profit attributable to the holders of perpetual capital instruments for the six months ended 30 June 2017 was approximately RMB42.6 million (for the six months ended 30 June 2016: nil).

Trade and Other Payables

The Group's trade and other payables increased by RMB902.9 million from approximately RMB2,907.6 million as at 31 December 2016 to approximately RMB3,810.5 million as at 30 June 2017, representing an increase of approximately 31.1%. Such increase was primarily due to (i) the increase in trade and other payables of the newly acquired projects; and (ii) an increase in the construction investments in BOT, PPP and BT projects.

Borrowings

As at 30 June 2017, the Group had borrowings of approximately RMB12,752.4 million (31 December 2016: approximately RMB8,298.5 million).

As at 30 June 2017, the Group had unsecured borrowings of approximately RMB9,952.4 million (31 December 2016: approximately RMB6,468.7 million), and secured borrowings of approximately RMB2,800.0 million (31 December 2016: approximately RMB1,829.8 million).

現金及現金等價物

本集團的現金結餘總額由二零一六年十二月三十一日的約人民幣4,129.9百萬元減少人民幣116.0百萬元至二零一七年六月三十日的約人民幣4,013.9百萬元，降幅約2.8%。

永久資本工具

於報告期內，本公司向中國一家金融機構發行累計發行為人民幣1,200.0百萬元之永久資本工具(截至二零一六年六月三十日止六個月：無)並向中國一家金融機構贖回永久資本工具累計償還金額為人民幣2,000.0百萬元(截至二零一六年六月三十日止六個月：無)。該永久資本工具並無期限，且分派的支付可由本公司酌情予以遞延。截至二零一七年六月三十日止六個月永久資本工具持有人應佔溢利約為人民幣42.6百萬元(截至二零一六年六月三十日止六個月：無)。

貿易及其他應付款項

本集團的貿易及其他應付款項由二零一六年十二月三十一日的約人民幣2,907.6百萬元增加人民幣902.9百萬元至二零一七年六月三十日的約人民幣3,810.5百萬元，增幅約31.1%。該增長主要是由於(i)新收購項目的貿易及其他應付款項增加；及(ii)BOT, PPP及BT項目的建造投資增加所致。

借款

截至二零一七年六月三十日，本集團借款約為人民幣12,752.4百萬元(二零一六年十二月三十一日：約人民幣8,298.5百萬元)。

截至二零一七年六月三十日，本集團的無抵押借款約為人民幣9,952.4百萬元(二零一六年十二月三十一日：約人民幣6,468.7百萬元)及有抵押的借款約為人民幣2,800.0百萬元(二零一六年十二月三十一日：約人民幣1,829.8百萬元)。

Pledge of Assets

As at 30 June 2017, the Group had borrowings of approximately RMB1,572.5 million which were secured by the Group's land use rights and shares of subsidiaries (31 December 2016: borrowings of approximately RMB688.5 million which were secured by the Group's land use rights, shares of a subsidiary and a joint venture). As at 30 June 2017, the Group had borrowings of approximately RMB1,227.5 million (31 December 2016: approximately RMB1,141.3 million) which were secured by right of charges from concession and BT projects of water supply and wastewater treatment.

Capital Commitments

The Group's capital commitments decreased by RMB1,444.3 million from approximately RMB4,683.2 million as at 31 December 2016 to approximately RMB3,238.9 million as at 30 June 2017, representing a decrease of approximately 30.8%. Such decrease was primarily due to the completion of several acquisitions during the Reporting Period.

Gearing Ratio

The Group's gearing ratio (calculated as net debt divided by total capital) increased from approximately 36.52% as at 31 December 2016 to approximately 58.52% as at 30 June 2017. The increase in gearing ratio was mainly due to the increased scale of debt financing to support the acquisitions and investments in multiple long-term operational assets during the Reporting Period.

The IPO

The H shares of the Company were listed on the Stock Exchange on 27 May 2015. After completion of the IPO, the total number of the Company's H shares was 363,713,900 (including the H shares converted from domestic shares on a one-for-one basis). The proceeds from the IPO after deducting the relevant listing expenses were approximately HK\$1,739 million. The utilization of the proceeds is in line with the information as disclosed in the prospectus of the Company dated 13 May 2015. As at 30 June 2017, the Group had utilized proceeds of approximately HK\$1,716 million, and unutilized proceeds amounted to approximately HK\$23 million.

資產抵押

於二零一七年六月三十日，本集團約人民幣1,572.5百萬元借款由本集團的土地使用權及應佔附屬公司股權份額作擔保（二零一六年十二月三十一日：約人民幣688.5百萬元借款由本集團的土地使用權、應佔一家附屬公司及一家合營企業股權份額作擔保）。截至二零一七年六月三十日，本集團約人民幣1,227.5百萬元（二零一六年十二月三十一日：約人民幣1,141.3百萬元）借款由特許經營權及BT的自來水供應及污水處理項目的收費抵押權作擔保。

資本承擔

本集團的資本承擔由二零一六年十二月三十一日約人民幣4,683.2百萬元減少人民幣1,444.3百萬元至二零一七年六月三十日約人民幣3,238.9百萬元，降幅約30.8%。該減少主要是由於報告期內多個項目收購完成所致。

資產與負債的比率

本集團資產與負債的比率（按淨債務除以總資本計算）由二零一六年十二月三十一日的約36.52%增至二零一七年六月三十日的約58.52%。資產與負債的比率上升主要乃由於報告期內增加借款以支持收購和多項長期運營性資產的投資所致。

首次公開發售

本公司H股於二零一五年五月二十七日在聯交所上市。於首次公開發售完成後，本公司H股總數為363,713,900股（包括由內資股股份以一兌一基準轉換而成的H股）。經扣除相關上市開支後，首次公開發售所得款項約為1,739百萬港元。所得款項用途與本公司日期為二零一五年五月十三日的招股章程所披露資料相符，且截至二零一七年六月三十日本集團已使用所得款項約1,716百萬港元，尚未使用所得款項約23百萬港元。

Management Discussion and Analysis

管理層討論及分析

Employees and Remuneration Policy

As at 30 June 2017, the Group had 4,748 employees (31 December 2016: 3,666). For the six months ended 30 June 2017, employee benefit expenses of the Group were approximately RMB174.8 million (for the six months ended 30 June 2016: approximately RMB103.7 million). The Group will strive to ensure that the remuneration level of employees is in line with industry practices and prevailing market conditions, and remunerations of employees will be determined based on their performance. Remuneration package provided to employees also includes basic and floating salaries, discretionary bonus and staff benefits. The Group also provides external and internal training programs for its employees.

The Group did not experience any significant labour disputes causing any material impact on its normal business operations.

Foreign Exchange Risk

The Group principally operates in the PRC with most of the transactions being settled in RMB, which is the functional currency of most of the Group's entities. The Group also has certain subsidiaries which conduct foreign operations. Foreign exchange risk arises from the identifiable assets and liabilities and net investments in foreign operations. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through operating and financing activities denominated in the relevant foreign currencies. The group entities are exposed to foreign exchange risk of foreign currencies other than their functional currencies, primarily with respect to the US dollars, Euro, and Hong Kong dollars.

Currently, the Group does not have any derivative financial instrument to hedge its foreign currency risk. However, the Group is discussing measures for foreign exchange risk control with relevant financial institutions and is seeking to limit its exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position.

Contingent Liabilities

As at 30 June 2017, the Group did not have any significant contingent liabilities.

僱員及薪酬政策

於二零一七年六月三十日，本集團擁有4,748名僱員(二零一六年十二月三十一日：3,666名)。截至二零一七年六月三十日止六個月，本集團員工福利開支約為人民幣174.8百萬元(截至二零一六年六月三十日止六個月：約人民幣103.7百萬元)。本集團將致力確保僱員薪酬水準符合行業慣例及現行市場情況，而僱員薪酬乃基於彼等的表現釐定。為僱員提供的薪酬待遇亦包括基本及浮動薪資、酌情花紅及員工福利。本集團亦為僱員提供外部及內部培訓計劃。

本集團並無任何重大勞務糾紛對本集團正常業務營運產生重大影響。

外匯風險

本集團主要在中國經營業務，大部分交易以人民幣結算，人民幣為大部分集團公司的功能貨幣。本集團亦有若干附屬公司經營境外業務。外匯風險來自境外業務的可辨認資產及負債和投資淨額。本集團境外業務淨資產所產生的貨幣風險，主要透過以相關外幣計值的經營及融資活動進行管理。集團實體承受其功能貨幣以外外幣的外匯風險，主要涉及美元、歐元及港元。

目前，本集團並無任何衍生金融工具對沖其外匯風險。然而，本集團正在與相關金融機構商討外匯風險控制措施，同時密切監察及盡量減少其外幣持倉淨額至最低水平以限制所需承擔的外幣風險。

或然負債

截至二零一七年六月三十日，本集團並無任何重大或然負債。

INTERIM DIVIDEND

The Board does not recommend any distribution of interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).

SIGNIFICANT INVESTMENTS AND ACQUISITIONS

- On 25 January 2017, the Company entered into a joint venture agreement with Yunnan Sidu Investment Management Co., Ltd.* (雲南斯度投資管理有限公司) in relation to the establishment of Yunnan Solid Waste as a joint venture company in Kunming, Yunnan Province, the PRC, with a total investment amount of RMB500,000,000.
- On 13 April 2017, Yunnan Water (Hong Kong) entered into an equity transfer agreement with Ms. Zhang Hui in relation to the acquisition of 97% equity interest of Pan Asia International (Sishui) Co., Limited at a consideration of RMB376,400,000 (equivalent to approximately US\$54,606,122).
- On 12 May 2017, Yunnan Solid Waste entered into an equity transfer agreement with Zhongshan Chuangzhi Building Materials Technology Co., Ltd.* (中山市創志建材科技有限公司) in relation to the acquisition of 90% equity interest of Sanming Jinliya Environmental Protection Technological Investment Co., Ltd.* (三明市金利亞環保科技投資有限公司) at a consideration of RMB276,520,900.
- On 12 May 2017, the comprehensive utilization of water resources and integration of urban and rural sanitation PPP project in Luoyuan County, Fujian Province, the PRC, which is granted by the Water Conservancy Bureau of Luoyuan County* (羅源縣水利局) and is authorized by the People's Government of Luoyuan County, Fujian Province, the PRC, has been formally granted to the Company together with Fujian Dongfei Environmental Group Co., Ltd.* (福建東飛環境集團有限公司) and Xiamen Anneng Construction Co., Ltd.* (廈門安能建設有限公司), by way of public tender. The total estimated investment amount of the Project is RMB1,335,000,000.

中期股息

董事會不建議派發截至二零一七年六月三十日止六個月之中期股息(截至二零一六年六月三十日止六個月期間：無)。

重大投資及收購

- 於二零一七年一月二十五日，本公司與雲南斯度投資管理有限公司就於中國雲南省昆明市內合資設立雲南固廢訂立合資協議，總投資額為人民幣500,000,000元。
- 於二零一七年四月十三日，雲南水務(香港)與Zhang Hui女士訂立股權轉讓協議，內容有關以代價人民幣376,400,000元(相當於約54,606,122美元)收購泛亞國際(泗水)有限公司97%股權。
- 於二零一七年五月十二日，雲南固廢與中山市創志建材科技有限公司訂立股權轉讓協議，內容有關以代價人民幣276,520,900元收購三明市金利亞環保科技投資有限公司90%股權。
- 於二零一七年五月十二日，本公司聯同福建東飛環境集團有限公司及廈門安能建設有限公司，正式獲授由中國福建省羅源縣人民政府授權的羅源縣水利局通過公開招標方式授予的中國福建省羅源縣水資源綜合利用及城鄉環衛一體化PPP項目。該項目估算總投資額為人民幣1,335,000,000元。

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管理層討論及分析

- On 27 June 2017, the Environment Upgrade and Ecological Restoration Works for Yanjin Lake within Chishui River Areas PPP project, which is granted by the Renhuai Environmental Protection Bureau* (仁懷市環境保護局) and is authorized by the People's Government of Renhuai City, Guizhou Province, the PRC, has been formally awarded to the Company, by way of public tender. The total estimated investment amount of the Project is RMB 2,600,000,000.
- On 26 October 2016, Yunnan Water (Hong Kong) and the Company entered into an equity transfer agreement with Hyflux Asset Management Pte. Ltd and Hyflux Ltd. in relation to the acquisition of 50% interest in Galaxy NewSpring Capital Pte. Ltd., Limited at a consideration of US\$136,500,000. The acquisition was completed on 15 March 2017.

For details of the above-mentioned significant investments and acquisitions, please refer to the announcements published by the Company on 25 January 2017, 13 April 2017, 12 May 2017, 12 May 2017, 27 June 2017 and 15 March 2017, respectively.

Subsequent Events

- On 26 July 2017, the Company entered into a joint venture agreement with Renhuai Urban Development Construction and Investment Operation Co., Ltd.* (仁懷市城市開發建設投資經營有限責任公司) in relation to the establishment of Guizhou Renhuai Yunshui Environment Co., Ltd.* (貴州仁懷雲水環境有限公司) as a joint venture company in Renhuai City, Guizhou Province, the PRC, with a total investment amount of RMB522,838,800. For details, please refer to the Company's announcement dated 26 July 2017.

- 於二零一七年六月二十七日，本公司正式中標由中國貴州省仁懷市人民政府授權的仁懷市環境保護局通過公開招標方式授予的赤水河流域鹽津湖環境治理與生態修復工程PPP項目。該項目估算總投資額約為人民幣26億元。

- 於二零一六年十月二十六日，雲南水務(香港)及本公司與Hyflux Asset Management Pte. Ltd及Hyflux Ltd訂立股權轉讓協議，內容有關以代價136,500,000美金收購Galaxy NewSpring Capital Pte. Ltd. 50%股權。該收購於二零一七年三月十五日完成。

有關上述重大投資及收購事項的詳情，請參閱本公司日期分別為二零一七年一月二十五日、二零一七年四月十三日、二零一七年五月十二日、二零一七年五月十二日、二零一七年六月二十七日及二零一七年三月十五日刊發的公告。

報告期後事項

- 於二零一七年七月二十六日，本公司與仁懷市城市開發建設投資經營有限責任公司就於中國貴州省仁懷市內合資設立貴州仁懷雲水環境有限公司訂立合資協議，總投資額為人民幣522,838,800元。詳情請參閱本公司於二零一七年七月二十六日刊發的公告。

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2017, Directors, Supervisors and chief executives of the Company had the following interests in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to Section 352 of the SFO or otherwise, to be entered in the register maintained thereunder, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, or held interests in the Company as follows:

董事、監事及最高行政人員在股份、相關股份及債券之權益及淡倉

於二零一七年六月三十日，本公司董事、監事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條或以其他方式須載入本公司根據該條文所存置的登記名冊的權益，或根據標準守則須知會本公司及聯交所的權益，或已持有的本公司權益如下：

Name of Director, Supervisor and chief executive 董事、監事及最高行政人員姓名	Capacity 身份	Type of Shares 股份類別	Number of Shares held 持有股份數目	Percentage of the respective type of Shares in issue (%) 佔已發行類別股份的比例(%)	Percentage of the total number of Shares in issue (%) 佔已發行總股份的比例(%)
Mr. Huang Yunjian ¹ 黃雲建先生 ¹	Beneficial owner, interests held jointly with another person 實益擁有人，與另一人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Mr. Liu Xujun ² 劉旭軍先生 ²	Beneficial owner, interests held jointly with another person 實益擁有人，與另一人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Mr. Yu Long 于龍先生	Beneficial owner 實益擁有人	Domestic Shares 內資股	10,820,000 (L)	1.30	0.91
Mr. Yu Long 于龍先生	Beneficial owner 實益擁有人	H Shares H股	770,000 (L)	0.21	0.06

Note:

(L) refers to long position

附註：

(L) 代表好倉

Disclosure of Interests

披露權益資料

Notes:

- (1) Huang Yunjian is the beneficial owner of 1,950,000 Domestic Shares. By virtue of the acting in concert agreement (the “Acting in Concert Agreement”) dated 24 July 2014 entered into between Yunnan Province Water, Liu Xujun, Huang Yunjian and Wang Yong, pursuant to which each of Liu Xujun, Huang Yunjian and Wang Yong agreed to act in concert with Yunnan Province Water in exercising their voting rights in the Shareholders’ meeting of the Company. Mr. Huang is deemed to be interested in all the Domestic Shares held by Yunnan Province Water, Liu Xujun, Wang Yong and Mr. Huang himself in aggregate pursuant to the SFO.
- (2) Liu Xujun is the beneficial owner of 195,000 Domestic Shares. By virtue of the Acting in Concert Agreement, he is deemed to be interested in all the Domestic Shares held by Yunnan Province Water, Huang Yunjian, Wang Yong and himself in aggregate by pursuant to the SFO.

Save as disclosed above, to the best knowledge of the Company, as at 30 June 2017, none of the Directors, Supervisors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

ARRANGEMENT FOR PURCHASE OF SHARES OR DEBENTURES

There was no arrangement to which the Company, its holding company or any of its subsidiaries was a party to enable the Directors, Supervisors or chief executives of the Company and their respective associates to acquire benefits by means of the purchase of shares in, or debt securities (including debentures) of, the Company or any other related body corporate during any time of the Reporting Period.

附註：

- (1) 黃雲建為1,950,000股內資股的實益擁有人。根據雲南省水務、劉旭軍、黃雲建與王勇簽訂的日期為二零一四年七月二十四日的一致行動協議(「一致行動協議」)，劉旭軍、黃雲建與王勇分別同意就在本公司股東大會上行使投票權與雲南省水務一致行動。根據證券及期貨條例，黃先生被視為於雲南省水務、劉旭軍、王勇及其合共持有的所有內資股中持有權益。
- (2) 劉旭軍為195,000股內資股的實益擁有人。憑藉一致行動協議，根據證券及期貨條例，彼被視為於雲南省水務、黃雲建、王勇及其合共持有的所有內資股中持有權益。

除上文披露者外，據本公司所深知，於二零一七年六月三十日，概無董事、監事及本公司最高行政人員於本公司或其相聯法團的任何股份、相關股份及債券中，擁有根據證券及期貨條例第352條須載入本公司登記名冊的權益及淡倉或根據標準守則須另行知會本公司及聯交所的權益。

購買股份或債券的安排

本公司、其控股公司或其任何附屬公司於本報告期內任何時間內並無訂立任何安排，以使董事、監事或本公司最高行政人員及彼等各自的聯繫人士可藉購入本公司或任何其他相關法人團體之股份或債務證券(包括債券)而獲益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

To the best knowledge of the Company, as at 30 June 2017, the following persons (other than Directors or Supervisors whose interests are disclosed in the section headed "Interests and Short Positions of Directors, Supervisors and Chief Executives in Shares, Underlying Shares and Debentures" above) had interests or short positions in the Shares, underlying Shares or debentures of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or had interests or short positions in 5% or more of the respective type of share capital in issue of the Company:

主要股東於股份中的權益及淡倉

據本公司所深知，於二零一七年六月三十日，下列人士(本公司的董事及監事除外，彼等之權益於上文「董事、監事及最高行政人員在股份、相關股份及債券之權益及淡倉」一節披露)於本公司股份、相關股份及債券中擁有根據《證券及期貨條例》第XV部第2及第3分部須向本公司披露權益或淡倉或根據證券及期貨條例第336條須存置在本公司登記冊中記錄的權益或淡倉，擁有佔本公司類別已發行股本5%或以上的權益或淡倉：

Name of Shareholder 股東名稱	Capacity 持股身份	Type of Shares 股份類別	Number of Shares 股份數目	Percentage of the respective type of Shares in issue (%) 佔已發行 類別股份 的比例(%)	Percentage of the total number of Shares in issue (%) 佔已發行 總股份 的比例(%)
Yunnan Province Water ¹ 雲南省水務 ¹	Beneficial owner, interests held jointly with another person 實益擁有人，與 另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Wang Yong ² 王勇 ²	Beneficial owner, interests held jointly with another person 實益擁有人，與 另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
YMCI ¹ 雲南城投集團 ¹	Interests in controlled corporation, interests held jointly with another person 於受控法團的權益， 與另一名人士共同持有	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Beijing OriginWater 北京碧水源	Beneficial owner 實益擁有人	Domestic Shares 內資股	286,650,000 (L)	34.56	24.02

Disclosure of Interests

披露權益資料

Name of Shareholder 股東名稱	Capacity 持股身份	Type of Shares 股份類別	Number of Shares 股份數目	Percentage of the respective type of Shares in issue (%) 佔已發行 類別股份 的比例 (%)	Percentage of the total number of Shares in issue (%) 佔已發行 總股份 的比例 (%)
CNPC Assets Management Co., Ltd. 中油資產管理有限公司	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	137,880,000 (L)	16.62	11.56
China National Petroleum Corporation ³ 中國石油天然氣集團公司 ³	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	137,880,000 (L)	16.62	11.56
Kunlun Trust Co. Ltd. ³ 昆侖信託有限責任公司 ³	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	137,880,000 (L)	16.62	11.56
Finergy Development (Tianjin) Equity Investment Partnership (Limited Partnership) ³ 融源成長(天津)股權投資合夥企業(有限合夥) ³	Beneficial owner 實益擁有人	Domestic Shares 內資股	137,880,000 (L)	16.62	11.56
the National Council for Social Security Fund of the PRC 全國社會保障基金理事會	Beneficial owner 實益擁有人	H Shares H 股	30,454,900 (L)	8.37	2.55
Caiyun International Investment Limited* ¹ 彩雲國際投資有限公司 ¹	Beneficial owner 實益擁有人	H Shares H 股	2,189,000 (L)	0.60	0.18

Note:

(L) refers to long position

附註：

(L) 代表好倉

Note:

- (1) Yunnan Province Water is wholly owned by YMCI and is the beneficial owner of 361,487,162 Domestic Shares. Caiyun International Investment Limited is wholly owned by YMCI and is the beneficial owner of 2,189,000 H Shares. YMCI is deemed to be interested in all the H Shares held by Yunnan Province Water and Caiyun International Investment Limited pursuant to the SFO which representing approximately 30.48% of total issued Shares. By virtue of the Acting in Concert Agreement, each of Yunnan Province Water and YMCI is deemed to be interested in all the Domestic Shares held by Huang Yunjian, Liu Xujun, Wang Yong and each of Yunnan Province Water and YMCI in aggregate pursuant to the SFO.
- (2) Wang Yong is the beneficial owner of 585,000 Domestic Shares. By virtue of the Acting in Concert Agreement, he is deemed to be interested in all the Domestic Shares held by Yunnan Province Water, Huang Yunjian, Liu Xujun and himself in aggregate pursuant to the SFO.
- (3) Finergy Development (Tianjin) Equity Investment Partnership (Limited Partnership) is controlled as to 84.86% by Kunlun Trust Co., Ltd., its general partner, and the beneficial owner of 137,880,000 Domestic Shares; Kunlun Trust Co., Ltd. is owned as to 82.18% by CNPC Assets Management Co., Ltd., which in turn is wholly-owned by China National Petroleum Corporation. Under the SFO, each of Kunlun Trust Co., Ltd., CNPC Assets Management Co., Ltd. and China National Petroleum Corporation is deemed to be interested in all the Domestic Shares held by Finergy Development (Tianjin) Equity Investment Partnership (Limited Partnership).

Save as disclosed above, to the best knowledge of the Company, as at 30 June 2017, no person (other than the Directors, Supervisors and chief executives) had informed the Company that he had interests or short positions in the Shares or underlying Shares of equity derivatives of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or held any interests or short positions in 5% or more of the respective type of share capital in issue of the Company.

附註：

- (1) 雲南省水務由雲南城投集團全資擁有並為361,487,162股內資股的實益擁有人。彩雲國際投資有限公司由雲南城投集團全資擁有並為2,189,000股H股的實益擁有人。根據證券及期貨條例，雲南城投集團被視為於雲南省水務及彩雲國際投資有限公司持有的所有股份中擁有權益佔所有已發行股份約30.48%。憑藉一致行動協議，根據證券及期貨條例，雲南省水務及雲南城投集團均被視為於黃雲建、劉旭軍、王勇及其合共持有的所有內資股中擁有權益。
- (2) 王勇為585,000股內資股的實益擁有人。憑藉一致行動協議，根據證券及期貨條例，彼被視為於雲南省水務、黃雲建、劉旭軍及其合共持有的所有內資股中擁有權益。
- (3) 融源成長(天津)股權投資合夥企業(有限合夥)由其一般合夥人昆侖信託有限責任公司控制84.86%並為137,880,000股內資股的實益擁有人；昆侖信託有限責任公司由中油資產管理有限公司擁有82.18%；而中油資產管理有限公司由中國石油天然氣集團公司全資擁有。根據證券及期貨條例，昆侖信託有限責任公司、中油資產管理有限公司及中國石油天然氣集團公司各自被視為於融源成長(天津)股權投資合夥企業(有限合夥)持有的所有內資股中擁有權益。

除上文披露者外，據本公司所深知，於二零一七年六月三十日，本公司並無獲任何人士(董事、監事或最高行政人員除外)告知，彼於本公司股份或股票衍生工具的相關股份中，擁有根據證券及期貨條例第XV部第2及3分部有關條文須向本公司披露的權益或淡倉或根據證券及期貨條例第336條須存置在本公司登記冊中記錄的權益或淡倉，擁有佔本公司類別已發行股本5%或以上的權益或淡倉。

AUDIT COMMITTEE

The principal responsibilities of the Audit Committee include reviewing and supervising the financial reporting process, risk management and internal control systems of the Company, including making recommendations on appointing or changing the external auditor and its terms of engagement; reviewing and monitoring external auditor's independence and audit process objectively; monitoring the integrity of the Company's financial statements, annual report and accounts and half-year report; overseeing of the Company's financial reporting system, risk management and internal control system; attending to other matters that the Board has authorized it to deal with. Terms of reference of the Audit Committee have been published on the website of the Company.

During the Reporting Period, the former Audit Committee consisted of four independent non-executive Directors, Mr. Kwok For Chi (as chairman), Mr. Hu Song, Mr. Ma Shihao and Mr. Ren Gangfeng.

The former Audit Committee had reviewed the unaudited consolidated financial information of the Group for the Reporting Period. The former Audit Committee had also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control matters with senior management of the Company.

Pursuant to the Company's announcement dated 28 August 2017 regarding, among others, the appointment and re-appointment of Directors and Supervisors and the changes in the composition of the Board Committees (the "EGM Announcement"), the Audit Committee consists of three independent non-executive Directors, Mr. Kwok For Chi (as chairman), Mr. Hu Song and Mr. Ma Shihao, with effect from 28 August 2017.

REMUNERATION COMMITTEE

The principal responsibilities of the Remuneration Committee include: making recommendations to the Board on the policy and structure of remuneration for all Directors and senior management members and on the establishment of a formal and transparent procedure for developing remuneration policy; reviewing and approving of the remuneration proposals from the management; making recommendations to the Board on the remuneration packages of individual executive Directors and senior management members; and advising Shareholders with respect to the service contracts of Directors that require Shareholders' approval under the Listing Rules. Terms of reference of the Remuneration Committee have been published on the website of the Company.

During the Reporting Period, the former Remuneration Committee consisted of one executive Director, Mr. Yu Long, and two independent non-executive Directors, Mr. Hu Song (as chairman) and Mr. Ren Gangfeng.

審核委員會

審核委員會的主要職責包括：檢討及監督本公司的財務申報過程、風險管理及內部控制制度，包括就委任及更換外部核數師及其委任條款提出推薦意見；客觀檢討及監察外部核數師的獨立性及審核過程；監察本公司財務報表、年度報告及賬目以及半年度報告的完整性；監督本公司財務報告制度、風險管理及內部監控系統；董事會授權其處理的其他事項。有關審核委員會的職權範圍已載列於本公司網站。

於報告期內，原審計委員會由四名獨立非執行董事，郭科志先生（擔任主席）、胡松先生、馬世豪先生及任鋼鋒先生組成。

原審核委員會已審閱本集團於報告期內之未經審核中期簡明財務信息。原審核委員會亦已就有關公司所採納的會計政策及常規以及內部控制事宜與本公司高級管理層進行討論。

根據本公司於二零一七年八月二十八日刊載的有關（其中包括）委任及重新委任董事及監事，以及變更董事委員會之組成的公告（「臨時股東大會公告」），審核委員會由三名獨立非執行董事郭科志先生（作為主席）、胡松先生及馬世豪先生組成，自二零一七年八月二十八日起生效。

薪酬委員會

薪酬委員會的主要職責包括：就董事及高級管理人員的全體薪酬政策及架構及就設立正規而具透明度的程序制訂薪酬政策向董事會提出建議；檢討及批准管理層的薪酬建議；向董事會建議個別執行董事及高級管理人員的薪酬待遇；及根據上市規則就有關需要由股東批准的董事服務合同向股東提出建議。有關薪酬委員會的職權範圍已載列於本公司網站。

於報告期內，原薪酬委員會由一名執行董事于龍先生以及兩名獨立非執行董事胡松先生（擔任主席）及任鋼鋒先生組成。

Pursuant to the EGM Announcement, the Remuneration Committee consists of one executive Director, Mr. Yang Fang, and two independent non-executive Directors, Mr. Hu Song (as chairman) and Mr. Ma Shihao, with effect from 28 August 2017.

NOMINATION COMMITTEE

The principal responsibilities of the Nomination Committee include reviewing and monitoring the structure, size, composition and diversity of members of the Board in light of the Company's strategy; identifying suitably qualified individuals and making recommendations to the Board regarding new Board members; reviewing and making recommendations to the Board on individuals nominated to be Directors by Shareholders to ensure that all nominations are fair and transparent; assessing the independence of independent non-executive Directors; reviewing and monitoring the implementation of diversity policy of Board members of the Company. Terms of reference of the Nomination Committee have been published on the website of the Company.

During the Reporting Period, the former Nomination Committee consisted of one non-executive Director, Mr. Jiao Jun (appointed as the acting Chairman on 24 February 2017 in place of Mr. Xu Lei who resigned as the Chairman and the chairman of the Nomination Committee on the same day), and two independent non-executive Directors, Mr. Hu Song and Mr. Ren Gangfeng.

During the Reporting Period, the former Nomination Committee had convened one meeting to discuss the relevant matters of forthcoming re-appointment of the first session of the Board and to express opinion on the Director candidates nominated for the second session of the Board. Please refer to the circular and supplemental circular of the Company dated 12 July 2017 and 14 August 2017, respectively, for details.

根據臨時股東大會公告，薪酬委員會由一名執行董事楊方先生以及兩名獨立非執行董事胡松先生(作為主席)及馬世豪先生組成，自二零一七年八月二十八日起生效。

提名委員會

提名委員會的主要職責包括：根據本公司策略檢討及監察董事會架構、規模、組成及成員多元化；物色合資格的人士及向董事會提供建議新董事會成員；就股東提名擔任董事的人士進行審閱及向董事會提供建議，以確保所有提名均屬公正和具透明度；評估獨立非執行董事的獨立性；檢討及監察本公司董事會成員多元化政策的實行。有關提名委員會的職權範圍已載列於本公司網站。

於報告期內，原提名委員會由一名非執行董事焦軍先生(於二零一七年二月二十四日獲委任為代主席以代替於當天辭任主席及提名委員會主席的許雷先生)以及兩名獨立非執行董事胡松先生及任鋼鋒先生組成。

於報告期內，原提名委員會共舉行了一次會議，以討論本公司第一屆董事會重新委任相關事宜及為本公司第二屆董事會提名董事候選人發表意見。詳情請參閱本公司日期分別為二零一七年七月十二日及二零一七年八月十四日的通函和補充通函。

Pursuant to the EGM Announcement, the Nomination Committee consists of one non-executive Director, Mr. Yang Tao (as chairman), and two independent non-executive Directors, Mr. Hu Song and Mr. Ma Shihao, with effect from 28 August 2017.

COMPLIANCE COMMITTEE

The principal responsibilities of the Compliance Committee are to conduct independent investigation and make decisions on compliance matters with respect to the business operations as authorized by the Board. The Company has established the Compliance Committee to ensure the operation of any projects acquired and operated by the Group are in compliance with the Company's internal control standards and the relevant PRC laws and regulations. Terms of reference of the Compliance Committee have been published on the website of the Company.

During the Reporting Period, the former Compliance Committee consisted of one executive Director, Mr. Yu Long (as chairman), and three independent non-executive Directors, Mr. Kwok For Chi, Mr. Hu Song and Mr. Ren Gangfeng and one Supervisor, Ms. Yang Chuanyun.

Pursuant to the EGM Announcement, the Compliance Committee consists of two executive Directors, Mr. Dai Richeng (as chairman) and Mr. Yang Fang, three independent non-executive Directors, Mr. Kwok For Chi, Mr. Hu Song and Mr. Ma Shihao, and one employee representative supervisor, Ms. Yang Chuanyuan, with effect from 28 August 2017.

DIRECTORS' PARTICULARS

Changes in Directors' particulars which are required to be disclosed pursuant to Rules 13.51(2) and 13.51B(1) of the Listing Rules are as follows:

Mr. Xu Lei resigned as a non-executive Director, Chairman and chairman and member of the former Nomination Committee of the Company with effect from 24 February 2017.

Mr. Jiao Jun was appointed as the acting Chairman and the acting chairman and member of the former Nomination Committee with effect from 24 February 2017.

根據臨時股東大會公告，提名委員會由一名非執行董事楊濤先生(作為主席)以及兩名獨立非執行董事胡松先生及馬世豪先生組成，自二零一七年八月二十八日起生效。

合規委員會

合規委員會主要職責為董事會所授權的運營進行獨立調查及就合規事宜進行決策。本公司成立合規委員會以確保本集團收購項目及運營符合內部監控及相關的中國法律法規。有關合規委員會的職權範圍已載列於本公司網站。

於報告期內，原合規委員會由一名執行董事于龍先生(作為主席)、三名獨立非執行董事郭科志先生、胡松先生和任鋼鋒先生和一名監事楊川雲女士組成。

根據臨時股東大會公告，合規委員會由兩名執行董事戴日成先生(作為主席)及楊方先生，三名獨立非執行董事郭科志先生、胡松先生及馬世豪先生，以及一名職工代表監事楊川雲女士組成自二零一七年八月二十八日起生效。

董事資料

根據上市規則第13.51(2)條及第13.51B(1)條須予披露的董事資料變更如下：

許雷先生於二零一七年二月二十四日辭任本公司非執行董事、主席及原提名委員會主席兼成員之職務。

焦軍先生獲委任為代主席及原提名委員會代主席及成員，自二零一七年二月二十四日起生效。

Pursuant to the EGM Announcement, Mr. Yang Fang was appointed as executive Director of the Company, each of Mr. Yang Tao and Ms. Li Bo was appointed as a non-executive Director of the Company, each of Mr. Zhu Zhen and Mr. Long Limin was appointed as a Shareholder representative Supervisor and Ms. Xu Cuifen was appointed as an independent Supervisor. For the abovementioned Directors' and Supervisors' particulars, please refer to the circular and supplemental circular of the Company dated 12 July 2017 and 14 August 2017, respectively.

Save as disclosed above, after having made all reasonable enquiries, the Company is not aware of any other information which is required to be disclosed pursuant to Rules 13.51(2) and 13.51B(1) of the Listing Rules since the date of the Company's annual report for the year ended 31 December 2016.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance with a view to safeguarding the interests of Shareholders and enhancing corporate value. The Board believes that good corporate governance is one of the key factors leading to the success of the Company and balancing the interests of Shareholders, customers and employees.

The Company had complied with all code provisions as set out in the Corporate Governance Code throughout the six months ended 30 June 2017.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors and Supervisors.

The Company had made specific enquiries with all of its Directors and Supervisors, and all Directors and Supervisors had confirmed that they have fully complied with the required standard set out in the Model Code throughout the six months ended 30 June 2017.

根據臨時股東大會公告，楊方先生被委任為本公司執行董事，楊濤先生及李波女士各自被委任為本公司非執行董事，朱振先生及龍利民先生各自被委任為股東代表監事，以及胥翠芬女士被委任為本公司獨立監事。有關上述董事及監事的詳情，請參照本公司日期分別為二零一七年七月十二日及二零一七年八月十四日的通函以及補充通函。

自本公司截至二零一六年十二月三十一日止年度年報日期以來，除上文所披露者外，經作出一切合理查詢後，本公司並不知悉任何根據上市規則第13.51(2)及13.51B(1)條須予披露的其他資料。

遵守企業管治守則

本集團致力維持高水準的企業管治，務求維護股東利益及提升企業價值。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之重要因素之一。

於截至二零一七年六月三十日止六個月，本公司已遵守企業管治守則所載的所有守則條文。

董事及監事進行證券交易的標準守則

本公司已採納標準守則作為董事及監事進行證券交易的守則。

於截至二零一七年六月三十日止六個月，本公司向全體董事及監事作出具體查詢後，全體董事及監事均確認其已遵守標準守則所載的之規定。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the six months ended 30 June 2017, to the best knowledge of the Board, none of the Directors and Supervisors and their respective associates had any business or interest that competes or may compete with the business of the Group or had or might have any conflict of interest with the Group.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2017, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company.

PUBLIC FLOAT

According to public information available to the Company and to the best knowledge of the Board, as at the date of this interim report, at least 25% of the total issued share capital of the Company was held in public hands.

董事於競爭性業務的權益

於截至二零一七年六月三十日止六個月，董事會概不知悉董事及監事及彼等各自的聯繫人的任何業務或權益對本集團業務構成競爭或可能構成競爭或對本集團造成或可能造成任何其他利益衝突。

購買、出售或贖回本公司的上市證券

於截至二零一七年六月三十日止六個月，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

公眾持股量

根據本公司可獲得之公開資料及據董事會所深知，於本中期報告日期本公司全部已發行股本中最少25%由公眾人士持有。

REVIEW OF THE INTERIM RESULTS

The Group's unaudited interim condensed consolidated financial information for the six months ended 30 June 2017 have been reviewed by the auditor of the Company, PricewaterhouseCoopers, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by Hong Kong Institute of Certified Public Accountants. The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2017 has also been reviewed by the former Audit Committee of the Company.

By Order of the Board
Yunnan Water Investment Co., Limited*
Yang Tao
Chairman

Kunming, PRC

22 September 2017

* For identification purposes only

審閱中期業績

本集團截至二零一七年六月三十日止六個月的未經審核中期簡明綜合財務資料已由本公司核數師羅兵咸永道會計師事務所按照香港會計師公會所頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。本集團截至二零一七年六月三十日止六個月的未經審核中期簡明綜合財務資料亦由本公司原審核委員會審閱。

承董事會命
雲南水務投資股份有限公司
楊濤
主席

中國，昆明

二零一七年九月二十二日

* 僅供識別

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
中期簡明綜合損益及其他全面收益表

		Six months ended 30 June	
		截至六月三十日止六個月	
	Note	2017	2016
	附註	二零一七年	二零一六年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue	7	1,657,722	867,692
Cost of sales		(1,244,602)	(590,189)
Gross profit		413,120	277,503
Other income	8	155,024	44,485
Other gains - net	9	59,454	3,531
Selling expenses		(18,281)	(13,212)
Administrative expenses		(202,537)	(142,286)
Operating profit		406,780	170,021
Finance income	10	19,822	16,142
Finance costs	10	(235,901)	(79,463)
Finance costs - net		(216,079)	(63,321)
Share of loss of investments accounted for using the equity method	15	(4,379)	(57)
Profit before income tax		186,322	106,643
Income tax expenses	11	(30,780)	(17,349)
Profit for the period		155,542	89,294
Other comprehensive income			
(Items that may be reclassified subsequently to profit or loss)			
- Currency translation differences		72,941	769
- Share of other comprehensive income of investments accounted for using the equity method		3,731	—
		76,672	769
Total comprehensive income for the period		232,214	90,063

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
中期簡明綜合損益及其他全面收益表

		Six months ended 30 June 截至六月三十日止六個月	
	Note 附註	2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Profit attributable to:	以下人士應佔利潤：		
– Ordinary shareholders of the Company	– 本公司普通股股東	91,766	80,201
– Holders of perpetual capital instruments	– 永久資本工具持有人	42,638	—
– Non-controlling interests	– 非控股權益	21,138	9,093
		155,542	89,294
Total comprehensive income attributable to:	以下人士應佔全面 收益總額：		
– Ordinary shareholders of the Company	– 本公司普通股股東	168,438	80,970
– Holders of perpetual capital instruments	– 永久資本工具持有人	42,638	—
– Non-controlling interests	– 非控股權益	21,138	9,093
		232,214	90,063
Earnings per share for profit attributable to ordinary shareholders of the Company (expressed in RMB per share)	本公司普通股股東應佔 溢利的每股盈利 (以每股人民幣元表示)		
– Basic and diluted	– 基本及攤薄	0.077	0.067

The notes on pages 44 to 92 form an integral part of this unaudited interim condensed consolidated financial information.

第44頁至第92頁的附註構成本未經審核中期簡明綜合財務資料之組成部分。

Interim Condensed Consolidated Balance Sheet

中期簡明綜合資產負債表

		As at 於		
	Note 附註	30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)	
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	2,338,113	2,326,287
Investment properties	投資物業		27,079	17,177
Land use rights	土地使用權		193,230	192,381
Receivables under service concession arrangements	服務特許經營安排下的應收款項	17	3,861,952	2,860,146
Amounts due from customers for contract works	合約工程應收客戶款項	18	483,471	659,974
Intangible assets	無形資產	16	7,401,884	4,560,375
Investments accounted for using the equity method	以權益法入賬的投資	15	313,668	746,680
Available-for-sale financial assets	可供出售金融資產		4,675	4,675
Trade and other receivables	貿易及其他應收款項	19	78,199	128,605
Prepayments	預付款項	19	1,930,239	1,230,108
Deferred income tax assets	遞延所得稅資產	24	318,386	245,992
			16,950,896	12,972,400
Current assets	流動資產			
Receivables under service concession arrangements	服務特許經營安排下的應收款項	17	37,394	31,082
Non-current assets held-for-sale	持作出售的非流動資產		130,000	—
Inventories	存貨		47,821	27,385
Amounts due from customers for contract works	合約工程應收客戶款項	18	262,365	30,614
Trade and other receivables	貿易及其他應收款項	19	3,021,704	2,723,824
Prepayments	預付款項	19	253,785	133,538
Restricted cash	受限制的現金		40,000	9,610
Cash and cash equivalents	現金及現金等價物	20	4,013,921	4,129,921
			7,806,990	7,085,974
Total assets	總資產		24,757,886	20,058,374

Interim Condensed Consolidated Balance Sheet
中期簡明綜合資產負債表

		As at 於	
	Note 附註	30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
EQUITY	權益		
Equity attributable to ordinary shareholders of the Company	本公司普通股股東應佔權益		
Share capital	股本	1,193,213	1,193,213
Other reserves	其他儲備	2,164,739	2,247,305
Retained earnings	保留盈利	772,496	800,051
		4,130,448	4,240,569
Perpetual capital instruments	永久資本工具	1,200,000	2,000,000
Non-controlling interests	非控股權益	862,500	1,005,890
Total equity	總權益	6,192,948	7,246,459
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	借款	8,985,310	5,689,554
Trade and other payables	貿易及其他應付款項	50,797	49,055
Deferred income	遞延收益	651,230	646,997
Deferred income tax liabilities	遞延所得稅負債	912,618	646,890
Provision	撥備	218,080	78,717
		10,818,035	7,111,213

Interim Condensed Consolidated Balance Sheet

中期簡明綜合資產負債表

			As at 於	
		Note 附註	30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Current liabilities	流動負債			
Borrowings	借款	23	3,767,074	2,608,925
Trade and other payables	貿易及其他應付款項	22	3,759,730	2,858,512
Amounts due to customers for contract works	合約工程預收客戶款項	18	3,333	3,333
Current income tax liabilities	流動所得稅負債		216,766	229,932
			7,746,903	5,700,702
Total liabilities	總負債		18,564,938	12,811,915
Total equity and liabilities	權益和負債總額		24,757,886	20,058,374
Net current assets	流動資產淨值		60,087	1,385,272
Total assets less current liabilities	資產總值減流動負債		17,010,983	14,357,672

The notes on pages 44 to 92 form an integral part of this unaudited interim condensed consolidated financial information.

第44頁至第92頁的附註構成本未經審核中期簡明綜合財務資料之組成部分。

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

		Unaudited 未經審核						
		Attributable to ordinary shareholders of the Company 本公司普通股股東應佔				Holders of perpetual capital instruments (note 21) 永久資本工具持有人 (附註21)	Non-controlling interests 非控股權益	Total Equity 總權益
		Share capital 股本 RMB' 000 人民幣千元	Other reserves 其他儲備 RMB' 000 人民幣千元	Retained earnings 保留盈利 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元			
Balance at 1 January 2017	於二零一七年一月一日的結餘	1,193,213	2,247,305	800,051	4,240,569	2,000,000	1,005,890	7,246,459
Total comprehensive income for the period	期內全面收益總額	—	—	91,766	91,766	42,638	21,138	155,542
Profit for the period	期內利潤	—	—	91,766	91,766	42,638	21,138	155,542
Share of other comprehensive income of investments accounted for using the equity method	以權益法入賬的應佔投資其他全面收益	—	3,731	—	3,731	—	—	3,731
Currency translation differences	外幣換算差額	—	72,941	—	72,941	—	—	72,941
		—	76,672	91,766	168,438	42,638	21,138	232,214
Total transactions with owners, recognised directly in equity	與擁有人進行的交易總額 (直接於權益中確認)	—	—	—	—	—	59,646	59,646
Acquisition of subsidiaries (note 27)	收購附屬公司(附註27)	—	—	—	—	—	93,000	93,000
Capital injection by non-controlling interests	非控股權益注資	—	—	—	—	—	—	—
Acquisition of additional interests in subsidiaries (note 14)	收購附屬公司的額外權益 (附註14)	—	(159,238)	—	(159,238)	—	(295,840)	(455,078)
Issuance of perpetual capital instruments	發行永久資本工具	—	—	—	—	1,200,000	—	1,200,000
Redemption of perpetual capital instruments	贖回永久資本工具	—	—	—	—	(2,000,000)	—	(2,000,000)
Dividends for the year ended 31 December 2016 (note 13)	截至二零一六年十二月三十一日止年度的股息(附註13)	—	—	(119,321)	(119,321)	—	—	(119,321)
Distribution to holders of perpetual capital instruments	向永久資本工具持有人作出分派	—	—	—	—	(42,638)	—	(42,638)
Distribution to non-controlling interests	向非控股權益作出分派	—	—	—	—	—	(21,334)	(21,334)
		—	(159,238)	(119,321)	(278,559)	(842,638)	(164,528)	(1,285,725)
Balance at 30 June 2017	於二零一七年六月三十日的結餘	1,193,213	2,164,739	772,496	4,130,448	1,200,000	862,500	6,192,948
Balance at 1 January 2016	於二零一六年一月一日的結餘	1,193,213	2,264,254	600,956	4,058,423	—	884,189	4,942,612
Total comprehensive income for the period	期內全面收益總額	—	—	80,201	80,201	—	9,093	89,294
Profit for the period	期內利潤	—	—	80,201	80,201	—	9,093	89,294
Currency translation differences	外幣換算差額	—	769	—	769	—	—	769
		—	769	80,201	80,970	—	9,093	90,063
Total transactions with owners, recognised directly in equity	與本集團擁有人進行的交易總額 (直接於權益中確認)	—	—	—	—	—	144,273	144,273
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	—	50,370	50,370
Capital injection by non-controlling interests	非控股權益注資	—	—	—	—	—	—	—
Acquisition of additional interests in a subsidiary	收購附屬公司的額外權益	—	(2,591)	—	(2,591)	—	(1,529)	(4,120)
Dividends for the year ended 31 December 2015	截至二零一五年十二月三十一日止年度的股息	—	—	(119,321)	(119,321)	—	—	(119,321)
		—	(2,591)	(119,321)	(121,912)	—	193,114	71,202
Balance at 30 June 2016	於二零一六年六月三十日的結餘	1,193,213	2,262,432	561,836	4,017,481	—	1,086,396	5,103,877

The notes on pages 44 to 92 form an integral part of this unaudited interim condensed consolidated financial information.

第44頁至第92頁的附註構成本未經審核中期簡明綜合財務資料之組成部分。

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Cash flows from operating activities	經營活動的現金流量		
Cash used in operations	經營所用現金	(444,299)	(512,024)
Income tax paid	已付所得稅	(123,657)	(50,568)
Interest paid	已付利息	(184,282)	(98,106)
Net cash used in operating activities	經營活動所用現金淨額	(752,238)	(660,698)
Cash flows from investing activities	投資活動的現金流量		
Acquisition of subsidiaries, net of cash acquired	收購附屬公司，扣除取得的現金	(1,130,824)	(428,539)
Prepayments and deposits for acquisition of subsidiaries	收購附屬公司的預付款項及按金	(300,555)	(759,245)
Capital injection to an associate	向聯營公司的注資	(300,000)	—
Funds granted to a joint venture	向合資企業提供資金	(687,100)	—
Purchases of property, plant and equipment, land use rights and other intangible assets	購買物業、廠房及設備、土地使用權及其他無形資產	(23,499)	(4,648)
Government grants relating to purchase of concession projects	購買特許經營項目有關的政府補助	10,000	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	5,618	826
Interest received	已收利息	15,767	14,281
Net cash used in investing activities	投資活動所用現金淨額	(2,410,593)	(1,177,325)

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Cash flows from financing activities	融資活動的現金流量		
Capital injections from non-controlling interests	非控股權益注資	93,000	50,370
Proceeds from borrowings	借款所得款項	7,076,067	2,491,700
Proceeds from issuance of perpetual capital instruments	發行永久資本工具的所得款項	1,200,000	—
Repayments of borrowings	償還借款	(2,576,866)	(290,775)
Redemption of perpetual capital instruments	贖回永久資本工具	(2,000,000)	—
Distributions paid to holders of perpetual capital instruments	向永久資本工具持有人支付的分派	(42,638)	—
Payments of acquisition of additional interests in subsidiaries	支付收購附屬公司的額外權益	(455,078)	(4,120)
Repayments of funds from a related party	償還來自關聯方的資金	(208,240)	—
Dividend paid to the non-controlling interests	向非控股權益分派股息	(21,334)	—
Net cash generated from financing activities	融資活動所得現金淨額	3,064,911	2,247,175
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(97,920)	409,152
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	4,129,921	1,672,121
Exchange (losses)/gains on cash and cash equivalents	現金及現金等價物匯兌(虧損)/收益	(18,080)	9,091
Cash and cash equivalents at end of the period	期末現金及現金等價物	4,013,921	2,090,364

The notes on pages 44 to 92 form an integral part of this unaudited interim condensed consolidated financial information.

第44頁至第92頁的附註構成本未經審核中期簡明綜合財務資料之組成部分。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

1. GENERAL INFORMATION

Yunnan Water Investment Co., Limited (the “**Company**”) was incorporated in Yunnan Province of the People’s Republic of China (the “**PRC**”) on 21 June 2011. On 22 July 2014, the Company was converted from a limited liability company into a joint stock limited liability company with registered capital of RMB787,880,000. As at 30 June 2017, the total registered capital of the Company is RMB1,193,213,000. The address of its registered office is 16th Floor, Block A Hecheng International, 1088 Haiyuan Zhong Road, Gaoxin District, Kunming, Yunnan Province, the PRC.

The Company is an investment holding company. The Company and its subsidiaries (together the “**Group**”) are principally engaged in the development, design, construction, operation and maintenance of municipal water supply, wastewater treatment and solid waste treatment facilities in the PRC.

The Company’s H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 27 May 2015.

The financial information is presented in Renminbi (“**RMB**”), unless otherwise stated. This interim condensed consolidated financial information was approved for issue by the board of directors of the Company on 25 August 2017.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2017 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34, “Interim financial reporting”. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”).

1. 一般資料

雲南水務投資股份有限公司(「本公司」)於二零一一年六月二十一日在中華人民共和國(「中國」)雲南省註冊成立。於二零一四年七月二十二日，本公司由有限責任公司轉為股份有限公司，註冊資本為人民幣787,880,000元。於二零一七年六月三十日，本公司的註冊資本總額為人民幣1,193,213,000元。其註冊辦事處地址是中國雲南省昆明市高新區海源中路1088號和成國際A座16樓。

本公司為一家投資控股公司。本公司及其附屬公司(統稱「本集團」)主要在中國從事城市供水、污水處理及固廢處理設施的開發、設計、建設、營運及維護。

本公司H股已於二零一五年五月二十七日在香港聯合交易所有限公司主板上市。

財務資料以人民幣(「人民幣」)呈列，除非另有說明。本中期簡明綜合財務資料乃於二零一七年八月二十五日經本公司董事會批准刊發。

2. 呈列基準

截至二零一七年六月三十日止六個月中期簡明綜合財務資料乃根據香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。中期簡明綜合財務資料須連同本集團根據香港財務報告準則(「香港財務報告準則」)編製的截至二零一六年十二月三十一日止年度的財務報表一併閱讀。

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2016, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to HKFRSs effective for the financial year ending 31 December 2017.

(a) Effect of adopting amendments to standards

The following amendments to standards are mandatory for the Group's financial year beginning 1 January 2017. The adoption of these amendments to standards does not have significant impact to the results or financial position of the Group.

HKAS 12 (Amendments)	Income taxes
香港會計準則第12號(修訂本)	所得稅
HKAS 7 (Amendments)	Statement of cash flows
香港會計準則第7號(修訂本)	現金流量表
HKFRS 12 (Amendments)	Disclosure of interest in other entities
香港財務報告準則第12號(修訂本)	披露於其他實體權益

3. 會計政策

本集團所採用的會計政策與截至二零一六年十二月三十一日止年度的年度財務報表採用的會計政策一致(詳情載於該等年度財務報表內),惟所得稅估計使用將適用於預期年度盈利總額的稅率以及採納於截至二零一七年十二月三十一日止財政年度生效的香港財務報告準則修訂本除外。

(a) 採用準則修訂的影響

以下準則修訂於本集團自二零一七年一月一日開始的財政年度強制應用。採納該等準則修訂不會對本集團的業績或財務狀況產生重大影響。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

3. ACCOUNTING POLICIES (Cont'd)

(b) New standards, amendments to standards and interpretations that have been issued but are not effective

HKFRS 15
香港財務報告準則第15號
HKFRS 9
香港財務報告準則第9號
HKAS 28 (Amendments)
香港會計準則第28號(修訂本)
HK (IFRIC) 22
香港國際財務報告詮釋委員會詮釋
第22號
HKFRS 16
香港財務報告準則第16號
HKFRS 10 and HKAS 28
(Amendments)
香港財務報告準則第10號及
香港會計準則第28號(修訂本)

Revenue from contracts with customers¹
來自與客戶訂立合約的收入¹
Financial instruments¹
金融工具¹
Investments in associates and joint ventures¹
於聯營公司及合營公司的投資¹
Foreign currency transactions and advance consideration¹
外幣交易及預付代價¹
Leases²
租賃²
Sale or contribution of assets between an investor and
its associate or joint venture³
投資者與其聯營公司或合營公司之間的資產出售或注資³

1. Effective for annual periods beginning on 1 January 2018.
2. Effective for annual periods beginning on 1 January 2019.
3. Effective date to be determined.

The Impact of new standards, amendments to standards and interpretations that issued but not effective is still under assessment by the Group.

4. ESTIMATES

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

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Group for the year ended 31 December 2016.

3. 會計政策(續)

(b) 已頒佈但尚未生效的新訂準則及準則修訂和解釋

1. 於自二零一八年一月一日開始的年度期間生效。
2. 於自二零一九年一月一日開始的年度期間生效。
3. 生效日期待定。

已頒佈但尚未生效的新訂準則及準則修訂和解釋的影響本集團尚在評估過程中。

4. 估計

於編製中期財務資料時，管理層需要作出判斷、估計及假設，而此舉影響會計政策之應用及所呈報資產及負債、收入及開支之金額。實際結果可能有別於該等估計。

於編製該等中期簡明綜合財務資料時，管理層就應用本集團會計政策所作重大判斷及估計不明朗因素主要來源與本集團截至二零一六年十二月三十一日止年度之年度財務報表適用者相同。

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016.

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

5.2 Liquidity risk

Cash flow forecast is performed by the operating entities of the Group and aggregated by the Group's finance department. The Group's finance department monitors rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash and cash equivalents to meet operational needs while maintaining sufficient liquidity reserves at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Group expects to fund its future cash flow needs through internally generated cash flows from operations and borrowings from financial institutions.

5. 財務風險管理及金融工具

5.1 財務風險因素

本集團業務承受多種財務風險：市場風險(包括外匯風險及現金流量利率風險及定價風險)、信貸風險及流動資金風險。

簡明綜合中期財務資料並不包括年度財務報表規定的所有財務風險管理資料及披露，且應與本集團於二零一六年十二月三十一日之年度綜合財務報表一併閱讀。

自年末以來，風險管理政策並無任何變動。

5.2 流動資金風險

現金流量預測乃由本集團經營實體編製後由本集團財務部匯總而得。本集團財務部監控本集團流動資金需求的滾動預測，以確保有足夠的現金及現金等價物滿足營運需要，同時於任何時間均維持其流動儲備有足夠餘額，以便本集團不會違反其任何借款融資的借款限額或契諾(如適用)。本集團預期透過經營活動內部產生的現金流量及來自金融機構的借款應付其未來現金流量需求。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

5.2 Liquidity risk (Cont'd)

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 1年以內 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 30 June 2017 (Unaudited)	於二零一七年六月三十日 (未經審核)					
Financial liabilities	金融負債					
Borrowings	借款	4,136,880	1,520,217	7,892,187	1,038,662	14,587,946
Trade and other payables (*)	貿易及其他應付款項(*)	3,391,963	10,000	30,000	13,000	3,444,963
		7,528,843	1,530,217	7,922,187	1,051,662	18,032,909
As at 31 December 2016 (Audited)	於二零一六年 十二月三十一日(經審核)					
Financial liabilities	金融負債					
Borrowings	借款	2,904,139	1,592,384	3,815,009	899,770	9,211,302
Trade and other payables (*)	貿易及其他應付款項(*)	2,607,338	10,000	30,000	23,000	2,670,338
		5,511,477	1,602,384	3,845,009	922,770	11,881,640

* Excluding staff welfare benefit payable, other taxes payable and advances from customers.

* 不包括應付員工福利、其他應付稅項及客戶預付款。

5. 財務風險管理及金融工具(續)

5.2 流動資金風險(續)

下表分析本集團的非衍生金融負債，此乃按照相關的到期組別，根據結算日至合約到期日的剩餘期間進行分析。表內所披露的金額為合約未貼現現金流量。

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Cont'd)

5.3 Fair value estimation

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 30 June 2017 and 31 December 2016, the Group did not have any financial assets or liabilities that are measured at fair value.

6. SEASONALITY OF OPERATIONS

There is a seasonal factor in the Group's revenue. In general, revenue in the second half of the year is higher than the first half. In the financial year ended 31 December 2016, 30% of revenues accumulated in the first half of the year, with 70% accumulating in the second half.

5. 財務風險管理及金融工具(續)

5.3 公平值估算

不同層級之定義如下：

- 相同資產或負債於活躍市場之報價(未經調整)(第一級)。
- 並非納入第一級之報價，惟可直接(即價格)或間接(即源自價格)觀察之資產或負債之輸入值(第二級)。
- 並非依據可觀察之市場數據之資產或負債之輸入值(即非可觀察輸入值)(第三級)。

於二零一七年六月三十日及二零一六年十二月三十一日，本集團並無按公平值計量任何金融資產或負債。

6. 業務的季節性

本集團的收益存在季節因素。下半年收益一般高於上半年收益。截至二零一六年十二月三十一日止財政年度，上半年累計30%的收益，而下半年累計70%的收益。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

7. SEGMENT INFORMATION

The executive directors of the Company are the chief operating decision-maker of the Group. Management has determined the operating segments based on reports reviewed by the executive directors of the Company for the purpose of allocating resources and assessing performance.

The executive directors of the Company consider the business from product and service perspective. The Group is organised into five business segments as below:

- (a) Wastewater treatment;
- (b) Water supply;
- (c) Construction and sales of equipment;
- (d) Solid waste treatment;
- (e) Others, including operation and maintenance services and other businesses.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which is a measure of revenue and gross profit of each operating segment.

The amounts provided to the executive directors of the Company with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segments.

Unallocated assets mainly represented cash and cash equivalents, certain prepayments and certain receivables of the group entities engaging in multiple business segments. Management considered that it is impracticable or not meaningful in allocating to different segments.

7. 分部資料

本公司執行董事為本集團的首席經營決策者。管理層根據本公司執行董事為資源分配及表現評估目的所審閱的報告釐定經營分部。

本公司執行董事從產品與服務層面考慮業務。本集團分為五個業務分部，詳情如下：

- (a) 污水處理；
- (b) 供水；
- (c) 建造及設備銷售；
- (d) 固廢處理；
- (e) 其他，包括運營和維護服務及其他業務。

管理層分開監察本集團經營分部的業績，以對資源分配及表現評估作出決策。分部表現按可呈報分部業績進行評估，其為各經營分部收入及毛利的一種計量。

本公司執行董事獲提供的總資產及總負債金額乃以與財務報表所採用者一致的方式計量。該等資產及負債根據分部經營業務進行分配。

未分配資產主要指從事多個業務分部的集團實體的現金及現金等價物、若干預付款項及若干應收款項。管理層認為，分配至不同分部不切實際或意義不大。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

7. SEGMENT INFORMATION (Cont'd)

Unallocated liabilities mainly represented certain borrowings, certain payables and deferred income of the group entities engaging in multiple business segments. Management considered that it is impracticable or not meaningful in allocating to different segments.

- (i) Segment results for the six months ended 30 June 2017 are as follows:

Six months ended 30 June 2017 (Unaudited):

		Wastewater treatment	Water supply	Construction and sales of equipment 建造及 設備銷售	Solid waste treatment	Others	Unallocated	Total
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Total segment revenue	分部收益總額	596,801	620,174	362,304	238,478	24,222	—	1,841,979
Inter-segment revenue	分部間收益	—	—	(184,257)	—	—	—	(184,257)
Revenue from external customers	來自外界客戶的收益	596,801	620,174	178,047	238,478	24,222	—	1,657,722
Gross profit	毛利	219,569	65,799	27,802	96,370	3,580	—	413,120
Other income	其他收入							155,024
Other gains - net	其他收益淨額	30,584	21,246	—	—	6,123	1,501	59,454
Selling expenses	銷售開支							(18,281)
Administrative expenses	行政開支							(202,537)
Finance income	融資收入							19,822
Finance costs	融資成本							(235,901)
Share of profit/(loss) of investments accounted for using the equity method	以權益法入賬的應佔 投資收益/(虧損)	9,178	(13,557)	—	—	—	—	(4,379)
Profit before income tax	所得稅前溢利							186,322
Income tax expenses	所得稅開支							(30,780)
Profit for the period	期內溢利							155,542
Depreciation and amortisation	折舊和攤銷	(48,415)	(65,542)	(4,090)	(62,003)	(5,824)	(6,760)	(192,634)

7. 分部資料(續)

未分配負債主要指若干借款、若干應付款項及從事多個業務分部的集團實體的遞延收益。管理層認為，分配至不同分部不切實際或意義不大。

- (i) 截至二零一七年六月三十日止六個月的分部業績如下：

截至二零一七年六月三十日止六個月(未經審核)：

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中期簡明綜合財務資料附註

7. SEGMENT INFORMATION (Cont'd)

Six months ended 30 June 2016 (Unaudited):

		Wastewater treatment	Water supply	Construction and sales of equipment 建造及 設備銷售	Solid waste treatment	Others	Unallocated	Total
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Total segment revenue	分部收益總額	252,242	309,291	200,283	108,510	31,666	—	901,992
Inter-segment revenue	分部間收益	—	—	(34,300)	—	—	—	(34,300)
Revenue from external customers	來自外界客戶的收益	252,242	309,291	165,983	108,510	31,666	—	867,692
Gross profit	毛利	128,260	70,078	37,976	31,332	9,857	—	277,503
Other income	其他收入							44,485
Other gains - net	其他收益淨額	—	—	—	—	—	3,531	3,531
Selling expenses	銷售開支							(13,212)
Administrative expenses	行政開支							(142,286)
Finance income	融資收入							16,142
Finance costs	融資成本							(79,463)
Share of loss of investments accounted for using the equity method	以權益法入賬的應佔投資虧損	—	—	—	—	(57)	—	(57)
Profit before income tax	所得稅前溢利							106,643
Income tax expenses	所得稅開支							(17,349)
Profit for the period	期內溢利							89,294
Depreciation and amortisation	折舊和攤銷	(17,159)	(31,768)	(4,618)	(34,891)	(1,187)	(2,913)	(92,536)

7. 分部資料(續)

截至二零一六年六月三十日止六個月(未經審核):

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

7. SEGMENT INFORMATION (Cont'd)

- (ii) Segment assets and liabilities as at 30 June 2017 are as follows:

As at 30 June 2017 (Unaudited):

		Wastewater treatment	Water supply	Construction and sales of equipment	Solid waste treatment	Others	Unallocated	Total
		污水處理	供水	建造及設備銷售	固廢處理	其他	未分配	合計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment assets	分部資產	6,724,336	5,955,204	2,798,166	3,526,257	440,585	5,313,338	24,757,886
Segment assets include: Investments accounted for using the equity method	分部資產包括： 以權益法入賬的投資	—	309,135	—	—	4,533	—	313,668
Segment liabilities	分部負債	1,507,938	1,420,966	1,296,242	766,480	2,744,382	10,828,930	18,564,938

As at 31 December 2016 (Audited):

於二零一六年十二月三十一日
(經審核)：

		Wastewater treatment	Water supply	Construction and sales of equipment	Solid waste treatment	Others	Unallocated	Total
		污水處理	供水	建造及設備銷售	固廢處理	其他	未分配	合計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment assets	分部資產	4,396,604	3,388,706	2,256,373	3,217,256	924,381	5,875,054	20,058,374
Segment assets include: Investments accounted for using the equity method	分部資產包括： 以權益法入賬的投資	297,923	411,416	—	—	37,341	—	746,680
Segment liabilities	分部負債	745,374	908,912	1,242,292	874,421	332,245	8,708,671	12,811,915

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

7. SEGMENT INFORMATION (Cont'd)

- (iii) Breakdown of the revenue from all services and sales of goods is as follows:

7. 分部資料(續)

- (iii) 自全部服務及銷售貨品產生的收益之明細載列如下：

Six months ended 30 June
截至六月三十日止六個月

		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Operating revenue	運營收益	601,262	320,901
Construction services	建造服務	825,836	349,412
Finance income	融資收入	121,395	74,411
Engineering-Procurement-Construction and sales of equipment	設計－採購－施工及設備銷售	85,007	91,302
Others	其他	24,222	31,666
		1,657,722	867,692

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中期簡明綜合財務資料附註

8. OTHER INCOME

8. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Interest income	利息收入		
– Other receivables from third parties	– 其他應收第三方款項	2,453	—
– Other receivables from a joint venture (note 28(b)(iii))	– 其他應收合營企業 款項(附註 28(b)(iii))	5,265	—
Recovery of other receivables (note a)	收回其他應收款項 (附註 a)	95,054	—
Value-added tax refunds	增值稅退稅	33,957	27,600
Government grants	政府補助	15,436	14,887
Miscellaneous income	雜項收益	2,859	1,998
		155,024	44,485

(a) During the six months ended 30 June 2017, the Group received other receivables of RMB95,054,000 which had been considered as unrecoverable in prior years.

(a) 於截至二零一七年六月三十日止六個月，本集團收取於過往年度預計無法收回的其他應收款項人民幣95,054,000元。

9. OTHER GAINS – NET

9. 其他收益淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Fair value gains on the remeasurement of a joint venture (note 15(a))	重新計量合營企業的 公平值收益(附註 15(a))	51,830	—
Fair value gains on the remeasurement of an associate (note 15(b))	重新計量聯營公司的 公平值收益(附註 15(b))	6,123	—
Others	其他	1,501	3,531
		59,454	3,531

Notes to the Interim Condensed Consolidated Financial Information
中期簡明綜合財務資料附註

10. FINANCE COSTS - NET

10. 融資成本淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Finance income	融資收益		
– Interest income from bank deposits	– 銀行存款利息收入	19,822	14,281
– Net exchange gains on financing activities	– 融資活動的匯兌 收益淨額	—	1,861
		19,822	16,142
Finance costs	融資成本		
– Borrowing costs	– 借款成本	(237,778)	(104,566)
Less: amounts capitalised on qualifying assets	減：合資格資產的 資本化金額	19,943	25,762
		(217,835)	(78,804)
– Unwinding of provision (note 25)	– 解除撥備(附註 25)	(4,768)	(659)
– Net exchange losses on financing activities (note a)	– 融資活動的匯兌 虧損淨額(附註 a)	(13,298)	—
		(235,901)	(79,463)
Finance costs - net	融資成本淨額	(216,079)	(63,321)
(a) Amounts mainly represented the exchange gain or loss of translating cash and cash equivalents and borrowings denominated in foreign currencies.		(a) 金額主要為換算現金及現金等價物以及以外幣計值的借款的匯兌收益或虧損。	

Notes to the Interim Condensed Consolidated Financial Information
中期簡明綜合財務資料附註

11. INCOME TAX EXPENSES

11. 所得稅開支

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Current income tax	即期所得稅		
– Corporate income tax	– 企業所得稅	62,506	22,963
Deferred income tax	遞延所得稅	(31,726)	(5,614)
		30,780	17,349

(a) PRC corporate income tax

Certain subsidiaries in certain industries operating in the western region of Mainland China can enjoy a preferential corporate income tax rate of 15%, provided their revenues generated from main operating activities accounted for more than 70% of their total revenues of the period.

Certain subsidiaries operating wastewater and solid waste treatment projects in Mainland China are eligible for a tax holiday of three-year full exemption followed by three-year half exemption of corporate income tax commencing from their first year generating operating revenue.

Except for preferential treatments available to certain subsidiaries as mentioned above, other subsidiaries within the Group in the PRC are subject to corporate income tax at the statutory rate of 25% (six months ended 30 June 2016: same).

(b) Thailand corporate income tax

The subsidiary operating solid waste treatment project in Thailand is eligible for an eight-year tax holiday of full exemption from 2013 to 2020.

(a) 中國企業所得稅

在中國大陸西部地區從事若干行業的若干附屬公司可享受 15% 的優惠企業所得稅稅率，前提是其主營業務收益須達到其當期收益總額的 70% 以上。

在中國大陸經營污水及固廢處理項目的若干附屬公司自產生經營收益首年起可享有三年免稅期及緊接三年企業所得稅減半的待遇。

除上文所述若干附屬公司可享受優惠待遇外，本集團於中國的其他附屬公司須按法定稅率 25% 繳納企業所得稅（截至二零一六年六月三十日止六個月：相同）。

(b) 泰國企業所得稅

在泰國經營固廢處理項目的附屬公司可享受有由二零一三年至二零二零年八年免稅期。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

11. INCOME TAX EXPENSES (Cont'd)

(c) Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the six months ended 30 June 2017 (six months ended 30 June 2016: same).

No provision for Hong Kong profits tax was made as the Group did not have any assessable profit in Hong Kong for six months ended 30 June 2017 (six months ended 30 June 2016: same).

(d) Indonesia corporate income tax

The subsidiary operating solid waste treatment project in Indonesia is subject to corporate income tax at the statutory rate of 25% for the six months ended 30 June 2017 (six months ended 30 June 2016: N/A).

11. 所得稅開支(續)

(c) 香港利得稅

截至二零一七年六月三十日止六個月，適用香港利得稅稅率為16.5%(截至二零一六年六月三十日止六個月：相同)。

由於本集團於截至二零一七年六月三十日止六個月並無產生任何應課稅溢利，故並未計提香港利得稅撥備(截至二零一六年六月三十日止六個月：相同)。

(d) 印尼企業所得稅

截至二零一七年六月三十日止六個月，在印尼經營固廢處理項目的附屬公司須按25%的法定稅率繳納企業所得稅(截至二零一六年六月三十日止六個月：不適用)。

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12. EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated by dividing the profit attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares issued during the six months ended 30 June 2017 and 2016.

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Profit attributable to the ordinary shareholders of the Company (RMB'000)	本公司普通股股東應佔溢利(人民幣千元)	91,766	80,201
Weighted average number of ordinary shares in issue (thousands)	已發行的普通股加權平均數(千股)	1,193,213	1,193,213
Basic earnings per share (RMB per share)	每股基本盈利(每股人民幣元)	0.077	0.067

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as there were no diluted potential ordinary shares outstanding during the six months ended 30 June 2017 and 2016.

12. 每股盈利

(a) 基本

每股基本盈利按本公司普通股股東應佔溢利除以截至二零一七年及二零一六年六月三十日止六個月已發行的普通股加權平均數計算。

(b) 攤薄

由於截至二零一七年及二零一六年六月三十日止六個月並無發行在外的潛在攤薄普通股，故每股攤薄盈利與每股基本盈利相同。

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中期簡明綜合財務資料附註

13. DIVIDENDS

Pursuant to the resolution of the Company's Annual General Meeting held on 13 June 2017, the Company has declared 2016 dividends of RMB119,321,000 (2015 dividends: RMB119,321,000). The 2016 dividends were paid on 20 July 2017.

No interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: nil) has been proposed by the board of directors of the Company.

14. ACQUISITION OF ADDITIONAL INTERESTS IN SUBSIDIARIES

During the six months ended 30 June 2017, the Group acquired additional interests of certain subsidiaries. The Group recognised a decrease in non-controlling interests and a decrease in equity attributable to ordinary shareholders of the Company. The effect of changes in the ownership interest of the Group on the equity attributable to ordinary shareholders of the Company during the period is summarised as follow:

13. 股息

根據本公司於二零一七年六月十三日舉行的股東週年大會的決議案，本公司已宣派二零一六年股息人民幣119,321,000元(二零一五年股息：人民幣119,321,000元)。二零一六年股息已於二零一七年七月二十日派付。

本公司董事會不建議派發截至二零一七年六月三十日止六個月之中期股息(截至二零一六年六月三十日止六個月：無)。

14. 收購附屬公司的額外權益

於截至二零一七年六月三十日止六個月，本集團收購若干附屬公司的額外權益。本集團確認非控股權益減少以及本公司普通股股東應佔權益減少。本集團所有權權益變動對期內本公司普通股股東應佔權益的影響概述如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Carrying amount of non-controlling interests acquired	已收購非控股權益的賬面值	295,840	1,529
Consideration paid/payable to non-controlling interests	收購額外非控股權益已支付／應支付的代價	(455,078)	(4,120)
Excess of consideration recognised within equity	於權益確認的代價超出部分	(159,238)	(2,591)

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中期簡明綜合財務資料附註

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts recognised in the interim condensed consolidated balance sheet are as follows:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
A joint venture (note a)	合營企業(附註a)	—	709,339
Associates (note b)	聯營公司(附註b)	313,668	37,341
		313,668	746,680

The amounts recognised in the interim condensed consolidated statement of profit or loss are as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
A joint venture	合營企業	(13,514)	—
Associates	聯營公司	9,135	(57)
		(4,379)	(57)

15. 以權益法入賬的投資

於中期簡明綜合資產負債表確認的金額如下：

於中期簡明綜合損益表確認的金額如下：

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中期簡明綜合財務資料附註

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

15. 以權益法入賬的投資(續)

(a) Investment in a joint venture

(a) 於合營企業的投資

		Six months ended 30 June 2017 截至 二零一七年 六月三十日 止六個月 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January 2017	於二零一七年一月一日的期初結餘	709,339
Share of loss for the period	期內應佔虧損	(13,514)
Other comprehensive income	其他全面收入	3,731
Currency translation difference	貨幣換算差額	(2,636)
Fair value gains on the remeasurement of a joint venture	重新計量合營企業的 公平值收益	51,830
Step-up acquisition from a joint venture to a subsidiary (note 27(a))	由合營企業逐步收購為附屬公司 (附註27(a))	(748,750)
Closing balance at 30 June 2017	於二零一七年六月三十日的期末結餘	—

The Group has interests in a joint venture that is accounted for using the equity method.

本集團於合營企業的權益乃以權益法入賬。

Name of entity	實體名稱	Place of business/ country of incorporation 營業地點/ 註冊成立 的國家	Percentage of ownership interest 所有權權益百分比	
			As at 於 30 June 2017 二零一七年 六月三十日	31 December 2016 二零一六年 十二月三十一日
Galaxy NewSpring Pte. Ltd. ("GNS")	Galaxy NewSpring Pte. Ltd. (「GNS」)	Singapore 新加坡	(i)	50%

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15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

(a) Investment in a joint venture (Cont'd)

- (i) The principal activity of GNS is investment holding. The principal activities of the subsidiaries of GNS are investments in, either directly or indirectly, water-related infrastructure assets, including water treatment plants, wastewater treatment plants and water recycling plants in the PRC.

GNS is an unlisted company and there is no quoted market price available for its shares.

On 15 March 2017, the Group completed the acquisition of the remaining 50% equity interest of GNS and GNS became a wholly-owned subsidiary of the Group (note 27(a)).

(b) Investment in associates

15. 以權益法入賬的投資(續)

(a) 於合營企業的投資(續)

- (i) GNS的主要業務為投資控股。GNS附屬公司的主要業務為直接或間接投資於水務相關基礎設施資產，包括中國的水處理廠、污水處理廠以及再生水廠。

GNS為一家非上市私人公司，且其股份並無市場報價。

於二零一七年三月十五日，本集團完成收購GNS的餘下50%股權，而GNS成為本集團的全資附屬公司(附註27(a))。

(b) 於聯營公司的投資

		Six months ended 30 June 2017 截至 二零一七年 六月三十日 止六個月 RMB'000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January 2017	於二零一七年一月一日期初結餘	37,341
Acquisition of a subsidiary	收購附屬公司	4,533
Addition	添置	300,000
Share of profit for the period	期內應佔溢利	9,135
Fair value gains on the remeasurement of an associate	重新計量聯營公司的公平值收益	6,123
Step-up acquisition from an associate to a subsidiary (note 27(b))	由聯營企業逐步收購為附屬公司(附註27(b))	(43,464)
Closing balance at 30 June 2017	於二零一七年六月三十日期終結餘	313,668

The Group has interests in associates that are accounted for using the equity method.

本集團於聯營公司的權益乃以權益法入賬。

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15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

(b) Investment in associates (Cont'd)

Name of entity	實體名稱	Place of business/ country of incorporation 營業地點/ 註冊成立 的國家	Percentage of ownership interest 所有權權益百分比 As at 於	
			30 June 2017 二零一七年 六月三十日	31 December 2016 二零一六年 十二月三十一日
Bazhou Keda Haorui Environmental Investment Co., Ltd. ("Bazhou Keda") (i)	巴州科達浩瑞環境投資有限公司(「巴州科達」)(i)	PRC 中國	(i)	43.75%
Zhejiang Haiyun Environmental Protection Company Limited ("Haiyun Environmental") (ii)	浙江海雲環保有限公司(「海雲環保」)(ii)	PRC 中國	49%	N/A 不適用
Henan Li Wei Biopharma Co., Ltd. Huanghe Branch ("Li Wei Biopharma (Huanghe)") (iii)	河南利偉生物藥業股份有限公司黃河新能源分公司(「利偉生物藥業(黃河)」)(iii)	PRC 中國	40%	N/A 不適用

- (i) Bazhou Keda is principally engaged in wastewater treatment in the PRC. On 8 January 2017, the Group acquired additional equity interests of 16.25% in Bazhou Keda, which became a subsidiary of the Group thereafter (note 27(b)).

Bazhou Keda is an unlisted company and there is no quoted market price available for its shares.

- (ii) Haiyun Environmental is principally engaged in investing, financing, construction, operation and management of water environment projects and infrastructure construction projects in the PRC.

Haiyun Environmental is an unlisted company and there is no quoted market price available for its shares.

- (iii) Li Wei Biopharma (Huanghe) is principally engaged in development and sales of waste treatment and other environmental protection equipment.

Li Wei Biopharma (Huanghe) is an unlisted company and there is no quoted market price available for its shares.

15. 以權益法入賬的投資(續)

(b) 於聯營公司的投資(續)

- (i) 巴州科達主要在中國從事水處理業務。於二零一七年一月八日，本集團收購巴州科達的額外16.25%股權，使之其後成為本集團的附屬公司(附註27(b))。

巴州科達為一家非上市私人公司，且其股份並無市場報價。

- (ii) 海雲環保主要在中國從事水環境項目及基礎設施建設項目的投資、融資、建設、經營及管理。

海雲環保為一家非上市私人公司，且其股份並無市場報價。

- (iii) 利偉生物藥業(黃河)主要從事開發及銷售廢物處理及其他環保設備。

利偉生物藥業(黃河)為一家非上市私人公司，且其股份並無市場報價。

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16. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS **16. 物業、廠房及設備以及無形資產**

		Property, plant and equipment 物業、廠房 及設備 RMB'000 人民幣千元	Intangible assets 無形資產 RMB'000 人民幣千元
Six months ended 30 June 2017 (Unaudited)	截至二零一七年六月三十日止六個月 (未經審核)		
Net book value	賬面淨值		
As at 1 January 2017	於二零一七年一月一日	2,326,287	4,560,375
Acquisition of subsidiaries	收購附屬公司	12,716	2,113,408
Additions	添置	85,269	825,892
Depreciation/amortisation	折舊／攤銷	(80,870)	(108,818)
Currency translation differences	貨幣換算差額	45	11,027
Disposals	出售	(5,334)	—
As at 30 June 2017	於二零一七年六月三十日	2,338,113	7,401,884
Six months ended 30 June 2016 (Unaudited)	截至二零一六年六月三十日止六個月 (未經審核)		
Net book value	賬面淨值		
As at 1 January 2016	於二零一六年一月一日	1,617,329	1,711,249
Acquisition of subsidiaries	收購附屬公司	105,499	1,182,026
Additions	添置	64,346	371,264
Depreciation/amortisation	折舊／攤銷	(36,987)	(53,669)
Disposals	出售	(218)	—
As at 30 June 2016	於二零一六年六月三十日	1,749,969	3,210,870

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17. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

The following is the summarised information of the financial asset component (receivable under service concession arrangements) with respect to the Group's service concession arrangements:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Receivables under service concession arrangements	服務特許經營安排下的應收款項	3,899,346	2,891,228
Less: portion classified as current assets	減：分類為流動資產的部分	(37,394)	(31,082)
Non-current portion	非即期部分	3,861,952	2,860,146

In respect of the Group's receivables under service concession arrangements, credit risks varied amongst the Group's projects operated in different locations of the PRC. The collection of receivables under services concession arrangements is closely monitored in order to minimise any credit risk associated with the receivables.

The receivables under service arrangements were billable receivables. They were mainly due from governmental authorities in Mainland China, as grantors in respect of the Group's service concession arrangements. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

17. 服務特許經營安排下的應收款項

與本集團服務特許經營安排有關的金融資產組成部分(服務特許經營安排下的應收款項)的資料概述如下：

就本集團於服務特許經營安排下的應收款項而言，信貸風險因本集團於中國不同地點運營的項目而異。為降低與應收款項有關的任何信貸風險，服務特許經營安排下的應收款項的收回情況受到密切監控。

服務安排下的應收款項為可開具賬單的應收款項，其主要來自作為本集團服務特許經營安排授予人的中國內地政府機構。根據過往經驗，董事認為無須就該等結餘作出減值撥備，原因是信貸質素並無重大變動且結餘被視為可全數收回。

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18. AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS **18. 就合約工程應收／預收客戶款項**

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Costs incurred to date plus recognised profits less recognised losses	迄今已產生的成本加已 確認利潤減已確認虧損	858,802	803,554
Less: progress billings	減：進度付款	(116,299)	(116,299)
		742,503	687,255
Analysed for reporting purposes as:	就報告目的分析為：		
Amounts due from customers for contract works	就合約工程應收客戶款項		
– Non current	– 非即期	483,471	659,974
– Current	– 即期	262,365	30,614
		745,836	690,588
Amounts due to customers for contract works	就合約工程預收客戶款項	(3,333)	(3,333)
		742,503	687,255

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19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

19. 貿易及其他應收款項及預付款項

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Trade receivables	貿易應收款項		
– Related parties (note 28(d))	– 關聯方(附註28(d))	1,169,306	1,024,685
– Local governments	– 地方政府	511,086	367,560
– Third parties	– 第三方	513,499	469,629
Less: provision for impairment	減：減值撥備	(36,698)	(34,430)
		2,157,193	1,827,444
Other receivables	應收以下各方		
	其他應收款項：		
– Joint venture (note 28(d))	– 合營企業(附註28(d))	—	482,378
– Related parties (note 28(d))	– 關聯方(附註28(d))	6,404	6,403
– Third parties	– 第三方	943,649	543,081
Less: provision for impairment	減：減值撥備	(7,343)	(6,877)
		942,710	1,024,985
Total trade and other receivables	貿易及其他應收款項總額	3,099,903	2,852,429
Less: non-current portion of other receivables	減：其他應收款項的 非即期部分	(78,199)	(128,605)
Current portion of trade and other receivables	貿易及其他應收款項的 即期部分	3,021,704	2,723,824
Prepayments	預付款項		
– Related parties (note 28(d))	– 關聯方(附註28(d))	70,575	81,636
– Third parties	– 第三方	2,113,449	1,282,010
		2,184,024	1,363,646
Less: non-current portion of prepayments	減：預付款項非即期部分	(1,930,239)	(1,230,108)
Current portion of prepayments	預付款項即期部分	253,785	133,538

The carrying amount of trade and other receivables, approximate their fair values and are mainly denominated in RMB.

貿易及其他應收款項的賬面值與其公平值相若，且主要以人民幣計值。

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19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS
(Cont'd)

In general, the Group grants credit periods of 90 to 180 days to its customers. Aging analysis of gross trade receivables (including amounts due from related parties of trading in nature) at the respective balance sheet dates, based on the invoice dates or contractual terms, is as follows:

19. 貿易及其他應收款項及預付款項
(續)

通常情況下，本集團授予客戶90至180天的信用期。於各結算日按發票日期或合約條款作出的貿易應收款項(包括屬貿易性質的應收關聯方款項)總額賬齡分析如下：

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within one year	一年以內	1,566,712	1,502,558
One to two years	一至兩年	382,957	158,404
Two to three years	兩至三年	116,828	130,108
Over three years	三年以上	127,394	70,804
		2,193,891	1,861,874

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19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Movements of the provision for impairment of trade receivables are as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January	於一月一日期初結餘	34,430	13,271
Impairment provision	減值撥備	8,118	21,824
Unused amounts reversed	已撥回未動用款項	(5,850)	(262)
Closing balance at 30 June	於六月三十日期終結餘	36,698	34,833

Movements of the provision for impairment of other receivables are as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January	於一月一日期初結餘	6,877	10,973
Impairment provision	減值撥備	514	181
Unused amounts reversed	未動用金額撥回	(48)	(2,494)
Closing balance at 30 June	於六月三十日期終結餘	7,343	8,660

19. 貿易及其他應收款項及預付款項 (續)

本集團貿易應收款項的減值撥備變動如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January	於一月一日期初結餘	34,430	13,271
Impairment provision	減值撥備	8,118	21,824
Unused amounts reversed	已撥回未動用款項	(5,850)	(262)
Closing balance at 30 June	於六月三十日期終結餘	36,698	34,833

本集團其他應收款項的減值撥備變動如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January	於一月一日期初結餘	6,877	10,973
Impairment provision	減值撥備	514	181
Unused amounts reversed	未動用金額撥回	(48)	(2,494)
Closing balance at 30 June	於六月三十日期終結餘	7,343	8,660

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20. CASH AND CASH EQUIVALENTS

20. 現金及現金等價物

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Cash at bank and on hand	銀行及手頭現金	4,013,921	3,126,921
Short-term bank deposits	短期銀行存款	—	1,003,000
		4,013,921	4,129,921
Denominated in:	以下列貨幣計值：		
– RMB	– 人民幣	3,426,069	3,593,621
– HKD	– 港元	68,733	9,346
– USD	– 美元	468,118	499,279
– THB	– 泰銖	33,888	16,532
– IDR	– 印尼盾	13,743	11,143
– SGD	– 新加坡幣	3,370	—
		4,013,921	4,129,921

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21. PERPETUAL CAPITAL INSTRUMENTS

During the six months ended 30 June 2017, the Group issued perpetual capital instruments with the aggregate proceeds of RMB1,200 million to a financial institution in the PRC (six months ended 30 June 2016: nil); and redeemed with the aggregate repayments of RMB2,000 million to a financial institution in the PRC (six months ended 30 June 2016: nil). The perpetual capital instruments have no maturity, and the payments of distribution can be deferred at the discretion of the Group.

Movement of the perpetual capital instruments is as follows:

21. 永久資本工具

於截至二零一七年六月三十日止六個月，本集團向中國一家金融機構發行所得款項總額人民幣1,200百萬元之永久資本工具(截至二零一六年六月三十日止六個月：無)，同時向中國一家金融機構償還總額人民幣2,000百萬元而贖回(截至二零一六年六月三十日止六個月：無)。該永久資本工具並無期限，且分派的支付可由本公司酌情予以遞延。

永久資本工具的變動如下：

		Six months ended 截至 二零一七年 30 June 2017 六月三十日 止六個月 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance at 1 January 2017	於二零一七年一月一日期初結餘	2,000,000
Issues	發行	1,200,000
Redemptions	贖回	(2,000,000)
Profit attributable to holders of perpetual capital instruments	永久資本工具持有人應佔溢利	42,638
Distributions to holders of perpetual capital instruments	向永久資本工具持有人作出的分派	(42,638)
Closing balance at 30 June 2017	於二零一七年六月三十日期終結餘	1,200,000

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22. TRADE AND OTHER PAYABLES

22. 貿易及其他應付款項

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Trade payables:	貿易應付款項：		
– Related parties (note 28(d))	– 關聯方(附註28(d))	727,217	531,674
– Third parties	– 第三方	1,434,926	1,183,181
Notes payables	應付票據	40,000	—
Other payables:	其他應付款項：		
– Related parties (note 28(d))	– 關聯方(附註28(d))	81,816	210,553
– Third parties	– 第三方	1,029,480	729,578
Advances from customers	來自客戶的墊款	285,193	61,328
Staff welfare benefit payable	應付員工福利	14,648	31,312
Dividend payables	應付股息	119,321	—
Other taxes payable	其他應付稅項	77,926	159,941
Less: non-current portion	減：非即期部分	(50,797)	(49,055)
Current portion	即期部分	3,759,730	2,858,512

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22. TRADE AND OTHER PAYABLES (Cont'd)

As at 30 June 2017, the aging analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date were as follows:

22. 貿易及其他應付款項(續)

於二零一七年六月三十日，根據發票日期，本集團的貿易應付款項(包含貿易性質的應付關聯方款項)的賬齡分析如下：

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Within one year	一年以內	1,626,100	1,238,674
One to two years	一至兩年	228,595	266,666
Two to three years	兩至三年	171,820	142,570
Over three years	三年以上	135,628	66,945
		2,162,143	1,714,855

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23. BORROWINGS

23. 借款

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Non-current	非即期	8,985,310	5,689,554
Current	即期	3,767,074	2,608,925
		12,752,384	8,298,479

Movement in borrowings is analysed as follows:

借款變動的分析如下：

		Six months ended 30 June 2017 截至 二零一七年 六月三十日 止六個月 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Opening balance as at 1 January 2017	於二零一七年一月一日期初結餘	8,298,479
Proceeds from borrowings	借款所得款項	7,076,067
Repayments of borrowings	償還借款	(2,576,866)
Acquisition of subsidiaries (note 27)	收購附屬公司(附註27)	13,400
Exchange gains on financing activities	融資活動的匯兌收益	(4,098)
Currency translation differences	外幣換算差額	(54,598)
Closing balance as at 30 June 2017	於二零一七年六月三十日期終結餘	12,752,384

The Group's borrowings as at 30 June 2017 carried weighted average interest rates of 4.26% per annum (31 December 2016: 4.70%).

於二零一七年六月三十日，本集團借款所附加權平均利率為每年4.26%(二零一六年十二月三十一日：4.70%)。

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23. BORROWINGS (Cont'd)

As at 30 June 2017, bank borrowings of RMB2,800,013,000 (31 December 2016: RMB1,829,839,000) were secured by pledge of the Group's receivables under service concession arrangements, land use rights and investments in subsidiaries with carrying value as follows:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元
Investments in subsidiaries	於附屬公司的投資	1,443,879	1,251,555
Right of charges from concession and BT projects	特許經營及建設－ 移交項目的收費權	350,667	309,214
Land use rights	土地使用權	25,686	20,430
		1,820,232	1,581,199

As at 30 June 2017, bank borrowings of RMB23,827,000 (31 December 2016: RMB24,517,000), RMB2,773,863,000 (31 December 2016: RMB1,842,103,000) and RMB30,900,000 (31 December 2016: RMB117,000,000) were guaranteed by a PRC local government, other related parties and a third party, respectively.

23. 借款(續)

於二零一七年六月三十日，銀行借款人民幣2,800,013,000元(二零一六年十二月三十一日：人民幣1,829,839,000元)由賬面值如下的本集團服務特許經營安排應收款項、土地使用權及於附屬公司的投資質押作抵押：

於二零一七年六月三十日，銀行借款人民幣23,827,000元(二零一六年十二月三十一日：人民幣24,517,000元)、人民幣2,773,863,000元(二零一六年十二月三十一日：人民幣1,842,103,000元)及人民幣30,900,000元(二零一六年十二月三十一日：人民幣117,000,000元)分別由中國地方政府、其他關聯方及第三方提供擔保。

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24. DEFERRED INCOME TAX ASSETS/(LIABILITIES)

The table of deferred income tax assets/(liabilities) after the offsetting of balances within the same tax jurisdiction, is as follows:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Deferred income tax assets	遞延所得稅資產	318,386	245,992
Deferred income tax liabilities	遞延所得稅負債	(912,618)	(646,890)

The movement in deferred income tax assets and liabilities during the period, without taking into account for the offsetting of balances within the same tax jurisdiction, is as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Deferred income tax assets	遞延所得稅資產		
Opening balance 1 January	於一月一日期初結餘	255,349	64,307
Credited to interim condensed consolidated statement of profit or loss	計入中期簡明綜合損益表	36,517	10,016
Acquisition of subsidiaries (note 27)	收購附屬公司(附註27)	47,809	74,414
Reversal	撥回	(7,742)	—
Closing balance at 30 June	於六月三十日期終結餘	331,933	148,737

24. 遞延所得稅資產／(負債)

遞延所得稅資產／(負債)(在抵銷同一稅項司法權區的結餘後)如下表所示：

期內遞延所得稅資產及負債的變動(不計及同一稅項司法權區內結餘的抵銷)如下：

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24. DEFERRED INCOME TAX ASSETS/(LIABILITIES) (Cont'd)

24. 遞延所得稅資產／(負債)(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Deferred income tax liabilities	遞延所得稅負債		
Opening balance 1 January	於一月一日期初結餘	(656,247)	(206,249)
Charge to interim condensed consolidated statement of profit or loss	於中期簡明綜損益表扣除	(4,791)	(4,402)
Acquisition of subsidiaries (note 27)	收購附屬公司(附註27)	(265,127)	(226,682)
Closing balance at 30 June	於六月三十日期終結餘	(926,165)	(437,333)

25. PROVISIONS

25. 撥備

		Maintenance cost 維修成本 (note (a)) (附註(a)) RMB' 000 人民幣千元	Employee benefit 僱員福利 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Six months ended 30 June 2017 (Unaudited)		截至二零一七年六月三十日止六個月(未經審核)		
Opening balance at 1 January	於一月一日期初結餘	74,962	3,755	78,717
Acquisition of subsidiaries (note 27)	收購附屬公司(附註27)	134,878	—	134,878
Unwinding of provision (note 10)	解除撥備(附註10)	4,768	—	4,768
Paid during the period	期內已付	—	(283)	(283)
Closing balance at 30 June	於六月三十日期終結餘	214,608	3,472	218,080
Six months ended 30 June 2016 (Unaudited)		截至二零一六年六月三十日止六個月(未經審核)		
Opening balance at 1 January	於一月一日期初結餘	21,951	3,840	25,79
Acquisition of subsidiaries	收購附屬公司	27,904	—	27,904
Provision capitalised in intangible assets	於無形資產中將撥備撥作資本	3,183	—	3,183
Unwinding of provision (note 10)	解除撥備(附註10)	659	—	659
Paid during the period	期內已付	—	(41)	(41)
Closing balance at 30 June	於六月三十日期終結餘	53,697	3,799	57,496

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25. PROVISIONS (Cont'd)

- (a) Pursuant to the service concession agreements entered into by the Group, the Group has the contractual obligations to maintain the facilities it operates to specified level of serviceability and/or to restore the plants to a specified condition before they are handed over to the governmental authorities at the end of the service concession periods. These contractual obligations to maintain or restore the facilities, except for any upgrade elements, are recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of each of the related periods.

26. COMMITMENTS

(a) Capital commitment

Capital expenditure contracted for but not yet incurred as of 30 June 2017 and 31 December 2016, is as follows:

25. 撥備(續)

- (a) 根據本集團訂立的服務特許經營協議，本集團的合約責任為保養其經營的設施，確保符合特定的可提供服務水平及／或於服務特許經營期結束時，在移交廠房予政府機構之前，將其修復至指定狀態。該等保養或修復設施的合約責任(任何改造部分除外)乃按各有關期間末履行當前責任所需支出的最佳估計值確認與計量。

26. 承擔

(a) 資本承擔

截至二零一七年六月三十日及二零一六年十二月三十一日已訂約但尚未產生的資本支出如下：

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Property, plant and equipment, land use right, concession projects and construction projects	物業、廠房及設備、 土地使用權、特許 經營項目及建設項目	2,543,478	2,368,788
Equity interests	股權	695,451	2,314,454
		3,238,929	4,683,242

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中期簡明綜合財務資料附註

26. COMMITMENTS (Cont'd)

(b) Operating lease commitments – where the Group is the lessee

The Group has leased various offices and warehouses under non-cancellable operating lease agreements. The lease terms are between 1 and 10 years.

The Group had future aggregate minimum lease rental payments under non-cancellable operating leases as follows:

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Within one year	一年以內	5,504	7,089
One to five years	一至五年	4,075	5,846
Over five years	五年以上	959	1,123
		10,538	14,058

27. BUSINESS COMBINATION

The Group has completed several business combinations during the six months ended 30 June 2017. The acquired businesses have contributed revenues of RMB96,254,000 and net loss of RMB6,168,000 to the Group for the period from acquisition date to 30 June 2017. Had the business combinations been completed at 1 January 2017, the interim condensed consolidated statement of profit or loss of the Group for the period ended 30 June 2017 would show pro-forma revenue of RMB1,718,392,000 and net profit of RMB122,444,000.

26. 承擔(續)

(b) 經營租賃承擔 – 本集團作為承租人

本集團根據不可撤銷經營租賃協議租賃多個辦公室及倉庫。租賃期為1至10年。

本集團根據不可撤銷經營租約擁有的未來最低租金付款總額如下：

27. 業務合併

本集團於截至二零一七年六月三十日止六個月已完成多項業務合併。自收購日期至二零一七年六月三十日止期間，已收購業務為本集團貢獻收益人民幣96,254,000元及虧損淨額人民幣6,168,000元。倘業務合併於二零一七年一月一日已完成，本集團於截至二零一七年六月三十日止期間的中期簡明綜合損益表將顯示備考收益人民幣1,718,392,000元及純利人民幣122,444,000元。

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中期簡明綜合財務資料附註

27. BUSINESS COMBINATION (Cont'd)

Set out below is the summarised information of the completed business combinations during the six months ended 30 June 2017.

27. 業務合併(續)

下文載列於截至二零一七年六月三十日止六個月完成的業務合併的概要資料。

		GNS GNS (Note a) (附註 a) RMB' 000 人民幣千元	Bazhou Keda 巴州科達 (Note b) (附註 b) RMB' 000 人民幣千元	Others 其他 (Note c) (附註 c) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Consideration:	代價:				
- Fair value of 50% equity interests in GNS held by the Group	- 本集團於GNS所持50%股權的公平值	748,750	—	—	748,750
- Fair value of 43.75% equity interests in Bazhou Keda held by the Group	- 本集團於巴州科達所持43.75%股權的公平值	—	43,464	—	43,464
- Cash	- 現金	943,420	21,400	190,449	1,155,269
- Unpaid consideration	- 未付代價	—	—	31,450	31,450
Total Consideration	代價總額	1,692,170	64,864	221,899	1,978,933
Fair value of identifiable net assets acquired	所收購可識別淨資產的公平值				
Cash and cash equivalents	現金及現金等價物	93,978	42,365	260,030	162,373
Trade and other receivables	貿易及其他應收款項	313,128	69,204	135,563	517,895
Receivables under service concession arrangements	服務特許經營安排下的應收款項	848,826	—	53,475	902,301
Intangible assets	無形資產	1,773,580	—	126,415	1,899,995
Deferred income tax assets	遞延所得稅資產	47,809	—	—	47,809
Other assets	其他資產	4,418	452	30,005	34,875
Borrowings	借款	—	—	(13,400)	(13,400)
Amounts due to the Group	應付本集團款項	(1,174,743)	—	—	(1,174,743)
Trade and other payables	貿易及其他應付款項	(22,426)	(13,122)	(105,977)	(141,525)
Provision	撥備	(134,878)	—	—	(134,878)
Deferred income tax liabilities	遞延所得稅負債	(249,760)	(5)	(15,362)	(265,127)
Deferred Income	遞延收益	(2,432)	—	(7,977)	(10,409)
Total identifiable net assets	可識別淨資產總額	1,497,500	98,894	228,772	1,825,166
Non-controlling interests	非控股權益	—	(39,560)	(20,086)	(59,646)
		1,497,500	59,334	208,686	1,765,520
Goodwill	商譽	194,670	5,530	13,213	213,413

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中期簡明綜合財務資料附註

27. BUSINESS COMBINATION (Cont'd)

- (a) The principal activity of GNS is investment holding. The principal activities of the subsidiaries of GNS are investments in, either directly or indirectly, water related infrastructure assets, including water treatment plants, wastewater treatment plants and water recycling plants in the PRC. On 15 March 2017, the Group acquired the remaining 50% equity interest of GNS and GNS became a wholly-owned subsidiary of the Group.
- (b) Bazhou Keda was an associate of the Group since 2015 with 43.75% equity interest held by the Group. Bazhou Keda's principal activities are wastewater treatment in the PRC. On 8 January 2017, the Group acquired additional 16.25% equity interest of Bazhou Keda and Bazhou Keda became a subsidiary of the Group.
- (c) The Group acquired a number of PRC companies from certain independent third parties, which principally engaged in wastewater treatment, water supply and sales of solid waste treatment equipment in the PRC during the period.

Acquisition-related costs of above business combinations were charged to the administrative expenses and were not material to the Group.

The goodwill of RMB213,413,000 arises from a number of factors including expected efficiencies in the business of the subsidiaries after the acquisitions, which cannot be separately recognised as an intangible asset.

27. 業務合併(續)

- (a) GNS的主要業務為投資控股。GNS附屬公司的主要業務為直接或間接投資於水務相關基礎設施資產，包括中國的水處理廠、污水處理廠以及再生水廠。於二零一七年三月十五日，本集團收購GNS的餘下50%股權，而GNS成為本集團的全資附屬公司。
- (b) 巴州科達自二零一五年起為本集團聯營公司，本集團持有其43.75%股權。巴州科達的主要業務為中國污水處理。於二零一七年一月八日，本集團收購巴州科達的額外16.25%股權，使之其後成為本集團的附屬公司。
- (c) 本集團於本期間自特定數個獨立第三方收購多家中國公司，其主要在中國從事污水處理、供水以及固廢處理設備銷售。

上述業務合併的收購相關成本已於行政開支扣除且對本集團而言並不重大。

人民幣213,413,000元的商譽乃產生自多項因素，包括收購後附屬公司業務的預期效率，這不能分開確認為無形資產。

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28 RELATED PARTY TRANSACTIONS

28. 關聯方交易

(a) Name and relationship with related parties

(a) 關聯方的名稱及與關聯方的關係

Name 名稱	Relationship 關係
Yunnan Province Water Industry Investment Co., Ltd. ("Yunnan Province Water") 雲南省水務產業投資有限公司(「雲南省水務」)	Shareholder of the Company 本公司股東
Beijing OriginWater Technology Co., Ltd. ("Beijing OriginWater") 北京碧水源科技股份有限公司(「北京碧水源」)	Shareholder of the Company 本公司股東
GNS	Joint venture of the Group before 15 March 2017 於二零一七年三月十五日前為本集團合營企業
GNS	
Yunnan Metropolitan Construction Investment Co., Ltd. ("YMC") 雲南省城市建設投資集團有限公司(「雲南城投集團」)	Shareholder of Yunnan Province Water 雲南省水務的股東
Jinghong Municipal Investment and Development Co., Ltd. ("Jinghong Investment") 景洪市城市投資開發有限公司 (「景洪城投」)	Fellow subsidiary 同系附屬公司
Yunnan Chengjiang Eagle Tourist Resort Co., Ltd. ("Yunnan Chengjiang Eagle") 雲南澄江老鷹地旅遊度假村有限公司 (「雲南澄江老鷹地」)	Fellow subsidiary 同系附屬公司
Yunnan City Voted Erhai Real Estate Ltd. ("Yunnan Erhai Estate") 雲南城洱海置業有限公司(「雲南洱海置業」)	Fellow subsidiary 同系附屬公司
Kunming NO.1 Construction Group Co., Ltd. ("Kunming NO.1 Construction") 昆明一建建設集團有限公司(「昆明一建」)	Fellow subsidiary 同系附屬公司

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28 RELATED PARTY TRANSACTIONS (Cont'd)

28. 關聯方交易(續)

(a) Name and relationship with related parties (Cont'd)

(a) 關聯方的名稱及與關聯方的關係(續)

Name 名稱	Relationship 關係
Yunnan City Voted Banna Investment and Development Co., Ltd. ("Banna Investment") 雲南城投版納投資開發有限公司(「版納投資」)	Fellow subsidiary 同系附屬公司
Yunnan City Voted Longjiang Real Estate Limited ("Yunnan Longjiang Estate") 雲南城投龍江房地產開發有限公司(「雲南龍江房地產」)	Fellow subsidiary 同系附屬公司
ZTE Yunnan City Investment Information Technology Co. Ltd. ("ZTE Yunnan City Investment") 雲南中興城投信息技術有限公司(「雲南中興城投」)	Fellow subsidiary 同系附屬公司
Kunming University Of Science And Technology Oxbridge College ("Kunming Oxbridge College") 昆明理工大學津橋學院(「昆明津橋學院」)	Fellow subsidiary 同系附屬公司
Yunnan City Voted Chinese Business Family Investment and Development Co., Ltd. ("Yunnan Chinese Business Family") 雲南城投華商之家投資開發有限公司(「雲南華商之家」)	Fellow subsidiary 同系附屬公司
Caiyun International Investment Limited ("Caiyun Investment") 彩雲國際投資有限公司(「彩雲投資」)	Fellow subsidiary 同系附屬公司
Yunnan Construction and Investment Holding Group Co., Ltd. ("YCIH") 雲南省建設投資控股集團有限公司(「雲南建投集團」)	State-owned enterprise 國有企業

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28. RELATED PARTY TRANSACTIONS (Cont'd)

(b) Transactions with related parties

During the six months ended 30 June 2017 and 2016, the Group had the following significant transactions with related parties which are carried out on terms agreed with the counter parties in the ordinary course of business:

(i) Purchase of goods and services

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
– YCIH	– 雲南建投集團	678,852	193,943
– Beijing OriginWater	– 北京碧水源	3,347	2,317
		682,199	196,260

(ii) Sales of goods

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
– YCIH	– 雲南建投集團	242,058	4,796
– Yunnan Erhai Estate	– 雲南洱海置業	—	850
– Yunnan Chengjiang Eagle	– 雲南澄江老鷹地	75	280
– Yunnan Longjiang Estate	– 雲南龍江房地產	122	815
– Kunming Oxbridge College	– 昆明津橋學院	—	29
– Yunnan Chinese Business Family	– 雲南華商之家	—	835
		242,255	7,605

28. 關聯方交易(續)

(b) 與關聯方進行的交易

於截至二零一七年及二零一六年六月三十日止六個月，本集團與關聯方按對手方的正常業務過程中協定的條款進行了以下重大交易：

(i) 購買貨品及服務

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
– YCIH	– 雲南建投集團	678,852	193,943
– Beijing OriginWater	– 北京碧水源	3,347	2,317
		682,199	196,260

(ii) 銷售貨品

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
– YCIH	– 雲南建投集團	242,058	4,796
– Yunnan Erhai Estate	– 雲南洱海置業	—	850
– Yunnan Chengjiang Eagle	– 雲南澄江老鷹地	75	280
– Yunnan Longjiang Estate	– 雲南龍江房地產	122	815
– Kunming Oxbridge College	– 昆明津橋學院	—	29
– Yunnan Chinese Business Family	– 雲南華商之家	—	835
		242,255	7,605

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中期簡明綜合財務資料附註

28. RELATED PARTY TRANSACTIONS (Cont'd)

(b) Transactions with related parties (Cont'd)

(iii) Transactions under funding arrangement

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Funds from a related party – Caiyun Investment	關聯方提供資金 – 彩雲投資	208,240	—

The funds granted from Caiyun Investment are denominated in USD, unsecured, and bear interest at 4.20% per annum.

(iii) 融資安排下的交易

Six months ended 30 June
截至六月三十日止六個月

2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
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Six months ended 30 June
截至六月三十日止六個月

2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
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Funds to a related party – GNS	向關聯方提供資金 – GNS
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授予GNS的資金以美元計值、無抵押及按年息4.80%計息。

The funds granted to GNS are denominated in USD, unsecured, and bear interest at 4.80% per annum.

Notes to the Interim Condensed Consolidated Financial Information
中期簡明綜合財務資料附註

28. RELATED PARTY TRANSACTIONS (Cont'd)

(b) Transactions with related parties (Cont'd)

(iii) Transactions under funding arrangement (Cont'd)

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Funds repayment to related party – Caiyun Investment	償還關聯方資金 – 彩雲投資	419,819	—
		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Interest income of funds to the related party – GNS	向關聯方提供資金 的利息收入 – GNS	5,265	—
		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB' 000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB' 000 人民幣千元 (Unaudited) (未經審核)
Interest expense of loans from the related parties – Caiyun Investment	關聯方提供資金 的利息開支 – 彩雲投資	2,780	—

Notes to the Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

28. RELATED PARTY TRANSACTIONS (Cont'd)

(b) Transactions with related parties (Cont'd)

(iv) Key management compensation

Key management includes executive directors. The compensation paid or payable to key management for employee services is shown below:

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries and other benefits	薪金及其他福利	4,363	2,937

(v) Guarantee

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Guarantee provided by related parties in respect of the borrowings of the Group	關聯方就本集團借款提供的擔保		
– Jinghong Investment	— 景洪城投	5,000	7,500

28. 關聯方交易(續)

(b) 與關聯方進行的交易(續)

(iv) 主要管理人員薪酬

主要管理層包括執行董事。就僱員服務已付或應付主要管理人員的薪酬如下：

(v) 擔保

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28. RELATED PARTY TRANSACTIONS (Cont'd)

(b) Transactions with related parties (Cont'd)

(v) Guarantee (Cont'd)

		Six months ended 30 June 截至六月三十日至六個月	
		2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2016 二零一六年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Guarantee provided by related parties in respect of the perpetual capital instruments of the Group – YMCI	關聯方就本集團永久資本工具提供的擔保 – 雲南城投集團	1,200,000	—

(c) Transactions with other state-owned enterprises

In accordance with HKAS 24 “Related Party Disclosures”, state-owned enterprises and their subsidiaries, directly or indirectly controlled by the PRC Government are regarded as related parties of the Group.

The Group operates in an economic environment predominated by state-owned enterprises. During the six months ended 30 June 2017 and 2016, the Group had transactions with state-owned enterprises including, but not limited to, operating services, construction services and equipment sales.

These transactions are conducted in the ordinary course of the Group’s business on terms comparable to those with other entities that are not state-owned. The Group has established its pricing strategy and approval process for purchase and sales of products and services. Such pricing strategy approval processes are consistently applied regardless of the counterparties are state-owned entities or not. Having due regard to the substance of the relationships, the directors of the Company are of the opinion that none of these transactions are material related party transactions that require separate disclosure except for the transactions with YCIH as disclosed above.

28. 關聯方交易(續)

(b) 與關聯方進行的交易(續)

(v) 擔保(續)

(c) 與其他國有企業進行的交易

根據香港會計準則第24號「關聯方披露」，由中國政府直接或間接控制的國有企業及其附屬公司被視為本集團的關聯方。

本集團在由國有企業控制的經濟環境中經營業務。於截至二零一七年及二零一六年六月三十日止六個月，本集團與國有企業進行的交易包括(但不限於)運營服務、建設服務及設備銷售。

此等交易乃在本集團的日常業務過程中按可與本集團與其他非國有實體所訂立者比較的條款進行。本集團已建立買賣產品及服務的定價策略及批准流程。有關定價策略批准流程貫徹採用，而不論對手方是否為國有實體。經適當考慮有關關係的實質後，本公司董事認為此等交易概非須進行獨立披露的重大關聯方交易，惟上文所披露與雲南建投集團進行的交易除外。

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中期簡明綜合財務資料附註

28. RELATED PARTY TRANSACTIONS (Cont'd)

(d) Balance with related parties

		As at	
		於	
		30 June	31 December
		2017	2016
		二零一七年	二零一六年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables - current (i)	貿易應收款項－即期 (i)		
– YCIH	– 雲南建投集團	1,158,349	1,012,993
– Kunming NO.1 Construction	– 昆明一建	5,077	5,077
– Yunnan Erhai Estate	– 雲南洱海置業	3,533	3,533
– Yunnan Chengjiang Eagle	– 雲南澄江老鷹地	1,467	2,337
– Yunnan Longjiang Estate	– 雲南龍江房地產	620	485
– Yunnan Chinese Business Family	– 雲南華商之家	260	260
		1,169,306	1,024,685

		As at	
		於	
		30 June	31 December
		2017	2016
		二零一七年	二零一六年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Prepayments for purchase of goods	購買貨品預付款		
– Beijing OriginWater	– 北京碧水源	25,979	25,064
– YCIH	– 雲南建投集團	44,596	56,572
		70,575	81,636

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中期簡明綜合財務資料附註

28. RELATED PARTY TRANSACTIONS (Cont'd)

(d) Balance with related parties (Cont'd)

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Other receivables	其他應收款項		
– GNS	– GNS	—	482,378
– YCIH (ii)	– 雲南建投集團(ii)	6,379	6,378
– Kunming NO.1 Construction (ii)	– 昆明一建(ii)	25	25
		6,404	488,781

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Trade payables - current	貿易應付款項－即期		
– YCIH	– 雲南建投集團	724,069	528,526
– Beijing OriginWater	– 北京碧水源	3,096	3,096
– ZTE Yunnan City Investment	– 雲南中興城投	52	52
		727,217	531,674

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中期簡明綜合財務資料附註

28. RELATED PARTY TRANSACTIONS (Cont'd)

(d) Balance with related parties (Cont'd)

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Advances from Customers	預收客戶款		
– YCIH	– 雲南建投集團	3,409	502
– Banna Investment	– 版納投資	121	—
		3,530	502

		As at 於	
		30 June 2017 二零一七年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Other payables	其他應付款項		
– Caiyun Investment	– 彩雲投資	—	208,799
– YCIH (ii)	– 雲南建投集團(ii)	81,124	1,130
– Yunnan Province Water (ii)	– 雲南省水務(ii)	692	624
		81,816	210,553

- (i) The trade receivables are mainly denominated in RMB, unsecured, interest free and with credit periods of 90 to 180 days.
- (ii) The balances are denominated in RMB, unsecured, interest free and repayable on demand.

- (i) 貿易應收款項主要以人民幣計值、無抵押、免息及享有90至180天的信貸期。
- (ii) 結餘以人民幣計值、無抵押、免息及須按要求償還。



雲南水務投資股份有限公司
YUNNAN WATER INVESTMENT CO., LIMITED*