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Weigang Environmental Technology Holding Group Limited **维港环保科技控股集团有限公司**

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock Code 股份代號: 1845)

ANNOUNCEMENT OF THE INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

**截至2019年6月30日止六個月的
中期業績公告**

FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDED 30 JUNE 2019: 截至2019年6月30日止六個月的財務摘要：

For the six months ended 30 June 2019, the revenue of the Group amounted to RMB171.9 million, representing a decrease of 6.1% as compared with the six months ended 30 June 2018.

截至2019年6月30日止六個月，本集團的收入為人民幣171.9百萬元，較截至2018年6月30日止六個月減少6.1%。

For the six months ended 30 June 2019, the gross profit of the Group amounted to RMB36.7 million and the gross profit margin of the Group was 21.4%, representing a decrease of 18.3% and a decrease of 3.2 percentage points as compared with the six months ended 30 June 2018, respectively.

截至2019年6月30日止六個月，本集團的毛利為人民幣36.7百萬元，而本集團的毛利率則為21.4%，分別較截至2018年6月30日止六個月減少18.3%及減少3.2個百分點。

For the six months ended 30 June 2019, the net profit of the Group amounted to RMB11.2 million, and the net profit margin of the Group was 6.5%, representing a decrease of 50.4% and a decrease of 5.8 percentage points as compared with the six months ended 30 June 2018, respectively.

截至2019年6月30日止六個月，本集團的純利為人民幣11.2百萬元，而本集團的淨利率則為6.5%，分別較截至2018年6月30日止六個月減少50.4%及減少5.8個百分點。

For the six months ended 30 June 2019, the profit attributable to owners of the Company amounted to RMB10.3 million, representing a decrease of 47.4% as compared with the six months ended 30 June 2018.

截至2019年6月30日止六個月，本公司擁有人應佔利潤為人民幣10.3百萬元，較截至2018年6月30日止六個月減少47.4%。

For the six months ended 30 June 2019, the basic earnings per share attributable to owners of the Company amounted to RMB0.008, as compared to RMB0.019 for the six months ended 30 June 2018.

截至2019年6月30日止六個月，本公司擁有人應佔每股基本盈利為人民幣0.008元，而截至2018年6月30日止六個月則為人民幣0.019元。

The board (the “**Board**”) of directors (the “**Directors**”) of Weigang Environmental Technology Holding Group Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) hereby announces the unaudited consolidated interim results of the Group for the six months ended 30 June 2019, together with comparative figures for the corresponding period of 2018.

In this announcement, “we”, “us” and “our” refer to the Company and where the context otherwise requires, the Group.

维港环保科技控股集团有限公司(「本公司」，連同其附屬公司統稱為「本集團」)董事(「董事」)會(「董事會」)宣佈本集團截至2019年6月30日止六個月的未經審核綜合半年度業績，連同2018年同期的比較數字。

於本公告，「我們」及「我們的」指本公司，而在文義另有所指時指本集團。

**CONDENSED CONSOLIDATED STATEMENT
OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

*For the six months ended 30 June 2019
(Expressed in Renminbi)*

簡明綜合損益及其他全面收益表

*截至2019年6月30日止六個月
(以人民幣為單位)*

		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		<i>Note</i>	
		<i>附註</i>	
Revenue	收入	4	171,928
Cost of services	服務成本		<u>(135,182)</u>
Gross profit	毛利		36,746
Other income, gains and losses	其他收入、收益及虧損	5	3,594
Impairment losses, net of reversal	減值虧損(扣除撥回)		(508)
Administrative expenses	行政開支		(17,285)
Distribution and selling expenses	分銷及銷售開支		(1,095)
Other expenses	其他開支		(9,133)
Finance costs	融資成本	6	<u>(444)</u>
Profit before tax	稅前利潤		11,875
Income tax expense	所得稅開支	7	<u>(648)</u>
Profit for the period	期內利潤	8	<u>11,227</u>
			<u>22,648</u>

		Six months ended	
		30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	<i>Note</i>		
	附註		
Other comprehensive income/ (expense)			
其他全面收益／(開支)			
<i>Items that will not be reclassified to profit or loss:</i>			
<i>不會重新分類至損益的項目：</i>			
Fair value gain on equity instrument at fair value through other comprehensive income		372	682
按公允價值計量並計入其他全面收益的股本工具的公允價值收益		372	682
Income tax relating to items that will not be reclassified to profit or loss		(93)	(692)
與不會重新分類至損益的項目有關的所得稅		(93)	(692)
		<u>279</u>	<u>(10)</u>
		<u>279</u>	<u>(10)</u>
Total comprehensive income for the period		<u>11,506</u>	<u>22,638</u>
期內全面收益總額		<u>11,506</u>	<u>22,638</u>
Profit for the period attributable to:			
以下各方應佔期內利潤：			
— Owners of the Company		10,277	19,608
— Non-controlling interests		950	3,040
— 本公司擁有人		10,277	19,608
— 非控股權益		950	3,040
		<u>11,227</u>	<u>22,648</u>
		<u>11,227</u>	<u>22,648</u>
Total comprehensive income for the period attributable to:			
以下各方應佔期內全面收益總額：			
— Owners of the Company		10,556	19,598
— Non-controlling interests		950	3,040
— 本公司擁有人		10,556	19,598
— 非控股權益		950	3,040
		<u>11,506</u>	<u>22,638</u>
		<u>11,506</u>	<u>22,638</u>
Earnings per share			
每股盈利	9		
— Basic (RMB)		0.008	0.019
— 基本(人民幣元)		0.008	0.019
— Diluted (RMB)		0.008	0.019
— 攤薄(人民幣元)		0.008	0.019

**CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION**

As at 30 June 2019
(Expressed in Renminbi)

簡明綜合財務狀況表

於2019年6月30日
(以人民幣為單位)

		30 June 2019 2019年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 2018年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	32,621	23,531
Intangible assets	無形資產	16,234	16,683
Right-of-use assets	使用權資產	5,025	—
Equity instrument at fair value through other comprehensive income	按公允價值計量並計入其他全面收益的股本工具	3,352	2,980
Deposits for acquisition of property, plant and equipment	購置物業、廠房及設備的按金	4,702	5,463
Pledged bank deposits	已抵押銀行存款	18,112	17,467
Deferred tax assets	遞延稅項資產	4,643	2,792
		84,689	68,916
Current assets	流動資產		
Inventories	存貨	4,124	1,983
Trade and note receivables	貿易應收款項及應收票據	120,155	142,835
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	53,112	29,146
Contract assets	合約資產	188,295	176,973
Pledged bank deposits	已抵押銀行存款	23,794	26,445
Bank balances and cash	銀行結餘及現金	186,542	23,437
		576,022	400,819
Current liabilities	流動負債		
Trade payables	貿易應付款項	58,293	84,074
Other payables and accrued expenses	其他應付款項及應計開支	12,210	39,778
Contract liabilities	合約負債	68,266	72,885
Lease liabilities	租賃負債	1,927	—
Income tax payable	應納所得稅	799	3,807
Bank borrowings	銀行借款	16,898	10,000
		158,393	210,544

		30 June 2019 2019年 6月30日 (unaudited) (未經審核) <i>Note</i> <i>附註</i> RMB'000 人民幣千元	31 December 2018 2018年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Net current assets	流動資產淨值	417,629	190,275
Total assets less current liabilities	資產總額減流動負債	502,318	259,191
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	3,598	—
Obligation arising from a put option	認沽期權產生的責任	—	99,901
		3,598	99,901
NET ASSETS	資產淨值	498,720	159,290
Capital and reserves	資本及儲備		
Share capital	股本	55,100	41,413
Reserves	儲備	406,208	90,657
Equity attributable to owners of the Company	本公司擁有人應佔權益	461,308	132,070
Non-controlling interests	非控股權益	37,412	27,220
TOTAL EQUITY	權益總額	498,720	159,290

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

(Expressed in Renminbi)

1. GENERAL

Weigang Environmental Technology Holding Group Limited (the “Company”) was incorporated in the Cayman Islands on 18 May 2017 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The immediate holding company and the ultimate holding company of the Company are WeiGang Technology Limited and Weigang Green Technology Limited, respectively, both of which were incorporated in the British Virgin Islands (“BVI”) and are wholly owned by Mr. Cai Zhuhua (“Mr. Cai”), the ultimate controlling shareholder of the Group, who is also the chairman and executive director of the Company. The shares of the Company had been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 3 January 2019.

The address of the registered office of the Company is Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008 Cayman Islands and the address of principal place of business of the Company is Unit 3507, 35/F, AIA Tower, 183 Electric Road, North Point, Hong Kong.

The condensed consolidated interim financial information is presented in Renminbi (“RMB”), which is also the functional currency of the Company. The condensed consolidated interim financial information has not been audited.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 (“IAS 34”), “Interim Financial Reporting” issued by the International Accounting Standards Board as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

簡明綜合中期財務資料附註

(以人民幣為單位)

1. 一般資料

維港環保科技控股集團有限公司(「本公司」)於2017年5月18日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。本公司的直接控股公司及最終控股公司分別為維港科技有限公司及維港綠色科技有限公司，兩者均於英屬維爾京群島註冊成立，並由本集團的最終控股股東蔡珠華先生(「蔡先生」)全資擁有，彼亦為本公司董事長兼執行董事。本公司股份已於2019年1月3日在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司的註冊辦事處地址為Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008 Cayman Islands，而本公司主要營業地點的地址為香港北角電氣道183號友邦廣場35樓3507單元。

簡明綜合中期財務資料以人民幣列示，人民幣亦為本公司的功能貨幣。簡明綜合中期財務資料未經審核。

2. 編製基準

簡明綜合中期財務資料乃根據國際會計準則理事會刊發的《國際會計準則》第34號「中期財務報告」及香港聯合交易所有限公司主版證券上市規則附錄十六的適用披露規定編製。

3. PRINCIPAL ACCOUNTING POLICIES

This condensed consolidated interim financial information has been prepared on the historical cost basis.

Other than changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards (“IFRSs”), the accounting policies and methods of computation used in condensed consolidated interim financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2018.

(a) Application of new and amendments to IFRSs

The following new standards, interpretation and amendments to IFRSs are mandatory for the first time adoption for the accounting period beginning on 1 January 2019:

IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRSs	Annual Improvements to IFRSs 2015–2017 Cycle

3. 主要會計政策

本簡明綜合中期財務資料已根據歷史成本基準編製。

除應用新訂國際財務報告準則(《國際財務報告準則》)及其修訂本導致的會計政策變動外，截至2019年6月30日止六個月的簡明綜合中期財務報表所用的會計政策及計算方法與編製本集團截至2018年12月31日止年度的年度合併財務報表所依循者一致。

(a) 應用新訂及經修訂《國際財務報告準則》

以下新訂準則、詮釋及經修改的《國際財務報告準則》於2019年1月1日為起始日的會計期間首次強制生效：

《國際財務報告準則》第16號	租賃
《國際財務報告詮釋委員會》第23號詮釋	所得稅處理的不確定性
《國際財務報告準則》第9號(修訂本)	具有負補償之提前還款特性
《國際會計準則》第19號(修訂本)	計劃修訂、縮減或結算
《國際會計準則》第28號(修訂本)	於聯營公司及合營企業中的長期利益
《國際財務報告準則》修訂本	《國際財務報告準則》2015年至2017年週期之年度改進

The Group has changed its accounting policies as a result of adoption of “IFRS 16 Leases”. The impact of the adoption of the standard and the new accounting policies are disclosed below. The other interpretation and amendments had no material impact on the Group’s financial performance and financial positions for the current and prior periods and/or on the disclosures set out in this condensed consolidated interim financial information.

(i) Impacts and changes in accounting policies of application on IFRS 16 Leases

The Group has applied IFRS 16 for the first time in the current interim period. IFRS 16 superseded IAS 17 Leases (“IAS 17”) and the related interpretations.

Key changes in accounting policies resulting from application of IFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of IFRS 16.

(a) Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

(b) As a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

由於本集團採用《國際財務報告準則》第16號「租賃」(「《國際會計準則》第16號」)，故須變更其會計政策。下文披露採用該等準則及新會計政策的影響。其他詮釋及修改對本集團本期間及過往期間的財務表現與財務狀況及／或於本簡明合併中期財務資料所載的披露並無重大影響。

(i) 應用《國際財務報告準則》第16號「租賃」對會計政策之影響及變動

本集團於當前中期期間首次應用《國際財務報告準則》第16號。《國際財務報告準則》第16號取代《國際會計準則》第17號「租賃」(「《國際會計準則》第17號」)及相關詮釋。

應用《國際財務報告準則》第16號對會計政策之主要改變

本集團已根據《國際財務報告準則》第16號所載的過渡條文應用下列會計政策。

(a) 租賃之定義

倘合約為換取代價而給予在一段時間內控制可識別資產的使用權利，則該合約是租賃合約或包含租賃。

本集團根據《國際財務報告準則》第16號的定義於初始或修改日期評估該合約是否為租賃合約或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

(b) 作為承租人

將代價分配至合約成分

就含有租賃成分以及一項或多項額外租賃或非租賃成分的合約而言，本集團將合約代價分配至各租賃成分，基準是租賃成分的相對獨立價格及非租賃成分的總獨立價格。

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to office and motor vehicles leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and

短期租賃及低值資產租賃

對於租期自開始日期起計為12個月或以內且並無包含購買選擇權的辦公室及汽車之租賃，本集團應用短期租賃確認豁免。本集團亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款按直線基準於租期內確認為開支。

使用權資產

本集團於租賃開始日期（即相關資產可用日期）確認使用權資產，惟短期租賃及低價值資產租賃除外。使用權資產按成本扣除任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

使用權資產成本包括：

- 租賃負債初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減去已獲得的租賃優惠；
- 本集團所產生的任何初始直接成本；及

- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Right-of-use asset in which the Group is reasonably certain to obtain ownership of the underlying leased asset at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use asset is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

Refundable rental deposits

Refundable rental deposits paid are accounted for under IFRS 9 Financial Instruments (“IFRS 9”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

- 由本集團廢除及移除相關資產，恢復其所在場地或將相關資產恢復到租賃條款及條件所要求的條件所產生的成本估算，惟該等成本乃因生產存貨而產生除外。

就本集團於租期結束時合理確定獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產按直線基準於其估計使用年期及租期（以較短者為準）內計提折舊。

本集團於簡明綜合財務狀況表單獨呈列所有使用權資產。

租賃土地及樓宇

就包含租賃土地及樓宇元素的物業權益付款而言，當付款無法於租賃土地及樓宇項目之間可靠分配時，一切物業均列為本集團的物業、廠房及設備。

可退還租賃按金

已付可退還租賃按金根據《國際財務報告準則》第9號「金融工具」（「《國際財務報告準則》第9號」）入賬，並初步按公允價值計量。於初步確認時對公允價值之調整被視為額外租賃付款，並計入使用權資產成本。

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃隱含之利率難以釐定，本集團使用租賃開始日期的增量借款利率計算。

租賃付款包括：

- 固定付款(包括實質性固定付款)減任何應收租賃優惠；
- 跟隨指數或比率而定之可變租賃付款；
- 預期將根據剩餘價值擔保支付之金額；
- 本集團合理確定將予行使購買權之行使價；及
- 倘租期反映本集團會行使選擇權終止租賃，則計入終止租賃之罰款。

於開始日期後，租賃負債就應計利息及租賃付款作出調整。

倘出現以下情況，本集團重新計量租賃負債(並就相關使用權資產作出相應調整)：

- 租賃期有所變動或行使購買選擇權之評估發生變化，在此情況下，相關租賃負債透過使用重新評估日期之經修訂貼現率貼現經修訂租賃付款而重新計量。

- the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

- 租賃付款因市場租賃檢討後出現市場租金變動而出現變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款而重新計量。

租賃之修改

倘出現以下情況，本集團將租賃的修改作為一項單獨的租賃進行入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大了租賃範圍；及
- 調增租賃的代價，增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃修改而言，本集團基於透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期重新計量租賃負債。

稅項

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅務扣減是否與使用權資產或租賃負債有關。

(ii) Transition and summary of effects arising from initial application of IFRS 16

(a) Definition of a lease

The Group has elected the practical expedient to apply IFRS 16 to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 “Determining whether an Arrangement contains a Lease” and not apply these standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in IFRS 16 in assessing whether a contract contains a lease.

(b) As a lessee

The Group has applied IFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under IFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under IAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

(ii) 首次應用《國際財務報告準則》第16號產生的過渡及影響概要

(a) 租賃之定義

本集團已選擇可行權宜方法，就先前應用《國際會計準則》第17號及《國際財務報告詮釋委員會》第4號詮釋「釐定安排是否包括租賃」識別為租賃之合約應用《國際財務報告準則》第16號，而並無對先前並未識別為包括租賃之合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在之合約。

就於2019年1月1日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據《國際財務報告準則》第16號所載的規定應用租賃的定義。

(b) 作為承租人

本集團已追溯應用《國際財務報告準則》第16號，累計影響於首次應用日期(2019年1月1日)確認。於首次應用日期的任何差額於期初保留溢利確認且比較資料不予重列。

於過渡時應用《國際財務報告準則》第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就先前根據《國際會計準則》第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；

- | | |
|---|--|
| <p>(ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and</p> <p>(iii) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of machinery and equipment in the People's Republic of China was determined on a portfolio basis.</p> | <p>(ii) 於首次應用日期計量使用權資產時撇除初始直接成本；及</p> <p>(iii) 就類似經濟環境內相似類別相關資產的類似剩餘租期的租賃組合應用單一貼現率。具體而言，中華人民共和國機器及設備的若干租賃之貼現率乃按投資組合釐定。</p> |
|---|--|

On transition, the Group has made the following adjustments upon application of IFRS 16:

於過渡時，本集團已於應用《國際財務報告準則》第16號後作出以下調整：

The Group recognised lease liabilities of RMB6,382,000, right-of-use assets of RMB5,958,000 and deferred tax assets of RMB62,000 as at 1 January 2019.

本集團於2019年1月1日確認租賃負債人民幣6,382,000元、使用權資產人民幣5,958,000元及遞延稅項資產人民幣62,000元。

When recognising lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee's incremental borrowing rate applied is 4.75%.

於確認先前分類為經營租賃之租賃之租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借款利率。所應用的加權平均承租人增量借款利率為4.75%。

	At 1 January 2019 於2019年 1月1日 RMB'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於2018年12月31日已披露之經營租賃承擔
Lease liabilities discounted at relevant incremental borrowing rates	租賃負債按有關增量借款利率進行貼現
Less: Recognition exemption – short-term leases	減：確認豁免 — 短期租賃
	7,435
	(473)
	(580)
	<hr/>
Lease liabilities as at 1 January 2019	於2019年1月1日之租賃負債
	6,382
	<hr/> <hr/>
Analysed as	分析如下：
Current	流動
Non-current	非流動
	1,939
	4,443
	<hr/>
	6,382
	<hr/> <hr/>

The following adjustments were made to the amounts recognised in the Group's consolidated statement of financial position as at 1 January 2019. Line items that were not affected by the changes have not been included.

於2019年1月1日集團綜合財務狀況表中確認之金額已作出以下調整。未受有關更改影響之項目並無包括在內。

		Balance at 31 December 2018	Effect of adoption of IFRS 16	Balance under IFRS 16 at 1 January 2019
		於2018年 12月31日 之結餘 RMB'000 人民幣千元	採納 《國際財務 報告準則》 第16號 之影響 RMB'000 人民幣千元	於2019年 1月1日 《國際財務 報告準則》 第16號項下 之結餘 RMB'000 人民幣千元
Assets:	資產：			
Right-of-use assets	使用權資產	—	5,958	5,958
Deferred tax assets	遞延稅項資產	2,792	62	2,854
		<u> </u>	<u> </u>	<u> </u>
Liabilities:	負債：			
Current lease liabilities	流動租賃負債	—	1,939	1,939
Non-current lease liabilities	非流動租賃負債	—	4,443	4,443
		<u> </u>	<u> </u>	<u> </u>
Reserves:	儲備：			
Retained profits	保留利潤	101,518	(362)	101,156
		<u> </u>	<u> </u>	<u> </u>

(b) The following new standards and amendments to standards and interpretations have been issued but are not effective for the accounting period beginning on 1 January 2019, and have not been early adopted by the Group:

(b) 下列是已發出但於2019年1月1日開始的財務年度仍未生效的新準則和對現有準則的修訂和詮釋，而本集團並無提早採納：

IFRS 17	Insurance Contracts ³	《國際財務報告準則》 第17號	保險合約 ³
Amendments to IFRS 3	Definition of a Business ²	《國際財務報告準則》 第3號(修訂本)	業務的釋義 ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴	《國際財務報告準則》 第10號及《國際會計 準則》第28號 (修訂本)	投資者及其聯營公司 或合營企業之間之 資產出售或注資 ⁴
Amendments to IAS 1 and IAS 8	Definition of Material ¹	《國際會計準則》 第1號及 《國際會計準則》 第8號(修訂本)	重大的釋義 ¹

- ¹ Effective for annual periods beginning on or after 1 January 2020.
- ² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period on or after 1 January 2020.
- ³ Effective for annual periods beginning on or after 1 January 2021.
- ⁴ The original effective date of 1 January 2016 has been postponed until future announcement by the IASB.

The Group is in the process of making an assessment of what impact of these amendments and new standards would be in the period of initial application but not yet in a position to state whether these amendments, and standards would have significant impact on the Group's results of operations and financial position.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of comprehensive solid waste incineration turnkey solutions focused on the research, design, integration and commissioning of solid waste systems by the Group to external customers in the PRC. The Group's revenue is derived from providing i) hazardous waste incineration solutions, ii) pyrolysis solid waste treatment solutions, iii) oil sludge thermal desorption treatment services, iv) technical upgrading services, and v) maintenance services in the PRC. For the purposes of resources allocation and performance assessment, the executive directors of the Company, being the chief operating decision maker ("CODM"), review the financial performance of the Group as a whole prepared. Accordingly, the Group has only one single operating segment and no further discrete financial information nor analysis of this single segment is presented.

- ¹ 於2020年1月1日或其後開始之年度期間生效。
- ² 就收購日期為2020年1月1日或之後開始的首個年度期間開始當日或之後的業務合併及資產收購生效。
- ³ 於2021年1月1日或之後開始的年度期間生效。
- ⁴ 原定於2016年1月1日的生效日期已經順延，有待國際會計準則理事會的進一步公佈。

本集團正在評估首次採用該等修訂及新訂準則之影響，惟目前尚未能判斷該等修訂或準則是否將對本集團的經營業績及財務狀況造成重大影響。

4. 收入及分部資料

收入指本集團向中國的外部客戶提供專注於固體廢物系統的研究、設計、集成及調試的綜合固體廢物焚燒處置整體解決方案，已收及應收款項的公允價值。本集團的收入來自於中國境內提供：i) 危險廢物焚燒處置解決方案；ii) 無氧裂解固體廢物處置解決方案；iii) 油泥熱脫附處理服務；iv) 技術升級服務；及v) 維護服務。就資源分配以及表現評估而言，本公司執行董事（即主要經營決策者（「主要經營決策者」））審閱以本集團作為整體的財務表現。因此，本集團只有一個營運分部，以及概無就該單一分部呈報其他獨立財務資料或分析。

Revenue from major services

The following is an analysis of the Group's revenue from its major services:

主要服務收入

下表載列本集團來自其主要服務的收入之分析：

		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 (unaudited) (未經審核) RMB'000 人民幣千元	2018 2018年 (unaudited) (未經審核) RMB'000 人民幣千元
<i>Recognised over time</i>	<i>隨時間確認</i>		
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案	153,316	171,163
Pyrolysis solid waste treatment solutions	無氧裂解固體廢物處置解決方案	—	3,470
Oil sludge thermal desorption treatment services	油泥熱脫附處理服務	11,328	—
Technical upgrading services	技術升級服務	962	4,979
Maintenance services	維護服務	6,322	3,502
		<u>171,928</u>	<u>183,114</u>

Major customers

Revenue from customers of the corresponding periods contributing over 10% of the total revenue of the Group are as follows:

主要客戶

於相應期間在本集團總收入中佔10%以上的客戶收入如下：

		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 (unaudited) (未經審核) RMB'000 人民幣千元	2018 2018年 (unaudited) (未經審核) RMB'000 人民幣千元
Customer A (Note i)	客戶 A (附註 i)	37,584	N/A 不適用
Customer B	客戶 B	30,948	42,353
Customer C (Note i)	客戶 C (附註 i)	22,572	N/A 不適用
Customer D (Note i)	客戶 D (附註 i)	22,022	N/A 不適用
Customer E (Note ii)	客戶 E (附註 ii)	N/A 不適用	68,529
Customer F (Note ii)	客戶 F (附註 ii)	N/A 不適用	28,272
Customer G (Note ii)	客戶 G (附註 ii)	N/A 不適用	21,444

Notes:

- (i) Contributed less than 10% of the Group's total revenue during the six months ended 30 June 2018.
- (ii) Contributed less than 10% of the Group's total revenue during the six months ended 30 June 2019.

附註：

- (i) 截至2018年6月30日止六個月內佔本集團總收入的比例不足10%。
- (ii) 截至2019年6月30日止六個月內佔本集團總收入的比例不足10%。

Geographical information

The Group primarily operates in the PRC. Substantially all of the Group's non-current assets are located in the PRC, and revenue of the Group is generated from customers located in the PRC.

5. OTHER INCOME, GAINS AND LOSSES

地區資料

本集團主要在中國境內營運。本集團幾乎全部的非流動資產均位於中國，且本集團的收入來源於中國的客戶。

5. 其他收入、收益及虧損

		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank interest income	銀行利息收入	960	249
Government grants (Note)	政府補助(附註)	3,206	520
Other	其他	—	9
		<hr/>	<hr/>
Other income	其他收入	4,166	778
		<hr/>	<hr/>
Net foreign exchange (losses)/gains	外匯(虧損)/收益淨額	(572)	2,946
Gain on deregistration of investment in an associate	註銷聯營企業投資之收益	—	97
		<hr/>	<hr/>
Other gains and losses	其他收益及虧損	(572)	3,043
		<hr/>	<hr/>
		3,594	3,821
		<hr/> <hr/>	<hr/> <hr/>

Note:

Government grants represented immediate financial support granted by the local governments. There were no specific conditions attached to the grants and the amounts were recognised in profit or loss upon the receipt of relevant cash.

附註：

政府補助為當地政府給予的實時財務支持。補助不附帶特定條件，且金額於收到相關現金時在損益中確認。

6. FINANCE COSTS

		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 (unaudited) (未經審核) RMB'000 人民幣千元	2018 2018年 (unaudited) (未經審核) RMB'000 人民幣千元
Interest on bank borrowings	銀行借款利息	303	312
Interest on obligation arising from a put option	認沽期權所產生責任的利息	—	1,679
Interest on lease liabilities	租賃負債利息	141	—
Total	合計	<u>444</u>	<u>1,991</u>

6. 融資成本

7. INCOME TAX EXPENSE

		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 (unaudited) (未經審核) RMB'000 人民幣千元	2018 2018年 (unaudited) (未經審核) RMB'000 人民幣千元
The income tax expense comprises:	所得稅開支包括：		
PRC Enterprise Income Tax (“EIT”):	中國企業所得稅 (「企業所得稅」):		
— Current tax	— 即期稅項	2,529	5,311
— Over-provision in prior period	— 過往期內超額撥備	—	(492)
Deferred tax	遞延稅項	<u>2,529</u> <u>(1,881)</u>	<u>4,819</u> <u>(626)</u>
Total	總計	<u>648</u>	<u>4,193</u>

7. 所得稅開支

The Company and its subsidiaries, namely WeiGang Environment Limited, Jade Far Investment Limited and Definite Thrive Limited, were incorporated in the Cayman Islands and BVI, respectively. All these entities did not have tax assessable profit in the Cayman Islands, BVI or other jurisdictions in both periods.

No provision for Hong Kong profits tax has been recognised in the condensed consolidated interim financial information in both periods as the Group does not have income which arose in, or derived from Hong Kong.

本公司及其附屬公司(即維港環境有限公司、杰發投資有限公司及興定有限公司)分別於開曼群島及英屬維爾京群島註冊成立。於該等期間，所有該等實體在開曼群島、英屬維爾京群島或其他司法管轄區均無應課稅利潤。

由於本集團並無得自香港的收入，因此於該等期間，於簡明綜合中期財務資料中並未確認香港利得稅撥備。

Pursuant to the Enterprise Income Tax Law (the “EIT Law”) effective on 1 January 2008, Guangzhou Weigang Environmental Protection Technology Limited (“Guangzhou Weigang”) obtained a “High and New Technology Enterprise” (the “HNTE”) in 2016 which Guangzhou Weigang was entitled to a preferential tax rate of 15% from 2016 to 2018 and eligible for renewal every three years. The management considered Guangzhou Weigang will probably continue to be recognised as a “High and New Technology Enterprise” and entitled to a preferential PRC income tax rate of 15% in 2019.

The applicable tax rate of other PRC subsidiaries of the Company was 25% (six months ended 30 June 2018: 25%) during the six months ended 30 June 2019.

根據2008年1月1日生效的《企業所得稅法》，廣州維港環保科技有限公司（「廣州維港」）於2016年獲認定為「高新技術企業」，並在2016年至2018年間享受15%的優惠稅率，每三年可續期。管理層認為廣州維港將可能繼續獲評為「高新技術企業」，並有權於2019年享受15%的中國所得稅稅率優惠。

截至2019年6月30日止六個月，本公司其他中國附屬公司的適用稅率為25%（截至2018年6月30日止六個月：25%）。

8. PROFIT FOR THE PERIOD

8. 期內利潤

		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit for the period has been arrived at after charging/(crediting):	扣除／(計入)下列費用後的期內利潤：		
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
Director' remuneration	董事薪酬	697	584
Other staff:	其他員工：		
— Salaries and other benefits	— 薪金與其他福利	15,254	10,324
— Contributions to retirement benefits scheme	— 退休福利計劃供款	2,746	865
— Share-based payment expenses	— 以股份為基礎的支付開支	536	—
Total staff costs	總員工成本	<u>19,233</u>	<u>11,773</u>
Auditors' remuneration	核數師薪酬	600	130
Research and development costs (included in other expenses)*	研發成本(計入其他開支)*	9,133	3,470
Listing expenses (included in other expenses)	上市開支(計入其他開支)	—	5,180
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,674	508
Depreciation of right-of-use assets	使用權資產折舊	966	—
Amortisation of intangible assets	無形資產攤銷	472	17
Allowance for/(reversal of) impairment of trade and note receivables	貿易應收款項及應收票據減值撥備／(撥回)	747	(2,077)
(Reversal of)/allowance for impairment of contract assets	合約資產減值(撥回)／撥備	(239)	1,878
Minimum lease payments in respect of office premises	辦公場所的最低租賃付款	33	1,154
		<u>33</u>	<u>1,154</u>

* Amount included staff costs of RMB3,598,000 (six months ended 30 June 2018: RMB2,648,000), and material and other related costs of RMB5,535,000 (six months ended 30 June 2018: RMB822,000) for the six months ended 30 June 2019.

* 該款項包括截至2019年6月30日止六個月的員工成本為人民幣3,598,000元(截至2018年6月30日止六個月：人民幣2,648,000元)以及材料及其他相關成本為人民幣5,535,000元(截至2018年6月30日止六個月：人民幣822,000元)。

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

9. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利的計算乃基於下列數據：

		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 (unaudited) (未經審核) RMB'000 人民幣千元	2018 2018年 (unaudited) (未經審核) RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of calculating basic and diluted per share (profit for the period attributable to the owners of the Company)	用以計算每股基本及攤薄的盈利(本公司擁有人應佔期內利潤)	<u>10,277</u>	<u>19,608</u>
Number of shares	股份數量		
Number of shares for the purpose of calculating basic earnings per share	用以計算每股基本盈利的股份數量	1,329,882,282	1,006,728,781
Effect of dilutive potential ordinary shares: Share options	攤薄潛在普通股的影响：購股權	<u>10,762,399</u>	—
Number of shares for the purpose of calculating diluted earnings per share	用以計算每股攤薄盈利的股份數量	<u>1,340,644,681</u>	<u>1,006,728,781</u>

10. DIVIDENDS

The directors do not recommend the payment of an interim dividend for six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

10. 股息

董事並不建議支派截至2019年6月30日止六個月之中期股息(截至2018年6月30日止六個月：無)。

11. TRADE AND NOTE RECEIVABLES

11. 貿易應收款項及應收票據

		As at 30 June 2019 於2019年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2018 於2018年 12月31日 (audited) (經審核) RMB'000 人民幣千元
Trade receivables	貿易應收款項	113,970	130,252
Less: allowance for impairment	減：減值撥備	<u>(3,895)</u>	<u>(3,148)</u>
		110,075	127,104
Note receivables	應收票據	<u>10,080</u>	<u>15,731</u>
Total trade and note receivables	貿易應收款項及應收票據總額	<u><u>120,155</u></u>	<u><u>142,835</u></u>

The Group allows a credit period ranging from 0 to 42 days to its trade customers.

本集團向貿易客戶授予0至42日的信貸期間。

The following is an aged analysis of trade receivables net of allowance for impairment at the end of the reporting period presented based on payment schedule or invoice date stated in the contracts.

下文載有貿易應收款項(減去根據合約所述付款安排呈報的各報告期末或發票日期之減值撥備)的賬齡分析。

		30 June 2019 於2019年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 於2018年 12月31日 (audited) (經審核) RMB'000 人民幣千元
0-90 days	0至90日	60,397	96,892
91-180 days	91至180日	27,711	19,213
181-365 days	181至365日	17,242	6,759
Over 365 days	365日以上	<u>4,725</u>	<u>4,240</u>
		<u><u>110,075</u></u>	<u><u>127,104</u></u>

Note receivables are bank acceptance notes and the average aging is with 30 to 90 days based on the issuance date.

應收票據為銀行承兌票據，且基於發行日期的平均賬齡為30至90日。

12. CONTRACT ASSETS/LIABILITIES

Contract assets	合約資產
Contract liabilities	合約負債

As at 30 June 2019 and 31 December 2018, contract assets include retention receivables of RMB20,167,000 and RMB9,209,000, respectively. The Group generally provides their customers with one to two years warranty period. Upon the expiration of retention period, if the relevant hazardous wastage processing plant has met the requirements in the contract, the customers provides a final inspection and acceptance certificate and pay the retention within the term specified in the contract.

The changes in contract assets and liabilities are due to i) adjustments arising from changes in the measure of progress of contracting work, or ii) reclassification to trade receivables when the Group has unconditional right to the consideration.

All the contract liabilities are expected to be recognised as revenue in the following year.

Contract liabilities represent the progress payment exceeds the revenue recognised to date under the input method and are recognised as revenue when the Group performs its obligations under the contracts.

12. 合約資產／負債

	30 June 2019 於2019年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 於2018年 12月31日 (audited) (經審核) RMB'000 人民幣千元
	188,295	176,973
	68,266	72,885

於2019年6月30日及2018年12月31日，合約資產中分別包括應收保留金人民幣20,167,000元及人民幣9,209,000元。本集團一般向其客戶提供一至兩年的保修期。於保留期屆滿之時，若相關危險廢物處理廠已滿足合約所列要求，客戶將進行最後檢驗並提供驗收合格證書，且於合約規定的期限內支付保留金。

合約資產及負債的變動乃由於i)因合約工程進度的衡量標準變動而產生的調整，或ii)本集團擁有無條件收款權時重新分類至貿易應收款項。

全部合約負債預期於下一年度確認為收入。

合約負債指工程進度款超過到目前為止根據投入法確認的收入，並於本集團履行其合約責任時確認為收入。

13. TRADE PAYABLES

The table below sets forth, as at the end of reporting periods indicated, the aging analysis of the trade payables:

0-90 days	0至90日
91-180 days	91至180日
181-365 days	181至365日
Over 365 days	365日以上

No specific credit period has been granted to the Group on purchase of goods and services.

14. EVENT AFTER REPORTING PERIOD

On 5 August 2019, Guangzhou Weigang and Mr. Zhu Xin Wei (“Mr. Zhu”), the director of the Guangzhou Weigang’s wholly owned subsidiary Xinjiang Wosen Environmental Protection Technology Limited (“Xinjiang Wosen”), have completed the capital injection for the registered capital of RMB 100,000 and RMB4,900,000 in Xinjiang Wosen, respectively. After the above capital injection, Guangzhou Weigang and Mr. Zhu own 51% and 49% equity interest in Xinjiang Wosen respectively, and Xinjiang Wosen is still the subsidiary of the Group.

13. 貿易應付款項

下表載列於所示報告期末的貿易應付款項賬齡分析：

	30 June 2019 於2019年 6月30日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 於2018年 12月31日 (audited) (經審核) RMB'000 人民幣千元
	55,558	80,692
	1,486	952
	1,089	2,271
	160	159
	<u>58,293</u>	<u>84,074</u>

本集團並無就購買商品及服務被授予特定的信貸期。

14. 報告期後事件

於2019年8月5日，廣州維港及廣州維港全資附屬公司新疆沃森環保科技有限責任公司(「新疆沃森」)的董事朱新位先生(「朱先生」)分別對新疆沃森增資人民幣10萬元及人民幣490萬元。在上述增資完成後，廣州維港及朱先生分別擁有新疆沃森51%及49%的股東權益，且新疆沃森仍然是本集團的附屬公司。

I. BUSINESS REVIEW

The Group is a leading comprehensive hazardous waste incineration turnkey solution provider in China focused on the research, design, integration and commissioning of solid waste treatment systems, particularly for hazardous waste incineration. Leveraging its experience and expertise in hazardous waste incineration, the Group has expanded its offerings to other areas of solid waste treatment, such as thermal desorption of oil sludge, pyrolysis treatment of solid waste and cement plant parallel kiln co-treatment. The Group conduct research and development of technologies related to these new areas and have successfully applied some of them to its new solid waste treatment projects.

In the first half of 2019, the Group primarily engaged in and generated a substantial portion of our revenue from the design, integration and commissioning of hazardous waste incineration systems in China.

I. 業務回顧

本集團是中國領先的綜合危險廢物焚燒處置整體解決方案提供商，專注於固體廢物處理系統(尤其是危險廢物焚燒處置系統)的研究、設計、集成及調試。憑藉本集團在危險廢物焚燒處置方面的經驗及專業知識，本集團已將業務擴展至固體廢物處理的其他領域，如油泥熱脫附、固體廢物的無氧裂解處理及水泥回轉窯平行協同處置。本集團開展與該等新領域相關的技術研發，並已成功地將部分研發成果應用於新的固體廢物處理項目。

於2019年上半年，本集團主要在中國提供危險廢物焚燒處置系統的設計、集成及調試，並自其中產生很大一部分收入。

Provision of Hazardous Waste Incineration Solutions

提供危險廢物焚燒處置解決方案

Before 2019, the Group has 12 completed hazardous waste incineration projects with aggregate designed disposal capacity of 215,000 tonnes per annum which were passed to the Group's customers in normal operation. In the first half of 2019, the Group completed 4 more hazardous waste incineration projects which located in Shangdong, Jiangsu, Jiangxi and Shanghai with an aggregate designed disposal capacity of approximately 125,000 tonnes per annum. As at 30 June 2019, the Group took 18 outstanding hazardous waste incineration projects on hand, covering 17 cities in China with an aggregate designed disposal capacity of approximately 450,000 tonnes per annum. The table below sets out the summary of the completed hazardous waste incineration projects in the first half of 2019 and the outstanding hazardous waste incineration projects as at 30 June 2019:

於2019年前，本集團完成了12個危險廢物焚燒處置項目並已於正常運轉下轉交予本集團的客戶，累計設計處置能力為215,000噸／年。於2019年上半年，本集團額外完成了4個位於山東、江蘇、江西及上海的危險廢物焚燒處置項目，累計設計處置能力約為125,000噸／年。於2019年6月30日，本集團手上有18個危險廢物焚燒處置項目尚未完工，遍佈中國17個城市，累計設計處置能力約為450,000噸／年。下表載列於2019年上半年竣工危險廢物焚燒處置項目及於2019年6月30日尚未完工危險廢物焚燒處置項目的概要：

Completed hazardous waste incineration projects in the first half of 2019:

於2019年上半年竣工的危險廢物焚燒處置項目：

No.	Project		Designed Disposal/ Treatment Capacity (tonnes per annum) 設計處置／處理能力 (噸／年)
編號	項目		
1	Shandong Weifang hazardous waste incineration project	山東濰坊危險廢物焚燒處置項目	50,000
2	Taixing Economic Development Zone hazardous waste incineration project	江蘇省泰興經濟開發區危險廢物焚燒處置項目	30,000
3	Jiangxi Ganzhou hazardous waste incineration project	江西贛州危廢焚燒處置項目	20,000
4	Shanghai hazardous waste incineration project	上海危廢焚燒處置項目	25,000
	Total	總計	125,000

* Completed project is defined as which the system functionality evaluation is completed.

* 已竣工項目界定為完成系統功能性評估的項目。

Outstanding hazardous waste incineration projects as at 30 June 2019:

於2019年6月30日尚未完工的危險廢物焚燒處置項目：

No.	Project		Designed Disposal/ Treatment Capacity (tonnes per annum) 設計處置／處理能力 (噸／年)
編號	項目		
1	Yantai hazardous waste incineration project	煙台危廢焚燒處置項目	30,000
2	Nantong hazardous waste incineration project	南通危廢焚燒處置項目	25,000
3	Xiamen hazardous waste incineration project	廈門危廢焚燒處置項目	20,000
4	Shaoxing hazardous waste incineration project	紹興危廢焚燒處置項目	20,000
5	Suzhou Industrial Park solid waste comprehensive treatment project	蘇州工業園固廢危綜合處理項目	30,000
6	Fuzhou hazardous waste incineration project	福州危廢焚燒處置項目	20,000
7	Hubei Yaojiagang industrial waste treatment and utilisation project I	湖北姚家港工業廢物處理及資源化項目一期	30,000
8	Hebei Tangshan Caofeidian hazardous waste incineration project	河北唐山曹妃甸危險廢物焚燒處置項目	20,000
9	Sichuan Chengdu hazardous waste incineration project II	四川成都危險廢物處置中心二期	30,000
10	Jiangsu Nanjing hazardous waste incineration project	江蘇南京危險廢物焚燒處置項目	21,000
11	Foshan hazardous waste incineration project	佛山危廢焚燒處置項目	30,000
12	Dongguan hazardous waste incineration project	東莞危廢焚燒處置項目	20,000
13	Henan Puyang hazardous waste incineration project	河南濮陽危廢焚燒處置項目	15,000
14	Guizhou Qiannanzhou hazardous waste incineration project	貴州黔南州危廢焚燒處置項目	20,000
15	Beibuwan hazardous waste incineration project	北部灣資源危廢焚燒處置項目	16,500
16	Jiangsu Changqing Nantong hazardous waste incineration project	江蘇長青南通危廢焚燒處置項目	22,500
17	Hangzhou third solid waste treatment center project I	杭州第三固廢處置中心項目一期	60,000
18	Xinjiang Bazhou hazardous waste and solid waste treatment center project	新疆巴州危廢固廢處理處置中心項目	20,000
	Total	總計	450,000

Provision of Oil Sludge Thermal Desorption Solution

In the first half of 2019, the first thermal desorption project of the Group generated revenue RMB11.3 million, and the second thermal desorption project of the Group were under construction.

Provision of Pyrolysis Treatment of Solid Waste Solution

In the first half of 2019, the Group's first waste paper residues pyrolysis project and waste new energy batteries pyrolysis project were in the process of construction as expected.

Provision of Cement Plant Co-Treatment of Hazardous Waste Solution

In the first half of 2019, we had entered into a contract with a well-known cement producer for the Co-treatment Cooperation with designed treatment capacity of 83,600 tonnes per annum.

II. FINANCIAL POSITION AND OPERATING RESULTS

Revenue

Revenue decreased by 6.1% from RMB183.1 million for the six months ended 30 June 2018 to RMB171.9 million for the six months ended 30 June 2019. These decreases were mainly attributable to the decrease of revenue from hazardous waste incineration solutions.

The Group derived the majority of its revenue from provision of hazardous waste incineration solutions and the remainder from provision of oil sludge thermal desorption solution and other services including technical upgrading and maintenance services.

提供油泥熱脫附解決方案

於2019年上半年，本集團首個熱脫附項目產生收入人民幣11.3百萬元，而本集團的第二個熱脫附項目正在建設中。

提供固體廢物的無氧裂解處理解決方案

於2019年上半年，本集團的首個無氧裂解廢紙渣項目及無氧裂解新能源廢電池項目正如期建造中。

提供水泥廠協同處理危險廢物解決方案

於2019年上半年，我們已與知名水泥生產商就協同處理(具設計處理能力83,600噸/年)訂立合約。

II. 財務狀況及經營業績

收入

收入由截至2018年6月30日止六個月的人民幣183.1百萬元減少6.1%至截至2019年6月30日止六個月的人民幣171.9百萬元。該減少主要由於來自危險廢物焚燒處置解決方案的收入減少。

本集團的大部分收入來自提供危險廢物焚燒處置解決方案，剩餘收入來自提供油泥熱脫附解決方案及其他服務(包括技術升級及維護服務)。

Revenue from hazardous waste incineration solutions decreased by 10.5% from RMB171.2 million for the six months ended 30 June 2018 to RMB153.3 million for the six months ended 30 June 2019. These decreases were mainly attributable to the different stage of completion among projects as a large proportion of the projects were in their initial or final stage during the six months ended 30 June 2019 and the proportion of total project revenue recognised was relatively small while more projects were in their implementation stage during the six months ended 30 June 2018 with larger proportion of total project revenue being recognised.

The Group's revenue generated from provision of oil sludge thermal desorption solution for the six months ended 30 June 2019 amounted to RMB11.3 million (for the six months ended 30 June 2018: nil), which were attributable to the Group's first oil sludge thermal desorption project commenced operation in the 4th quarter of 2018.

Revenue from other services decreased by 14.1% from RMB8.5 million for the six months ended 30 June 2018 to RMB7.3 million for the six months ended 30 June 2019. This decrease were attributable to less technical upgrading services demand from customers during the six months ended 30 June 2019.

Cost of Services

Cost of services decreased by 2.2% from RMB138.2 million for the six months ended 30 June 2018 to RMB135.2 million for the six months ended 30 June 2019. This decrease were mainly attributable to the decrease of revenue.

Cost of services for the Group's hazardous waste incineration treatment business consists primarily of (i) cost of equipment and materials; (ii) direct labour costs; (iii) sub-contracting costs; and (iv) others.

危險廢物焚燒處置解決方案的收入從截至2018年6月30日止六個月的人民幣171.2百萬元減少10.5%至截至2019年6月30日止六個月的人民幣153.3百萬元。該等減少主要由於項目之完成階段不同，於截至2019年6月30日止六個月內，大部分項目處於初期或末期階段，所確認之總項目收入較小，而於截至2018年6月30日止六個月內，更多項目處於實施階段，大部分總項目收入獲確認。

截至2019年6月30日止六個月，本集團來自提供油泥熱脫附解決方案的收入為人民幣11.3百萬元(截至2018年6月30日止六個月：無)，歸因於本集團首個油泥熱脫附項目已於2018年第四季度開始營運。

來自其他服務的收入由截至2018年6月30日止六個月的人民幣8.5百萬元減少14.1%至截至2019年6月30日止六個月的人民幣7.3百萬元。該減少主要歸因於截至2019年6月30日止六個月內客戶的技術升級服務需求減少。

服務成本

服務成本由截至2018年6月30日止六個月的人民幣138.2百萬元減少2.2%至截至2019年6月30日止六個月的人民幣135.2百萬元。該減少主要歸因於收入減少。

本集團危險廢物焚燒處置業務的服務成本主要包括：(i)設備及材料成本；(ii)直接人工成本；(iii)分包成本；及(iv)其他。

The cost of services for the Group's hazardous waste incineration treatment business increased by 0.2% from RMB126.7 million for the six months ended 30 June 2018 to RMB127 million for six months ended 30 June 2019. These increases were mainly attributable to the gross profit margin of hazardous waste incineration solutions decreased because of the intense competition in the market.

The Group's cost of services generated for provision of oil sludge thermal desorption solution for the six months ended 30 June 2019 amounted to RMB3.3 million (for the six months ended 30 June 2018: nil), which were attributable to the Group's first oil sludge thermal desorption project commenced operation in the 4th quarter of 2018.

Cost of services for other services decreased by 46.1% from RMB8.9 million for the six months ended 30 June 2018 to RMB4.8 million for the six months ended 30 June 2019. This decrease were attributable to the Group spent more efforts to control the cost of other services.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by 18.2% from RMB45 million for the six months ended 30 June 2018 to RMB36.8 million for the six months ended 30 June 2019, while the gross profit margin decreased from 24.6% for the six months ended 30 June 2018 to 21.4% for the six months ended 30 June 2019.

The following table sets out the Group's gross profit and gross profit margin for each of the business segments for the periods stated.

本集團危險廢物焚燒處置業務的服務成本從截至2018年6月30日止六個月的人民幣126.7百萬元增加0.2%至截至2019年6月30日止六個月的人民幣127百萬元。該等增加主要由於激烈的市場令危險廢物焚燒處理解決方案之毛利率下降。

截至2019年6月30日止六個月，本集團來自提供油泥熱脫附解決方案的服務成本為人民幣3.3百萬元(截至2018年6月30日止六個月：無)，歸因於本集團首個油泥熱脫附項目已於2018年第四季度開始營運。

來自其他服務的服務成本從截至2018年6月30日止六個月的人民幣8.9百萬元減少46.1%至截至2019年6月30日止六個月的人民幣4.8百萬元。該減少歸因於本集團花費更多精力控制其他服務的成本。

毛利及毛利率

本集團的毛利從截至2018年6月30日止六個月的人民幣45百萬元減少18.2%至截至2019年6月30日止六個月的人民幣36.8百萬元，而毛利率從截至2018年6月30日止六個月的24.6%減少至截至2019年6月30日止六個月的21.4%。

下表載列於所述期間本集團各業務分部的毛利及毛利率。

		Gross profit		Gross profit margin	
		毛利		毛利率	
		2019H1	2018H1	2019H1	2018H1
		2019上半年	2018上半年	2019上半年	2018上半年
		RMB million	RMB million		
		人民幣百萬元	人民幣百萬元		
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案	26.3	44.5	17.2%	26.0%
Pyrolysis solid waste treatment solutions	無氧裂解固體廢物處置解決方案	—	0.9	N/A	25.7%
Oil sludge thermal desorption treatment services	油泥熱脫附處理服務	8.0	—	70.8%	N/A
Other services	其他服務	2.5	(0.4)	34.2%	-4.7%
Total	合計	36.8	45.0	21.4%	24.6%

The gross profit of hazardous waste incineration solutions decreased by 40.9% from RMB44.5 million for the six months ended 30 June 2018 to RMB26.3 million for the six months ended 30 June 2019. These decreases were mainly attributable to the gross profit margin of hazardous waste incineration solutions decreased. The gross profit margin of hazardous waste incineration solutions decreased from 26.0% for the six months ended 30 June 2018 to 17.2% for the six months ended 30 June 2019 primarily due to the intense competition in the market.

The gross profit of provision of oil sludge thermal desorption solution for the six months ended 30 June 2019 amounted to RMB8 million (for the six months ended 30 June 2018: nil), which were attributable to the Group's first oil sludge thermal desorption project commenced operation in 2018. The gross profit margin of provision of oil sludge thermal desorption solution was 70.8% for the six months ended 30 June 2019 (For the six months ended 30 June 2018: nil).

危險廢物焚燒處置解決方案的毛利由截至2018年6月30日止六個月的人民幣44.5百萬元減少40.9%至截至2019年6月30日止六個月的人民幣26.3百萬元。該等減少主要歸因於危險廢物焚燒處置解決方案之毛利率減少。危險廢物焚燒處置解決方案的毛利率由截至2018年6月30日止六個月的26.0%減少至截至2019年6月30日止六個月的17.2%，此乃歸因於市場的激烈競爭。

截至2019年6月30日止六個月，提供油泥熱脫附解決方案的毛利為人民幣8百萬元(截至2018年6月30日止六個月：無)，歸因於本集團首個油泥熱脫附項目已於2018年開始營運。截至2019年6月30日止六個月，提供油泥熱脫附解決方案的毛利率為70.8%(截至2018年6月30日止六個月：無)。

The gross profit of other services amounted to RMB2.5 million for the six months ended 30 June 2019, while the Group recognised gross loss of other services amounted to RMB0.4 million for the six months ended 30 June 2018. The other services of the Group made losses turn into profit mainly due to the Group spent more effort to control the cost of other services. The gross profit margin of other services was 34.2% for the six months ended 30 June 2019 while negative 4.7% for the six months ended 30 June 2018.

Other Income, Gains and Losses

The Group's other income and gains decreased by 5.3% from RMB3.8 million for the six months ended 30 June 2018 to RMB3.6 million for the six months ended 30 June 2019, primarily attributable to: 1) bank interest increased of RMB0.7 million; 2) government grant increased of RMB2.7 million mainly due to the one-off government subsidy for Listing received in the first half of 2019; and 3) offset by the net foreign exchange gains decrease from RMB2.9 million for the six months ended 30 June 2018 to losses amounted to RMB0.6 million for the six months ended 30 June 2019.

Administrative Expenses

The Group's administrative expenses increased by 50.4% from RMB11.5 million for the six months ended 30 June 2018 to RMB17.3 million for the six months ended 30 June 2019, primarily attributable to the Group has hired more staff for business development, which leads to an increase in staff salaries and benefits of RMB3.0 million, an increase in entertainment expenses of RMB0.8 million, an increase in transportation and accommodation expenses of RMB0.3 million, and an increase in office administration expenses of RMB0.2 million.

截至2019年6月30日年止六個月其他服務之毛利為人民幣2.5百萬元，而本集團截至2018年6月30日止六個月之其他服務之毛虧損為人民幣0.4百萬元。本集團的其他服務扭虧為盈乃主要由於本集團花費更多的精力控制其他服務之成本。其他服務之毛利率於截至2019年6月30日止六個月為34.2%，而截至2018年6月30日止六個月為負4.7%。

其他收入、收益及虧損

本集團之其他收入及收益從截至2018年6月30日年止六個月之人民幣3.8百萬元減少5.3%至截至2019年6月30日止六個月之人民幣3.6百萬元，主要由於1)銀行利息增加人民幣0.7百萬元；2)於2019年上半年收取的上市政府補貼令政府補助增加人民幣2.7百萬元；及3)由外匯收益淨額從截至2018年6月30日止六個月的人民幣2.9百萬元減少至截至2019年6月30日止六個月的淨虧損人民幣0.6百萬元所抵銷。

行政開支

本集團之行政開支從截至2018年6月30日止六個月的人民幣11.5百萬元增加50.4%至截至2019年6月30日止六個月人民幣17.3百萬元，主要由於本集團已就業務發展僱用更多的員工，此令員工薪水及福利增加人民幣3百萬元、酬酢開支增加人民幣0.8百萬元、運輸及住宿開支增加人民幣0.3百萬元及辦公室行政費用增加人民幣0.2百萬元。

Other Expenses

Other expenses include (i) listing expenses; and (ii) research and development expenses, including staff costs, material and other related costs mainly in connection with the research and development of solid waste treatment applications.

No listing expenses incurred for the six months ended 30 June 2019 (for the six months ended 30 June 2018: RMB5.2 million), which were attributable to the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 3 January 2019.

The Group’s research and development expenses increased by 160% from RMB3.5 million for the six months ended 30 June 2018 to RMB9.1 million for the six months ended 30 June 2019, primarily attributable to the Group continued our focus of research and development on hazardous waste incineration solutions and new area.

Finance costs

The Group’s finance costs decreased by 80% from RMB2.0 million for the six months ended 30 June 2018 to RMB0.4 million for the six months ended 30 June 2019, primarily attributable to the interest on obligation arising from a put option amounted to RMB1.7 million for the six months ended 30 June 2018.

On 4 April 2018, the Group entered into two joint venture agreements with Orient Landscape Group Environmental Protection Co., Ltd. (“**Orient Landscape**”) for the investment in Guangzhou Weigang. Pursuant to such agreements, the Group granted Orient Landscape a put option, which if the Listing does not take place on or before 3 April 2020, Orient Landscape is entitled to require the Group to purchase all of the equity interest in Guangzhou Weigang held by Orient Landscape at a price equal to the sum of (i) the Subscription Price plus an interest of 8% per annum and (ii) any declared but unpaid dividends.

其他開支

其他開支包括(i)上市開支；及(ii)研發開支(包括主要與固體廢物處理應用研發有關的人工成本、材料及其他相關成本)。

截至2019年6月30日止六個月並無產生任何上市開支(截至2018年6月30日止六個月：人民幣5.2百萬元)，此乃由於本公司的股份於2019年1月3日於香港聯合交易所有限公司(「**聯交所**」)主板上市。

本集團的研發開支從截至2018年6月30日止六個月的人民幣3.5百萬元增加160%至截至2019年6月30日止六個月的人民幣9.1百萬元，主要歸因於本集團繼續專注於研發危險廢物焚燒處置解決方案及新技術領域。

融資成本

本集團的融資成本自截至2018年6月30日止六個月的人民幣2百萬元減少80%至截至2019年6月30日止六個月的人民幣0.4百萬元，主要歸因於認沽期權所產生責任的利息截至2018年6月30日止六個月錄得人民幣1.7百萬元。

於2018年4月4日，本集團與東方園林集團環保有限公司(「**東方園林**」)就投資廣州維港訂立兩份合資協議。根據該等協議，本集團向東方園林授予一項認沽期權，而倘上市未在2020年4月3日或之前進行，則東方園林有權要求本集團購買東方園林所持廣州維港的全部股本權益，價格等於以下各項的總和：(i)認購價加8%的年息；及(ii)任何已宣派但未支付的股息。

Pursuant to the put option aforementioned, the investment from Orient Landscape is recognised as obligation arising from a put option, and the corresponding interest of 8% per annum during 2018 is recognised in obligation arising from a put option and profit or loss. Pursuant to such agreements aforementioned, as the Listing of the Company already succeeded, the put option lapsed and all the previously recognised interest expenses had been reversed through equity at the Listing date of the Company in the first half of 2019 without any payment to Orient Landscape.

Income Tax Expense

Income tax expense consists of current tax and deferred tax for PRC enterprise income tax.

The Company operated business principally through its PRC subsidiaries which were subject to the PRC enterprise income tax at a statutory rate of 25% on its estimated assessable profits for the six months ended 30 June 2019 (for the six months ended 30 June 2018: 25%). Guangzhou Weigang was recognised as a “High and New Technology Enterprise” in 2016 and was entitled to a preferential PRC income tax rate of 15% for each of 2016, 2017 and 2018 and such recognition can be applied for renewal every three years. The management considered Guangzhou Weigang will probably continue to be recognised as a “High and New Technology Enterprise” and entitled to a preferential PRC income tax rate of 15% in 2019.

The Group’s effective tax rate decreased from 15.6% for the six months ended 30 June 2018 to 5.5% for the six months ended 30 June 2019, primarily due to the impact of 75% extra deduction policy for research and development expenses, which was published in September 2018.

根據上述認沽期權，東方園林的投資確認為認沽期權產生的責任，以及於2018年相應的8%年息於認沽期權產生的責任及損益中確認。根據上述該等協議，由於本公司已成功上市，認沽期權已失效，而所有過往確認的利息費用已於2019年上半年公司上市之日起全部通過權益科目轉回而毋須向東方園林作任何付款。

所得稅開支

所得稅開支包括中國企業所得稅的即期稅項及遞延稅項。

本公司主要透過中國附屬公司運營業務，該等附屬公司於截至2019年6月30日止六個月就估計應課稅利潤按25%（截至2018年6月30日止六個月：25%）的法定稅率繳納中國企業所得稅。廣州維港於2016年被評為「高新技術企業」，並有權於2016年、2017年及2018年各年度享受15%的中國所得稅稅率優惠。該項認可每三年可申請續期。管理層認為廣州維港將可能繼續獲評為「高新技術企業」，並有權於2019年享受15%的中國所得稅稅率優惠。

本集團的實際稅率從截至2018年6月30日止六個月的15.6%減少至截至2019年6月30日止六個月的5.5%，主要由於主要由於研發開支75%額外扣減政策之影響，其乃刊發於2018年9月。

Profit for the Period

Profit for the period decreased by 50.4% from RMB22.6 million for the six months ended 30 June 2018 to RMB11.2 million for the six months ended 30 June 2019 mainly due to (1) the gross profit margin of hazardous waste incineration solutions decreased because of the intense competition in the market; and (2) the Group invested in new solid waste treatment projects, which were still in the initial stage or construction stage and had not generated profit. The net profit margin decrease from 12.4% for the six months ended 30 June 2018 to 6.5% for the six months ended 30 June 2019 mainly due to the decrease of gross profit margin.

Liquidity and Capital Resources

The Group's principal cash requirements are to pay for working capital needs and capital expenditures on equipment and intangible assets. The Group met these cash requirements by relying on its cash at banks, net cash flows from operating activities and net proceeds from the Listing as its principal source of funding. The Directors are of the view that the Group have sufficient working capital required for the Group's operations at present and for the year ending 31 December 2019.

Trade and note receivables

The decrease in trade and note receivables from RMB142.8 million as at 31 December 2018 to RMB120.2 million as at 30 June 2019 was primarily due to the Group enhanced the management of trade and note receivables collection.

The average trade receivables turnover days decreased from 67.1 days in 2018 to 62.1 days in the first half of 2019 as the Group continued to spend more efforts in collecting trade receivables in a timely manner.

期內利潤

期內利潤從截至2018年6月30日止六個月的人民幣22.6百萬元減少50.4%至截至2019年6月30日止六個月的人民幣11.2百萬元，主要由於(1)市場中激烈的競爭令危險廢物焚燒處置解決方案的毛利率減少；及(2)本集團對新固體廢物處置項目的投資，其仍處於初始階段或建造階段且尚未產生利潤。淨利率由截至2018年6月30日止六個月的12.4%減少至截至2019年6月30日止六個月的6.5%，主要由於毛利率減少。

流動性及資本資源

本集團的主要現金需求乃為營運資金需求以及設備及無形資產的資本開支付款。本集團依靠銀行存款、經營活動所得現金流量淨額及上市所得款項淨額作為其主要資金來源來滿足該等現金需求。董事認為，本集團具有充裕營運資金以應付本集團目前及截至2019年12月31日止年度的運營所需。

貿易應收款項及應收票據

貿易應收款項及應收票據自2018年12月31日的人民幣142.8百萬元減少至2019年6月30日的人民幣120.2百萬元，乃由於本集團提升了貿易應收款項及應收票據收回之管理。

貿易應收款項平均周轉日數自2018年的67.1日減至2019年上半年的62.1日，原因是本集團繼續加倍努力及時收回貿易應收款項。

Trade payables

The decrease in trade payables from RMB84.1 million as at 31 December 2018 to RMB58.3 million as at 30 June 2019 was primarily due to our efforts to expedite the payment to suppliers in order to speed up the project progress.

The average trade payables turnover days decreased from 71.5 days in 2018 to 47.4 days in the first half of 2019 as the Group intended to expedite the payment to suppliers in order to speed up the project progress.

Contract assets

The increase in contract assets from RMB177 million as at 31 December 2018 to RMB188.3 million as at 30 June 2019 was primarily due to an increase in our total number of ongoing hazardous waste incineration projects.

Contract liabilities

The decrease in contract liabilities from RMB72.9 million as at 31 December 2018 to RMB68.3 million as at 30 June 2019 was primarily due to the Group enhanced the management of progress billing process of ongoing hazardous waste incineration projects.

Bank Borrowings

As at 30 June 2019, the Group had bank borrowings of RMB16.9 million provided by two commercial bank in China (as at 31 December 2018: RMB10 million).

Capital Expenditure

For the six months ended 30 June 2019, the Group's material capital expenditure amounted to approximately RMB10.8 million (for the six months ended 30 June 2018: RMB4.0 million), mainly used for purchase of property, plant and equipment.

貿易應付款項

貿易應付款項自2018年12月31日的人民幣84.1百萬元減少至2019年6月30日的人民幣58.3百萬元，主要由於我們為加快項目進程而努力加快向提供商付款。

貿易應付款項的平均周轉日數自2018年的71.5日減至2019年上半年的47.4日，原因是本集團為加快項目進程而努力加快向提供商付款。

合約資產

合約資產自2018年12月31日的人民幣177百萬元增加至2019年6月30日的人民幣188.3百萬元，主要原因是正在進行的危險廢物焚燒處置項目總數增加。

合約負債

合約負債自2018年12月31日的人民幣72.9百萬元增加至2019年6月30日的人民幣68.3百萬元，主要由於本集團提升正在進行的危險廢物焚燒處理項目的進度付款流程之管理。

銀行借款

於2019年6月30日，本集團獲兩家中國商業銀行提供銀行借款人民幣16.9百萬元(於2018年12月31日：人民幣10百萬元)。

資本開支

截至2019年6月30日止六個月，本集團的重大資本開支約為人民幣10.8百萬元(截至2018年6月30日止六個月：人民幣4.0百萬元)，主要用於購置物業、廠房及設備。

Capital Commitment

As at 30 June 2019, the Group had capital commitment amounted to RMB18.6 million (as at 31 December 2018: RMB4.6 million) which consisted mainly of payments to be made for several operation projects under construction.

Pledge of Assets

As at 30 June 2019, the Group had pledged deposits of RMB41.9 million (as at 31 December 2018: RMB43.9 million) mainly for (1) deposit for bank acceptance which the Groups issued to its suppliers amounted to RMB2.3 million; and (2) deposit for bank guarantee given to several customers for performance obligation fulfilment amounted to RMB39.6 million.

Contingent Liabilities

As at 30 June 2019, the Group had no material contingent liabilities.

Gearing Ratio

As at 30 June 2019, the current assets of the Group were approximately RMB576.0 million, total assets were approximately RMB660.7 million, current liabilities were approximately RMB158.4 million and total liabilities were approximately RMB162.0 million. The gearing ratio (total liabilities/total assets) of the Group was approximately 24.5% (as at 31 December 2018: 66.1%).

資本承擔

於2019年6月30日，本集團的資本承擔為人民幣18.6百萬元(於2018年12月31日：人民幣4.6百萬元)，主要由向數項建造中的營運項目作出的付款構成。

資產抵押

於2019年6月30日，本集團已抵押存款人民幣41.9百萬元(於2018年12月31日：人民幣43.9百萬元)，主要有關(1)本集團向其供應商發出的銀行承兌匯票按金人民幣2.3百萬元；及(2)出具給若干客戶履行履約義務的銀行保函按金人民幣39.6百萬元。

或有負債

於2019年6月30日，本集團概無重大或有負債。

資本負債比率

於2019年6月30日，本集團之流動資產約為人民幣576百萬元，總資產約為人民幣660.7百萬元，流動負債約為人民幣158.4百萬元及總負債約為人民幣162.0百萬元。本集團之資本負債比率(負債總額/資產總額)約為24.5%(於2018年12月31日：66.1%)。

III. PROSPECTS

Looking into the second half of 2019, the Group will continue to capture the opportunities brought by the policies for the development of the environmental protection industry, and actively seize more business opportunities from solid waste treatment by commercialising its advanced solid waste treatment technologies to market. The Group will still continue to focus on the technology innovation to further expand the Group's business scope, maintain the Group's leading position in the market, maximise shareholder returns and optimise the Group's commitment of becoming a leading solid waste treatment solutions provider in China.

Leveraging on our comprehensive understanding of the market environment, the Group will continue focusing on the following tasks in order to achieve its goals:

Continue to consolidate the leading market position and expand the market share on hazardous waste incineration

The Group focus to: (1) further improving the technics on hazardous waste incineration treatments; (2) continue to cultivate customer relationships as well as explore new customers in both China and oversea markets; and (3) facilitate more frequent communications and provide more comprehensive value-add services with industry participants.

III. 前景

展望2019年下半年，本集團將繼續抓住環保行業發展政策所帶來的機遇，將先進的固體廢物處理技術商業化，積極把握更多來自固體廢物處理的商機。本集團將繼續專注於技術創新，進一步拓展本集團的業務範疇，維持本集團的市場領先地位，為股東帶來最大回報，並致力實踐本集團成為中國領先的固體廢物處理解決方案提供商的承諾。

憑藉我們對市場環境的全面了解，本集團將繼續專注進行以下任務，以達致其目標：

繼續鞏固領先市場地位，並擴大在危險廢物處置領域的市場份額

本集團專注於：(1)進一步提高危險廢物焚燒處理技術；(2)於國內外市場繼續培養客戶關係及發掘新客戶；及(3)與行業參與者進行更頻繁的溝通及提供更全面的增值服務。

Speed up the process of commercialising the cement plant parallel kiln co-treatment technology and thermal desorption of oil sludge solution

The Group had successfully provided the first thermal desorption solutions for the treatment of oil sludge, we aim to leverage our existing project experience and replicate this project model for oil sludge treatment serving an increasing number of oil service providers in China. In addition, the Group had entered into a contract with a well-known cement producer for the co-treatment cooperation with designed treatment capacity of 83,600 tonnes per annum. Driven by the increasing demand and governmental support, we aim to reach out to more cement producers in China to promote the advantages of our parallel kiln co-treatment systems to explore new project opportunities.

Establish standards of pyrolysis treatment of solid waste solution to make us industry leader in this field

In the first half of 2019, the Group's first waste paper residues pyrolysis project and waste new energy batteries pyrolysis project were in the process of construction as expected. The Group will continue to explore the demand of market by developing and commercializing solutions for a number of new solid waste treatment applications.

OTHER INFORMATION

EMPLOYEES, REMUNERATION AND PENSION SCHEME

As at 30 June 2019, the Group employed 219 employees (as at 31 December 2018: 200 employees), among which approximately 150 were personnel conducting R&D, project management and execution for our business.

加速水泥回轉窯平行協同處置及油泥熱脫附解決方案的商業化進程

本集團已為油泥處理提供首個熱脫附解決方案，我們旨在利用現有的項目經驗並複製該項目模式用於服務中國不斷增長的服務提供商之油泥處理。此外，本集團已與知名水泥生產商就協同處理合作訂立合約，設計處理能力為每年83,600噸。由不斷增長的需求及政府支持所促進，我們旨在接觸到中國更多的水泥生產商以推廣平行協同處置系統的優勢，從而探索新的項目機遇。

建立固體廢物無氧裂解處理的標準令我們稱為該領域的領導者

於2019年上半年，本集團首個無氧裂解廢紙渣項目及無氧裂解新能源廢電池項目如期建造中。通過為多項新固體廢物處理應用開發及商業化解決方案，本集團將繼續探索市場需求。

其他資料

僱員、薪酬及退休金計劃

於2019年6月30日，本集團聘有219名僱員(於2018年12月31日：200名僱員)，其中約150名僱員負責我們業務的研發、項目管理及執行。

The Group's remuneration policy takes into consideration the relevant Director or member of senior management's duties, responsibilities, experiences, skills, time commitment, performance of the Group and are made with reference to those paid by comparable companies. Its employees are remunerated with monthly salaries and discretionary bonuses based on individual performance, market performance, the Group's profit as a whole and comparable market levels. Apart from salary payment, other staff benefits include allowances, benefits in kind, performance-related bonuses, share based payments, pensions, and other social insurance benefits.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE ("CG CODE")

The Company has adopted the CG Code as set out in Appendix 14 to the Listing Rules. In the opinion of the Directors, the Company has fully complied with the CG Code during the period under review except from the deviation from the Code Provision A.2.1 of the CG Code.

Under code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cai Zhuhua serves as chairman as well as chief executive officer of the Company and this dual role leadership has been in practice by the Company since 2009. Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be chairman of the Company as well as to discharge the executive functions of a chief executive thereby enabling more effective planning and better execution of long-term strategies. The Board believes that the balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals, with half of them being non-executive directors of the Company. The Company will review the current structure when and as it becomes appropriate.

本集團薪酬政策已考慮有關董事或高級管理層成員的職責、責任、經驗、技能、付出的時間及本集團業績，並參照可資比較公司所支付的薪酬而確定。其僱員依據各自的表現、市場狀況、本集團的整體利潤及可資比較市場水平，收取月薪及酌情花紅。除薪金外，其他員工福利包括津貼、實物福利、績效花紅、以股份為基礎的付款、退休金及其他社會保險福利等。

遵守《企業管治守則》(「《企業管治守則》」)

本公司已採納《上市規則》附錄十四所載的《企業管治守則》。董事認為本公司於報告期內已全面遵守《企業管治守則》，惟偏離《企業管治守則》的守則條文第 A.2.1 條除外。

《企業管治守則》的守則條文第 A.2.1 條規定，董事長與行政總裁的角色應有區分，並不應由一人同時兼任。蔡珠華先生為本公司董事長兼行政總裁，而此雙角色領導模式自 2009 年起於本公司一直推行。有關偏離情況被視為恰當，原因是由同一人士擔任本公司董事長兼履行行政總裁的執行職能被視為更具效率，有助提高長遠戰略的有效規劃及執行表現。董事會認為董事會成員不乏經驗豐富及具才幹的人士(其中半數為本公司非執行董事)，其營運及管治足以確保權力及職能平衡。本公司將於適當時候檢討現行架構。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding Directors’ dealings in the securities of the Company.

Having made specific enquiry of all the Directors, each Director confirmed that he/she had complied with the required standards set out in the Model Code during the period under review. The Board has also established written guidelines to regulate dealings by relevant employees who are likely to be in possession of inside information of the Company in respect of securities in the Company as referred to in code provision A.6.4 of the CG Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2019.

USE OF NET PROCEEDS FROM GLOBAL OFFERING

The Company was listed on the Stock Exchange on 3 January 2019. The net proceeds raised from the global offering were approximately HK\$259.4 million (approximately equivalent to RMB227.2 million). During the six months ended 30 June 2019, there was no change in the intended use of net proceeds as previously disclosed in the prospectus of the Company dated 19 December 2018 (the “**Prospectus**”).

遵守董事進行證券交易的《標準守則》

本公司已採納《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》(「《標準守則》」)，作為董事買賣本公司證券時的行為準則。

在向全體董事作出特定查詢後，各董事均已確認彼等在審閱期內遵守《標準守則》所載的必守準則。董事會亦已制定書面指引，規範可能擁有本公司有關本公司證券內幕消息的相關僱員的所有交易(如《企業管治守則》的守則條文第A.6.4條所述)。

購買、出售或贖回上市證券

截至2019年6月30日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

全球發售所得款項淨額用途

本公司於2019年1月3日在聯交所上市。全球發售募集的所得款項淨額約為259.4百萬港元(約等於人民幣227.2百萬元)。截至2019年6月30日止六個月內，先前在2018年12月19日的本公司招股章程(「招股章程」)披露的所得款項淨額擬定用途概無變動。

As at 30 June 2019, the Company has utilised RMB56.7 million of the net proceeds from the global offering. For the amounts not yet utilised, the Company will apply the remaining net proceeds in the manner as set out in the Prospectus. The following table sets forth a breakdown of the utilisation of net proceeds as at 30 June 2019:

於 2019年6月30日，本公司已動用全球發售所得款項淨額中的人民幣56.7百萬元。本公司將會按招股章程所載的方式應用餘下未動用所得款項淨額。下表載列於2019年6月30日的所得款項淨額動用情況明細：

		Net proceeds from the global offering 全球發售 所得款項淨額	Utilisation as at 30 June 2019 於 2019年 6月30日 已動用金額	Unutilised amount 未動用金額	Expected timeline of the unutilised amount 未動用金額預計使用時間
<i>Unit: RMB million</i>	<i>單位：百萬人民幣</i>				
Utilisation of the pyrolysis technology for the treatment of various types of solid waste	用作利用各類固體廢物處理的無氧裂解技術	90.9	25.8	65.1	The unutilised amount is expected to be fully utilised by the second half of 2023 未動用金額預計在2023年下半年前全部使用完畢
Establishment of a research and engineering centre	用作設立研究與工程技術中心	45.4	—	45.4	The unutilised amount is expected to be fully utilised by the second half of 2023 未動用金額預計在2023年下半年前全部使用完畢
Commercialisation of oil sludge thermal desorption technology	用作油泥熱脫附技術的商業化	34.1	4.9	29.2	The unutilised amount is expected to be fully utilised by the second half of 2023 未動用金額預計在2023年下半年前全部使用完畢
Invest in and operate the business of cement plant parallel kiln co-treatment solutions	用作投資及經營水泥回轉窯平行協同處置解決方案業務	34.1	3.3	30.8	The unutilised amount is expected to be fully utilised by the second half of 2023 未動用金額預計在2023年下半年前全部使用完畢
Working capital and general corporate use	用作營運資金及一般公司用途	22.7	22.7	—	N/A 不適用
Total	總計	227.2	56.7	170.5	

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2019.

中期股息

董事會不建議派發截至2019年6月30日止六個月內的中期股息。

AUDIT COMMITTEE

The Group's interim results for the six months ended 30 June 2019 have been reviewed by the Audit Committee of the Company.

INDEPENDENT REVIEW

The interim results for the six months ended 30 June 2019 are unaudited, but have also been reviewed by Baker Tilly Hong Kong Limited, the Company's independent auditor, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A Report on Review of Interim Financial Information is included in the interim report to be sent to shareholders.

PUBLICATION OF 2019 INTERIM RESULTS AND INTERIM REPORT

This interim results announcement of the Group for 2019 is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.gzweigang.com. The 2019 interim report containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites in September 2019.

審核委員會

本集團截至2019年6月30日止六個月的中期業績已由本公司的審核委員會審閱。

獨立審閱

截至2019年6月30日止六個月的中期業績未經審核，惟亦已根據香港會計師公會頒佈的《香港審閱委聘準則》第2410號「由實體獨立核數師執行的中期財務資料審閱」由本公司獨立核數師天職香港會計師事務所有限公司審閱。有關審閱中期財務資料的報告載於將寄發予股東的中期報告。

刊發2019年中期業績及中期報告

本集團2019年的中期業績公告刊登於聯交所網站(www.hkexnews.hk)及本公司網站(www.gzweigang.com)。載有《上市規則》規定所有適用資料的2019年中期報告將於2019年9月寄發予本公司股東及刊登於上述網站。

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to the management and staff of the Group for their commitment and contribution during the period. I would also like to express my appreciation to the guidance from the regulators and continued support from our shareholders and customers.

By order of the Board
Weigang Environmental Technology Holding Group Limited

CAI Zhuhua
Chairman & Executive Director

PRC, 27 August 2019

As at the date hereof, the Board comprises Mr. CAI Zhuhua. Mr. DONG Honghui and Mr. DENG Zhaoshan as executive directors; Mr. REN Jingfeng and Mr. YANG Zhiqiang as non-executive directors; and Mr. YANG Zhifeng; Mr. JIANG Guoliang and Mr. FENG Tao as independent non-executive directors.

致謝

本人謹藉此機會代表董事會，向本集團管理層及員工於期內的努力及奉獻致以謝意。本人亦謹此答謝監管機構的指導以及股東與客戶的長期支持。

承董事會命
維港環保科技控股集團有限公司

董事長兼執行董事
蔡珠華

中國，2019年8月27日

於本公告日期，董事會包括執行董事蔡珠華先生、董紅暉先生及鄧兆善先生；非執行董事任景豐先生及楊志強先生；以及獨立非執行董事楊志峰先生、蔣國良先生及馮濤先生。