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China Boqi Environmental (Holding) Co., Ltd.

中國博奇環保（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2377)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

FINANCIAL AND OPERATION HIGHLIGHTS

For the six months ended 30 June 2021, the revenue of the Group amounted to RMB927 million, representing an increase of 40.9% as compared to the same period last year.

For the six months ended 30 June 2021, the gross profit of the Group amounted to RMB184 million, representing an increase of 10.2% as compared to the same period last year; the gross profit margin of the Group was 19.8%, representing a decrease of 5.6 percentage points as compared to the same period last year.

For the six months ended 30 June 2021, the net profit of the Group amounted to RMB163 million, representing an increase of 53.8% as compared to the same period last year; the net profit margin of the Group was 17.6%, representing an increase of 1.5 percentage points as compared to the same period last year.

The board (the “**Board**”) of directors (the “**Directors**”) of China Boqi Environmental (Holding) Co., Ltd. (the “**Company**” or “**China Boqi**”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021 (the “**Reporting Period**”). The audit committee of the Company (the “**Audit Committee**”) has reviewed the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2021.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Notes	For the six months ended 30 June	
		2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Revenue	3	926,854	658,191
Cost of sales and services		(742,549)	(491,252)
Gross profit		184,305	166,939
Other income and gains	4	49,603	12,671
Other expenses and losses	4	(3,847)	–
Selling and distribution expenses		(8,948)	(8,767)
Administrative expenses		(34,504)	(31,294)
Research and development expenses		(23,370)	(17,445)
Reversal of impairment losses on financial assets and contract assets		3,981	(1,394)
Share of profit of associates		23,939	9,201
Finance costs	5	(4,712)	(2,246)
Change in fair value of convertible ordinary shares		–	–
Listing expenses		–	–
Profit before tax		186,447	127,665
Income tax expense	6	(23,605)	(21,419)
Profit for the period		<u>162,842</u>	<u>106,246</u>
Other comprehensive income for the periods:			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value losses on investments in equity instrument at fair value through other comprehensive income		–	–
Income tax relating to investments in equity instrument at fair value through other comprehensive income		–	–
		<u>–</u>	<u>–</u>

		For the six months ended 30 June	
		2021	2020
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<i>Items that will be reclassified to profit or loss:</i>			
Fair value loss on debt instrument at fair value through other comprehensive income		–	–
Income tax relating to items that may be reclassified subsequently		–	–
		<u>–</u>	<u>–</u>
		<u>–</u>	<u>–</u>
Total comprehensive income for the periods		<u>162,842</u>	106,246
Profit for the periods attributable to:			
Owners of the Company		162,846	106,382
Non-controlling interests		(4)	(136)
		<u>162,842</u>	<u>106,246</u>
Total comprehensive income for the periods attributable to:			
Owners of the Company		162,846	106,382
Non-controlling interests		(4)	(136)
		<u>162,842</u>	<u>106,246</u>
Earnings per share			
– Basic (RMB)	9	0.16	0.11
– Diluted (RMB)	9	0.16	0.11

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

		As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Non-current assets			
Property, plant and equipment		372,319	401,486
Investment properties		10,762	11,079
Intangible assets		680,712	697,656
Receivables under service concession arrangement	10	327,624	340,038
Investment in associates		93,891	69,952
Long term receivable		42,620	42,620
Contract assets	11	–	21,459
Amounts due from related parties	15	134,274	139,296
Deferred tax assets		30,573	34,591
Other non-current assets		45,616	42,604
		<u>1,738,391</u>	<u>1,800,781</u>
Current assets			
Receivables under service concession arrangement	10	25,218	27,376
Debt instruments at fair value through other comprehensive income		146,013	199,501
Inventories		30,594	27,685
Equity instrument at fair value through profit or loss		79,664	45,599
Contract assets	11	389,191	126,091
Trade receivables	12	667,269	675,852
Prepayments, deposits and other receivables		187,279	217,944
Amounts due from related parties	15	168,059	132,251
Pledged bank deposits		96,300	92,904
Bank balances and cash		378,193	519,128
		<u>2,167,780</u>	<u>2,064,331</u>

		As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Current liabilities			
Trade and notes payables	13	878,744	947,781
Other payables, deposits received and accrued expenses		243,863	227,655
Contract liabilities	11	66,623	71,873
Income tax payable		28,128	25,224
Borrowings		15,946	15,335
Lease liabilities		5,166	3,879
Amounts due to related parties	15	7,046	7,606
		<u>1,245,516</u>	<u>1,299,353</u>
Net current assets		<u>922,264</u>	<u>764,978</u>
Total assets less current liabilities		<u>2,660,655</u>	<u>2,565,759</u>
Non-current liabilities			
Deferred tax liabilities		17,114	17,114
Bank loans and other borrowings		55,636	63,956
Lease liabilities		32,447	33,871
		<u>105,197</u>	<u>114,941</u>
Net assets		<u>2,555,458</u>	<u>2,450,818</u>
Capital and reserves			
Share capital	14	67	67
Reserves		<u>2,552,984</u>	<u>2,451,840</u>
Equity attributable to owners of the Company		<u>2,553,051</u>	2,451,907
Non-controlling interests		<u>2,407</u>	<u>(1,089)</u>
		<u>2,555,458</u>	<u>2,450,818</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Attributable to owners of the Company										
	Share capital	Treasury shares	Merger reserve	Other reserve	Share premium reserve	Statutory surplus reserve	Retained profits	Investment revaluation reserve	Sub-total	Non-controlling Interests	Total equity
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2021 (Audited)	67	(1)	371,500	(128,167)	861,562	266,170	1,080,776	-	2,451,907	(1,089)	2,450,818
Profit for the period	-	-	-	-	-	-	162,846	-	162,846	(4)	162,842
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	162,846	-	162,846	(4)	162,842
Dividends recognised as distribution	-	-	-	-	-	-	(62,073)	-	(62,073)	-	(62,073)
Repurchase of ordinary shares	-	-	-	-	-	-	-	-	-	-	-
Cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	371	-	-	-	371	-	371
Capital injection from non-controlling shareholders	-	-	-	-	-	-	-	-	-	3,500	3,500
	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2021 (Unaudited)	<u>67</u>	<u>(1)</u>	<u>371,500</u>	<u>(128,167)</u>	<u>861,933</u>	<u>266,170</u>	<u>1,181,549</u>	<u>-</u>	<u>2,553,051</u>	<u>2,407</u>	<u>2,555,458</u>

Attributable to owners of the Company

	Share capital <i>RMB'000</i>	Treasury shares <i>RMB'000</i>	Merger reserve <i>RMB'000</i>	Other reserve <i>RMB'000</i>	Share premium reserve <i>RMB'000</i>	Statutory surplus reserve <i>RMB'000</i> <i>(note i)</i>	Retained profits <i>RMB'000</i>	Investment revaluation reserve <i>RMB'000</i>	Sub-total <i>RMB'000</i>	Non-controlling Interests <i>RMB'000</i>	Total equity <i>RMB'000</i>
As at 1 January 2020 (Audited)	67	(1)	371,500	(128,167)	863,290	243,834	924,509	-	2,275,032	(874)	2,274,158
Profit for the period	-	-	-	-	-	-	106,382	-	106,382	(136)	106,246
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	106,382	-	106,382	(136)	106,246
Dividends recognised as distribution	-	-	-	-	-	-	(29,005)	-	(29,005)	-	(29,005)
Repurchase of ordinary shares <i>(note iv)</i>	-	-	-	-	-	-	-	-	-	-	-
Cancellation of treasury shares <i>(note iv)</i>	-	-	-	-	-	-	-	-	-	-	-
Share-based payment	-	-	-	-	(849)	-	-	-	(849)	-	(849)
	-	-	-	-	(849)	-	(29,005)	-	(29,854)	-	(29,854)
As at 30 June 2020 (Unaudited)	<u>67</u>	<u>(1)</u>	<u>371,500</u>	<u>(128,167)</u>	<u>862,441</u>	<u>243,834</u>	<u>1,001,886</u>	<u>-</u>	<u>2,351,560</u>	<u>(1,010)</u>	<u>2,350,550</u>

Notes:

- (i) In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to set aside 10% of their profit after tax as per statutory financial statements determined under the PRC laws and regulations for the statutory surplus reserve fund until the reserve reach 50% of their registered capital. Transfer to this reserve must be made before distributing dividends to equity owners of the subsidiaries. The statutory surplus reserve can be used to make up previous years' losses, expand the existing operations or convert into additional capital of the respective subsidiaries.
- (ii) The Group did not have material non-controlling interests during the Reporting Period, and hence disclosure of material non-controlling interests is not made.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
NET CASH USED IN OPERATING ACTIVITIES	(90,385)	54,037
Cash flows from investing activities		
Placement of pledged bank deposits	(96,300)	(116,182)
Withdrawal of pledged bank deposits	92,904	140,608
Interest received	2,327	1,686
Purchase of property, plant and equipment	(742)	(117,097)
Proceeds from disposal of property, plant and equipment	7	16
Purchase of wealth management products	–	–
Purchase of intangible assets and costs capitalised under service concession arrangements	(38,991)	(6,875)
Investment in an associate	–	–
Investment in equity instrument at fair value through profit or loss (“FVTPL”)	–	–
Advance to related parties	–	–
Repayment from related parties	–	–
NET CASH USED IN INVESTING ACTIVITIES	(40,795)	(97,844)
Cash flows from financing activities		
Repayment of lease liabilities	(1,888)	(5,062)
Repayment of bank borrowings	(8,220)	(35,060)
New bank borrowings raised and proceeds from other borrowings	–	90,030
Interest paid	(2,129)	(4,945)
Proceeds from discounted notes receivables from banks	–	–
Proceeds from share issue	–	–
Repurchase of ordinary shares	–	–
Capital contributions from a non-controlling shareholder	3,500	–
NET CASH GENERATED FROM FINANCING ACTIVITIES	(8,737)	44,963
NET DECREASE IN CASH AND CASH EQUIVALENTS	(139,917)	1,156
Effects of exchange rate changes	(1,018)	843
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	519,128	450,506
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	378,193	452,505

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2021

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The Group has applied the following new and amendments to International Financial Reporting Standards (“IFRSs”) issued by IASB for the first time in the current year:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendments to IFRS 16	COVID-19-Related Rent Concessions

The application of new and amendments to IFRSs for the first time in the current year has no material impact on the disclosure of financial statements of the Group for the current and prior year.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are consistent with those presented in the Group’s annual financial statements for the year ended 31 December 2020.

3. REVENUE AND SEGMENT INFORMATION

Revenue is mainly generated from four business segments, namely flue gas treatment business, water treatment business, hazardous and solid waste treatment/disposal business and energy saving and environmental protection business. Revenue is recognized after deducting sales-related taxes.

Specifically, the Group’s reportable segments under IFRS 8 are as follows:

Flue Gas Treatment Business:

Environmental protection facilities engineering (“EPC”)	project design, procurement of equipment and materials, project construction and equipment installment and testing services
Operation and maintenance (“O&M”)	operation service and regular maintenance service for desulfurization and denitrification facilities and dust removal facilities
Concession operation: (“Build-Operate-Transfer”, “BOT”, and “Transfer-Operate-Transfer”, “TOT”)	construction of infrastructure or acquisition of existing infrastructure from grantor, operation and maintenance of flue gas treatment project for a pre-defined period according to the concession contract and transfer the ownership of the infrastructure to the customer at the end of the period
Others	sales of by-products and others

Water Treatment Business	mainly involved in the wastewater treatment for industrial parks in coal chemical, coking and steel sectors
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Hazardous and Solid Waste Treatment/ Disposal Business	mainly involved in the harmlessness, quantity reduction and resource utilization of bulk solid waste and industrial hazardous waste
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Energy Saving and Environmental Protection Business	mainly involved in project engineering and design, procurement of equipment and materials, project construction, equipment installation and commissioning services
---	--

Disaggregation of revenue

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
Over time	896,598	647,495
A point in time	30,256	10,696
	926,854	658,191
Types of goods and services		
Provision of services	896,598	647,495
Sales of goods	30,256	10,696
	926,854	658,191
Nature of goods and services		
Flue gas treatment business		
EPC	284,404	146,391
O&M	186,933	186,860
Concession operation	269,022	269,144
Others	30,256	10,696
Water treatment business	42,571	45,100
Hazardous and solid waste treatment/disposal business	626	–
Energy saving and environmental protection business	113,042	–
	926,854	658,191

Transaction price allocated to the remaining performance obligations for contracts with customers

The performance obligations for the EPC services and construction services under service concession arrangements have an original expected duration of one year or less. Therefore the transaction price allocated to these unsatisfied contracts is not disclosed as permitted by IFRS 15.

For certain O&M services and the O&M service under service concession arrangements, the Group applies the practical expedient by recognising revenue in the amount to which the Group has right to invoice. The transaction price allocated to these unsatisfied contracts is not disclosed as permitted by IFRS 15.

Geographical information

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

The analysis of the Group's revenue and results by operating and reportable segment is as follows:

	Segment revenue		Segment profit	
	For the six months ended 30 June		For the six months ended 30 June	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Flue gas treatment business				
EPC	284,404	146,391	20,432	9,579
O&M	186,933	186,860	37,138	47,345
Concession operation	269,022	269,144	73,986	76,336
Others	30,256	10,696	30,256	10,696
Water treatment business	42,571	45,100	19,466	22,983
Hazardous and solid waste treatment/disposal business	626	–	74	–
Energy saving and environmental protection business	113,042	–	2,953	–
Total	<u>926,854</u>	<u>658,191</u>	<u>184,305</u>	<u>166,939</u>
Unallocated other income and other gains and losses			45,756	12,671
Unallocated selling and distribution expenses			(8,948)	(8,767)
Unallocated administrative expenses			(34,504)	(31,294)
Unallocated research and development expenses			(23,370)	(17,445)
Unallocated reversal of impairment losses				
on financial assets and contract assets			3,981	(1,394)
Unallocated share of profit of associates			23,939	9,201
Unallocated finance costs			(4,712)	(2,246)
Unallocated changes in fair value of convertible ordinary shares			–	–
Unallocated listing expenses			–	–
Profit before tax			<u>186,447</u>	<u>127,665</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the six months ended 30 June 2021 (2020: Nil).

Segment profit represents the gross profit of each segment. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

No segment assets and liabilities are presented as the CODM does not regularly review segment assets and liabilities.

Information about major customers

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

		For the six months ended 30 June	
		2021	2020
		RMB'000	RMB'000
	Business segment		
Customer A	O&M	*	66,106

* Revenue from these major customers was less than 10% in the relevant period presented.

4. OTHER INCOME AND OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income	7,463	4,779
Government grants	3,416	10,005
Rental income, net	(160)	132
Fair value gain on equity instrument at FVTPL	34,509	(7,701)
Foreign exchange losses	(2,453)	1,180
Gain on disposal of property, plant and equipment	–	(34)
Others	2,981	4,310
	<u>45,756</u>	<u>12,671</u>

5. FINANCE COSTS

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank loans	3,255	2,007
Interest on lease liabilities	1,154	239
Discounted bills payable	303	–
	<u>4,712</u>	<u>2,246</u>

6. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2021 <i>RMB'000</i> (Unaudited)	2020 <i>RMB'000</i> (Unaudited)
PRC enterprise income tax (“EIT”)	16,397	16,835
Deferred tax	7,208	4,584
Total	<u>23,605</u>	<u>21,419</u>

The Company and CBEE Holdings Co., Ltd. (“CBEE”), the Company’s subsidiary, were incorporated in the Cayman Islands and the British Virgin Islands (“BVI”), respectively. Both entities did not have tax assessable profit in Cayman Islands, BVI or other jurisdiction during the Reporting Period.

Pursuant to the Enterprise Income Tax Law (the “EIT Law”) effective on 1 January 2008, Beijing Boqi Electric Power SCI-TECH Co., Ltd. (北京博奇電力科技有限公司) (“Beijing Boqi”) obtained a “High and New Technology Enterprise” (the “HNTE”) in 2008 which Beijing Boqi was entitled to a preferential tax rate of 15% from 2008 to 2010 and could be re-applied every three years; the current active HNTE certificate has an effective date until December 2023.

In October 2015, Shanxi Hejin Boqi Environmental Technology Co., Ltd. (山西河津博奇環保科技有限公司) (“Hejin Boqi”) obtained the approval for being designated as the HNTE for the year ended 31 December 2015 which Hejin Boqi was entitled to a preferential tax rate of 15% from 2015 to 2017 and could be re-applied every three years; the current active HNTE certificate has an effective date until December 2021.

In November 2016, Jiangxi Jingtangshan Boqi Environmental Technology Co., Ltd. (江西井岡山博奇環保科技有限公司) (“Jingtangshan Boqi”) obtained the approval for being designated as the HNTE for the year ended 31 December 2016 which entitled Jingtangshan Boqi to a preferential tax rate of 15% from 2016 to 2018 and could be re-applied every three years, and the current active HNTE certificate has an effective date until September 2021.

In December 2017, Shanxi Puzhou Boqi Environmental Technology Co., Ltd. (山西蒲洲博奇環保科技有限公司) (“Puzhou Boqi”) obtained the approval, by which the desulfurization program in Puzhou Boqi was fully exempted from income tax for three years starting from 2017, and thereafter will be entitled to a three-year preferential rate of 12.5%.

Changzhi Boqi Environmental Technology Co., Ltd. (長治博奇環保科技有限公司) (“Changzhi Boqi”) obtained the approval, by which the sewage treatment program was fully exempted from income tax for three years starting from 2018, and thereafter will be entitled to a three-year preferential rate of 12.5%.

In January 2019, Huainan Boqi Environmental Technology Co., Ltd. (淮南博奇環保科技有限公司) (“Huainan Boqi”) obtained the approval, by which its desulfurization program was fully exempted from income tax for three years starting from 2019, and thereafter will be entitled to a three-year preferential rate of 12.5%.

In January 2019, Changjizhou Boqi Environmental Technology Co., Ltd. (昌吉州博奇環保科技有限公司) (“Changjizhou Boqi”) obtained the approval, by which Changjizhou Boqi is entitled to a preferential income tax of 15% from 2019 to 2021.

In May 2019, Laibin Boqi Environmental Technology Co., Ltd. (來賓博奇環保科技有限公司) (“Laibin Boqi”) obtained the approval, by which the desulfurization program was fully exempted from income tax for three years starting from 2019, and thereafter will be entitled to a three-year preferential rate of 12.5%.

The applicable tax rate of other PRC subsidiaries of the Company was 25% for the six months ended 30 June 2021 (2020: 25%).

According to the relevant tax law in the PRC, dividend distributed to foreign investors out of the profit generated from 1 January 2008 onwards shall be subject to withholding tax at 10% and withheld by the PRC entities, pursuant to Articles 3 and 37 of the EIT Law and Article 91 of its Detailed Rules for the Implementation of the Regulation.

7. PROFIT FOR THE PERIODS

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the periods has been arrived at after charging (crediting):		
Staff costs, including directors' remuneration		
Salaries and other benefits	95,592	93,026
Contributions to retirement benefits scheme	8,689	3,223
Share-based payment expenses	371	(849)
Total staff costs	104,652	95,400
Gross rental income from investment properties	(198)	(485)
Less: Direct operating expense (including depreciation) incurred for investment properties that generated rental income during the periods (included in other income and other gains and losses)	358	353
	160	(132)
Cost of inventories recognised as expenses (included in cost of sales and services)	323,330	152,439
Depreciation of property, plant and equipment	10,465	13,671
Depreciation of investment properties	317	317
Amortisation of intangible assets	29,371	34,882
Research and development expenses	23,370	17,445
Auditor's remuneration	964	687

8. DIVIDENDS

During the current interim period, a final dividend of HK\$0.074 per share in respect of the year ended 31 December 2020 (2020: HK\$0.0315 per share in respect of the year ended 31 December 2019) was declared and unpaid by the end of the current interim period. The directors of the Company have determined no dividend will be paid in respect of the interim period.

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:

Earnings figures are calculated as follows:

	For the six months ended 30 June	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Earnings:		
Earnings for the purpose of calculating earnings per share (profit for the periods attributable to owners of the Company) – basic and diluted	<u>162,846</u>	<u>106,382</u>
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>993,228,799</u>	<u>993,228,799</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>997,087,292</u>	<u>995,921,652</u>

10. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENT

	As at 30 June 2021	As at 31 December 2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Current portion	25,218	27,376
Non-current portion	<u>327,624</u>	<u>340,038</u>
	<u>352,842</u>	<u>367,414</u>
Expected collection schedule is analysed as follows:		
Within one year	25,218	27,376
More than one year, but not more than two years	23,438	22,879
More than two years but not more than five years	79,810	77,757
More than five years	<u>224,376</u>	<u>239,402</u>
	<u>352,842</u>	<u>367,414</u>

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group has rights to considerations from customers for the provision of construction, operation and maintenance services. Contract assets arise when the Group has rights to considerations for completion of such services and not yet billed under the relevant contracts, and their rights are conditioned on factors other than passage of time. Any amount previously recognised as a contract assets are transferred to trade receivables when the rights become unconditional. Remaining rights and performance obligations in a particular contract are accounted for and presented on a net basis, as either a contract asset or a contract liability.

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Construction contracts analysed for reporting purposes as follows:		
Contract assets	389,191	147,550
Contract liabilities	(66,623)	(71,873)
	<u>389,191</u>	<u>147,550</u>
Contract assets are analysed for reporting purposes as follows:		
Current	389,191	126,091
Non-current	–	21,459
	<u>389,191</u>	<u>147,550</u>
Contract liabilities are analysed for reporting purposes as follows:		
Current	66,623	71,873
	<u>66,623</u>	<u>71,873</u>

12. TRADE RECEIVABLES

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Trade receivables	694,010	711,491
Less: Allowance for doubtful debts	(26,741)	(35,639)
	<u>667,269</u>	<u>675,852</u>

The Group generally grants credit period between 30 to 90 days which are agreed with each of its trade customers. The extension of credit period to the customers may be granted on a discretionary basis by considering customer type, the current creditworthiness and the customer's financial condition and payment history with the Group.

Trade receivables relate to a number of independent customers that have a good track record with the Group. The allowance for doubtful debts of the Group is based on the evaluation of collectability and aging analysis of individual trade debts performed by the Directors. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer.

Notes receivables are bank acceptance notes and the aging is generally within 90 days to 180 days, which the Directors believe that no impairment allowance is necessary as there is no significant change in credit quality and the balances are considered fully recoverable.

Aging analysis of trade receivables net of allowance for credit losses based on invoice date or notes receiving dates is as follows:

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
1-90 days	239,283	450,943
91-180 days	153,114	80,692
181-365 days	165,774	28,909
1-2 years	80,876	85,051
2-3 years	17,921	16,489
Over 3 years	10,301	13,768
	667,269	675,852

13. TRADE AND NOTES PAYABLES

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Trade payables	676,917	715,479
Notes payables	201,827	232,302
Total	878,744	947,781

The credit period on purchases of goods and services is generally 30 to 90 days. The table below sets forth, as at the end of reporting period indicated, the aging analysis of the trade and notes payables:

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Less than 90 days	326,325	377,659
90-180 days	190,196	217,288
180 days-1 year	133,864	65,344
1-2 years	81,763	119,547
2-3 years	40,724	54,710
Over 3 years	105,872	113,233
Total	878,744	947,781

14. SHARE CAPITAL

Details of the movement of share capital are as follows:

	Number of shares				Nominal value per share US\$	Share capital US\$	
Authorised	5,000,000,000				0.00001	50,000	
As at 31 December 2020 and 30 June 2021 (Unaudited)	<u>5,000,000,000</u>				<u>0.00001</u>	<u>50,000</u>	
Issued	Ordinary shares	Class A ordinary shares	Class B convertible ordinary shares	Class C convertible ordinary shares	Total	Nominal value per share US\$	Share capital of ordinary shares and Class A ordinary shares US\$
As at 1 January 2020 and 31 December 2020 (Audited)	1,007,106,799	-	-	-	1,007,106,799	0.00001	10,071
As at 30 June 2021 (Unaudited) Issued	<u>1,007,106,799</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,007,106,799</u>	<u>0.00001</u>	<u>10,071</u>
Presented as					<u>67</u>	<u>67</u>	

15. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Amounts due from related parties

	As at 30 June 2021 RMB'000 (Unaudited)	As at 31 December 2020 RMB'000 (Audited)
Yangxi Haibin Electric Power Development Co., Ltd. ("Yangxi Electric") (note (i))	262,709	225,684
Ji Jointo Shouyang Thermolectric Co., Ltd. ("Shouyang Thermal Power") (note (ii))	11,270	5,843
Sinopec Shanghai Petrochemical Company Limited ("Sinopec Shanghai")	10,819	11,430
Chongqing Chuanwei Petrochemical Engineering Company Limited of the Sinopec Group ("Chongqing Chuanwei")	16,543	27,630
Gao Neng Long Yuan Boqi Environmental Technology (Han Chuan) Co., Ltd. (note (iii))	992	960
	<u>302,333</u>	<u>271,547</u>

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Analysed for reporting purpose as:		
Current assets	168,059	132,251
Non-current assets	134,274	139,296
	302,333	271,547
Trade balances	164,774	131,062
Non-trade balances	137,559	140,485
	302,333	271,547

Notes:

- (i) On 28 August 2017, the Group entered into a revised management service agreement with Guangdong Huaxia Electric and Yangxi Electric to extend the O&M service term from 1 January 2017 to 31 December 2017 to a term from 1 January 2017 to 31 December 2025 and require a deposit of RMB139,690,000, which was paid by the Group on 31 December 2017. The deposit is unsecured and repayable at the end of the O&M service term.
- (ii) Shouyang Thermal Power was 40% held by Mr. Zeng Zhijun and Mr. Cheng Liquan, our Directors and substantial shareholders, through Beijing Boqi Environmental Technology Co., Ltd. (“**Beijing Boqi Environmental Protection**”), and was therefore a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Prior to the Listing, the Company had applied to the Stock Exchange and the Stock Exchange had granted the Company, a waiver from strict compliance with the rules regarding the announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. In November 2020, Beijing Boqi Environmental Protection and Hebei Construction Investment Energy Co., Ltd. (“**Hebei Construction Investment**”) entered into a share purchase agreement, whereby Beijing Boqi Environmental Protection agreed to sell 21% of the equity interest in Shouyang Thermal Power to Hebei Construction Investment. In January 2021, the registration of such amendment to administration bureau for industry and commerce was completed. As the equity interests held by Mr. Zeng Zhijun and Mr. Cheng Liquan in Shouyang Thermal Power dropped from 40% to 19%, Shouyang Thermal Power ceases to be a connected person of the Company and the transactions contemplated thereunder the Shouyang EPC contract cease to be continuing connected transactions under Chapter 14A of the Listing Rules.

According to the International Accounting Standard 24 – Related Party Disclosure Requirements, Beijing Boqi Environmental Protection still holds 19% equity interests in Shouyang Thermal Power and has appointed a director to Shouyang Thermal Power. Therefore, from the financial point of view, Shouyang Thermal Power is still a related party of the Group, and the Shouyang EPC contract is still disclosed as a related party transaction. Shouyang Thermal Power was previously known as “Yangmei Group Shouyang Boqi Electric Co., Ltd (陽煤集團壽陽博奇發電有限責任公司)” and “Shanxi Shouyang Mingtai Guoneng Power Co., Ltd) (山西壽陽明泰國能發電有限公司)”.

- (iii) The balances are unsecured, interest-free and repayable on demand.

The Group generally grants a credit period of 90 days to its related parties. Aging analysis of amounts due from related parties (trade nature) is as follows:

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
1-90 days	55,092	46,056
91-180 days	32,260	25,032
181-365 days	66,603	55,560
1-2 years	9,035	2,000
2-3 years	1,784	406
Over 3 years	-	2,008
	<u>164,774</u>	<u>131,062</u>

(b) Amounts due to related parties

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Boqi Environmental Engineering	176	176
Sinopec Fifth Construction Co., Ltd.	6,870	7,430
	<u>7,046</u>	<u>7,606</u>

The credit period granted by the related parties is ranging from 30 to 90 days. Aging analysis of amounts due to related parties – trade nature is as follows:

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
1-90 days	38	7,430
90-180 days	1,407	-
181-365 days	5,425	-
1-2 years	-	176
2-3 years	176	-
Over 3 years	-	-
	<u>7,046</u>	<u>7,606</u>

(c) The transactions with related parties during the periods reported are listed out below:

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 30 June 2020 <i>RMB'000</i> (Unaudited)
Yangxi Electric (<i>note (i)</i>)		
– O&M service	74,148	66,106
– Interest income	3,080	3,080
– Fees on water and electricity, labor, spare parts and miscellaneous items charged by Yangxi	30,702	24,857
Chongqing Chuanwei		
– EPC service (<i>note (ii)</i>)	–	16,255
Shouyang Thermal Power		
– EPC service (<i>note (iii)</i>)	<u>16,443</u>	<u>–</u>

Notes:

- (i) In December 2016, the Group entered into a management service agreement, pursuant to which the Group provided O&M service to Yangxi Electric, and RMB74,148,000 was recognised as revenue during the six months ended 30 June 2021 (first half of 2020: RMB66,106,000). The Group also purchases water and electricity, labor, space parts and miscellaneous items from Yangxi Electric to support the O&M service. During the six months ended 30 June 2021, the Group purchased water and electricity, labor, space parts and miscellaneous items amounting to RMB30,702,000 (first half of 2020: RMB24,857,000) from Yangxi Electric;
- (ii) In September 2018, the Group entered into an EPC service contract with Chongqing Chuanwei for a total contract amount of RMB194,870,000, of which no revenue was recognised during the period ended 30 June 2021 (first half of 2020: revenue of RMB16,255,000);
- (iii) In December 2015, the Group entered into an EPC service contract with Shouyang Thermal Power for a total contract amount of RMB287,560,000, of which RMB16,443,000 was recognised as revenue during the period ended 30 June 2021 (first half of 2020: no revenue was recognised).

16. COMMITMENT FOR CAPITAL EXPENDITURE

	As at 30 June 2021 <i>RMB'000</i> (Unaudited)	As at 31 December 2020 <i>RMB'000</i> (Audited)
Commitments for construction of infrastructure under concession operation (contracted but not provided for)	<u>105,291</u>	<u>25,153</u>

17. SUBSEQUENT EVENTS

The following subsequent events are disclosed pursuant to the International Financial Reporting Standards:

- (i) In respect of the contract for Flue Gas Denitrification, Desulfurization and Dust Removal O&M Project on 4×65 Hole 6.05m Stamp Charging Coke Oven of Shanxi Lubao Group's Jingang Zhaofeng Coal Chemical Co., Ltd. entered into between Changzhi Boqi, a subsidiary of the Group (as Party B), and Shanxi Lubao Group's Jingang Zhaofeng Coal Chemical Co., Ltd. (as Party A) in November 2019, both parties are now negotiating on the termination of the abovementioned contract due to the change in the ownership of the subject assets of Party A;
- (ii) In respect of the contract for Flue Gas Denitrification, Desulfurization and Dust Removal Facility O&M Project on 4×75 t/h Facilities of Shanxi Jintao Lubao Chemical Co., Ltd. entered into between Changzhi Boqi, a subsidiary of the Group (as Party B), and Shanxi Jintao Lubao Chemical Co., Ltd. (as Party A) in November 2019, both parties are now negotiating on the termination of the abovementioned contract due to the change in the ownership of the subject assets of Party A;
- (iii) In respect of the contract for Coke Oven Flue Gas Desulfurization, Denitrification and Dust Removal Facility O&M Project of Shanxi Lubao Group Coking Co., Ltd. entered into between Changzhi Boqi, a subsidiary of the Group (as Party B), and Shanxi Lubao Group Coking Co., Ltd. (as Party A) in October 2020, both parties are now negotiating on the termination of the abovementioned contract due to the change in the ownership of the subject assets of Party A.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a green ecological governance enterprise that provides comprehensive services for flue gas, industrial wastewater, hazardous and solid waste, and energy saving and environmental protection to industrial enterprises and cities. We are customer-oriented and aim to achieve carbon neutrality and meet customer needs. The Group has been striving to grasp the development trends of the national environmental protection industry, making positive contributions to the environmental protection and the construction of ecological civilization in China and the world.

1. INDUSTRY OVERVIEW

2021 marks the first year of the 14th Five-Year Plan and the beginning of the new journey of building a modern socialist country in an all-round way. In the aftermath of the pandemic, the prevention and control on the pandemic has resulted in a stabilized and improved situation. As such, social production has gradually got back to the right track and investment, consumption and exports have all shown a good recovery trend. Under the new development pattern, the frequently issued policies for the environmental protection industry as well as the deepening and expansion of domestic demand will bring huge opportunities to the industry.

On 5 January 2021, the official website of the Ministry of Ecology and Environment officially released the Administrative Measures for Carbon Emission Rights Trading (Trial), which covers the allocation and settlement of carbon emission credits, the registration, trading and settlement of carbon emission rights, and greenhouse gas emission reporting and verification. The whole process of the supervision and management of carbon emissions trading rights has established the basic framework of carbon market management, marking the official launch of China's national carbon emission rights trading system.

On 1 February 2021, the Measures for the Administration of Ecological Environment Standards was formally implemented. The Measures for the Administration of Ecological Environment Standards are divided into national and local ecological environment standards, which have improved the standard categories and system divisions, clarified the role positioning of various standards and formulated principles and implementation rules, so as to further standardize and promote the development of national and local ecological environment standards, thus providing stronger support for precise pollution control, scientific pollution control and pollution control in accordance with the law.

On 12 March 2021, the 14th Five-Year Plan and the 2035 long-term development goals were released, proposing to put great effort into pollution prevention and control, establish a sound environmental governance system, promote accurate, scientific, legal and systematic pollution control, and coordinately promote pollution abatement and carbon reduction, with a view to continuously improving the quality of air and water environment and effectively controlling the risk of soil pollution. Specific measures such as the implementation on prevention and control of air pollution, treatment of urban black and odorous water bodies, sewage treatment capacity, classification and disposal of urban domestic waste, and collection and treatment of hazardous medical waste were requested to be implemented. The target plan has set out a clear route for industries such as air treatment, sewage treatment, hazardous and solid waste treatment, providing huge potential for market development.

On 22 April 2021, Chinese President Xi Jinping attended the Leaders Summit on Climate and delivered an important speech with an emphasis on the joint construction of a community for human and natural life, and proposed a series of new measures which the state is prepared to implement, including the inclusion of the peaking of carbon dioxide emission and carbon neutrality into the overall layout of ecological civilization construction. It is stated that a carbon dioxide peaking action plan is being formulated and will support qualified local and key industries and key enterprises to take the lead in reaching the peak. This speech reiterated China's great determination to achieve the peaking of carbon dioxide emission.

On 12 June 2021, the 14th Five-Year Plan for Urban Sewage Treatment and Resource Utilization Development Plan was promulgated, proposing more specific and effective measures and requirements to advance the utilization of sewage resources, promote the harmless treatment and disposal of sludge resources and improve the operation and maintenance level of treatment facilities, in order to facilitate the further enhancement of water environment governance during China's 14th Five-Year Plan period.

2. BUSINESS OVERVIEW

The main businesses of the Group include flue gas treatment, water treatment, hazardous and solid waste treatment/disposal and energy saving and environmental protection. During the Reporting Period, the Group always maintained its strategic positioning, continued to promote and improve refined management, recruited high-caliber talents and used a variety of incentives to help driving the Group's business development. During the Reporting Period, the Group's flue gas treatment business maintained steady growth; both the water treatment business and the hazardous and solid waste treatment/disposal business opened up new markets in the petrochemical industry and achieved breakthroughs; and the energy saving and environmental protection business has developed in a stable and orderly manner, becoming an important driver of the Group's income.

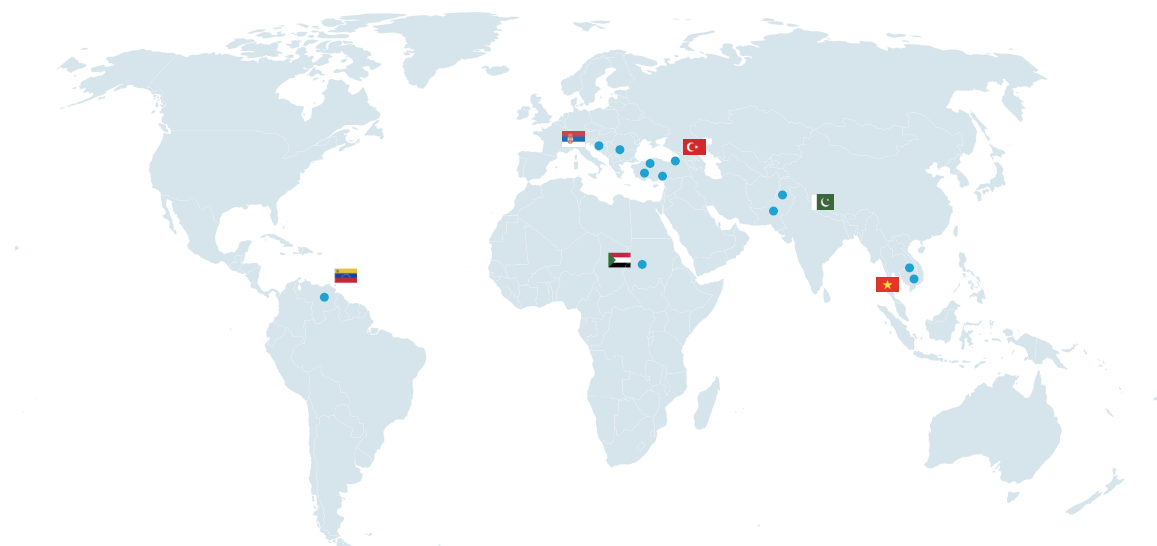
Besides, the Group’s business has a broad geographic coverage over China, reaching nearly 30 provinces, municipalities and autonomous regions in China as of 30 June 2021. Furthermore, the Group has been striving to expand its business overseas, including in Europe, South Asia, Latin America, Africa and Southeast Asia.

The following map shows the distribution of the projects of the Group within the PRC as of 30 June 2021:



As of 30 June 2021, the Group had also executed, or had been implementing, over ten flue gas treatment projects in regions outside the PRC, such as Europe, South Asia, Latin America, Africa and Southeast Asia. As of 30 June 2021, the Group’s overseas desulfurization units have accumulated a capacity of 5,710MW.

The following map shows the distribution of the projects of the Group outside the PRC as of 30 June 2021:



2.1 Flue Gas Treatment Business

As a comprehensive treatment service provider for the industrial environment, the Group also provides its flue gas treatment services through various business models including EPC, O&M and concession operations (including “**Build-Operate-Transfer**” or “**BOT**”, and “**Build-Own-Operate**” or “**BOO**”).

EPC

A typical EPC business model involves project design, procurement of equipment and materials, project construction and equipment installment services in relation to SO₂ or NO_x emission control and dust removal primarily for power plants, aluminum factories, steel factories and chemical plants. In recent years, the Group has gradually expanded the scope of EPC business from the traditional coal-fired power plant flue gas treatment industry to other industries such as petrochemical, steel, gas, electrolytic aluminum and coking, and has repeatedly achieved remarkable results in the non-electricity market. As of 30 June 2021, the Group added three new EPC projects, with a total contract value amounting to approximately RMB135 million.

The following table sets forth the status of the EPC projects under construction as of 30 June 2021:

No.	Environmental protection facility engineering projects under construction	Type of project	Newly built/upgraded	Date of contract	Aggregate contract value (RMB million)
1.	Shentou Electric Power Phase II Desulfurization System and WESP Project	Desulfurization and dust removal	Newly built	December 2014	354
2.	Shouyang Green Island Project	Green Island	Newly built	December 2015	288
3.	Phase II Desulfurization EP Project in Serbia	Desulfurization	Newly built	September 2016	90
4.	Nanyang Desulfurization Project	Desulfurization	Newly built	March 2017	168

No.	Environmental protection facility engineering projects under construction	Type of project	Newly built/upgraded	Date of contract	Aggregate contract value (RMB million)
5.	Chuanwei Denitrification, Desulfurization and Dust Removal Ultra Low Emissions Upgrade Project	Green Island	Upgraded	September 2018	206
6.	Power China Lucky 660MW Coal-fired Power Plant Desulfurization Equipment Procurement Project in Pakistan	Desulfurization	Newly built	April 2019	132
7.	4×330MW Unit Flue Gas Desulfurization Transformation Project of Beihai Power Plant II Utilizing Magnesium and Calcium Adjustment Method	Desulfurization	Upgraded	January 2020	137
8.	215 Flat Sintering Machine Flue Gas Desulfurization and Denitrification Project of Chengde Jianlong	Desulfurization, denitrification and dust removal	Upgraded	April 2020	85
9.	Shentou Phase II Urea Catalytic Hydrolysis Auxiliary System	Denitrification	Newly built	May 2020	7
10.	4 Ferronickel Kiln Flue Gas Desulfurization and Denitrification Ultra-low Emission EPC + O&M General Contracting Project of Guangdong Century Qingshan Nickel Industry Co., Ltd.	Desulfurization and denitrification	Newly built	August 2020	67
11.	Xutong Urea Hydrolysis Project	Denitrification	Newly built	August 2020	21
12.	Regional Heating Project and 1×410t/h Circulating Fluidized Bed Boiler Flue Gas-Ammonia Desulfurization EPC General Contracting Project of Cangzhou Xuyang Chemical Co., Ltd.	Desulfurization	Newly built	November 2020	25
13.	230m ² Sintering Flue Gas Desulfurization and Denitrification Ultra-low Emission Project of Tianjin Tiangang United Special Steel Co., Ltd.	Desulfurization and denitrification	Newly built	December 2020	82
14.	265m ² Sintering Machine Flue Gas Denitrification Upgrading Project of Sintering Plant No. 2 of Jinxi Iron and Steel Co., Ltd.	Denitrification	Upgraded	February 2021	42
15.	The Project of Conversion of Liquid Ammonia to Urea in Denitrification Reducing Agent in 2×600MW Unit of Shentou Power Plant	Denitrification	Upgraded	April 2021	27
16.	The Project of Environmental Protection Upgrading of No. 5 Sintering Machine and the Project of Machine Head Smoke Ultra-low Emission Treatment of Chengde Branch of Hebei Iron and Steel Co., Ltd.	Desulfurization, denitrification and dust removal	Upgraded	May 2021	66

O&M

The provision of O&M services mainly includes operation services, regular maintenance services for desulfurization, denitrification and dust removal facilities owned by the customers. Under the O&M projects, our customers are either charged (i) service fees for the O&M services based on the total amount of on-grid electricity generated during the service period, or (ii) a fixed price predetermined at the commencement of the project based on the pre-agreed scope of work. Revenues from the O&M business can be a sustainable one, generating stable cash flow for the Group.

As of 30 June 2021, the Group had a total of 18 O&M projects under operation, covering industrial sectors such as thermal power, steel and chemical, which have operated consistently with their emissions in compliance with required standards and shall provide a stable source of business growth of the Group.

The following table sets forth the installed capacities and status of the O&M projects of the Group under operation as of 30 June 2021:

No. Project name	Type of project	Starting date of service (Month/Year)	Expiring date of service contract (Month/Year)	Installed capacity
1. Yangcheng #1-6 Unit Flue Gas Desulfurization O&M Project	Desulfurization	July 2018	August 2021	6×350MW
2. Yangcheng #7-8 Unit Flue Gas Desulfurization O&M Project	Desulfurization	June 2018	August 2021	2×600MW
3. Yangcheng #7-8 Unit Slag Removal O&M Project	Slag removal	June 2018	August 2021	2×600MW
4. Qinzhou Desulfurization O&M Project	Desulfurization	July 2015	June 2024	2×630MW+ 2×1,000MW
5. Jingjiang Flue Gas Desulfurization and Dust Removal O&M Project	Desulfurization and dust removal	March 2016	December 2021	2×660MW
6. Yangxi Flue Gas Desulfurization and Denitrification O&M Project	Desulfurization and denitrification	January 2017	December 2025	2×660MW+ 2×600MW
7. Shouguang Auxiliary Ashing and Sulfurization Control System Entrusted Operation Project	Desulfurization	May 2018	March 2024	2×1,000MW
8. Shanyin Phase II Environmental Protection O&M Project	Denitrification, desulfurization and slag removal	June 2018	May 2021	2×350MW
9. Xilinhaote Desulfurization and Denitrification O&M Project	Desulfurization and denitrification	December 2019	December 2021	2×660MW
10. Jinxi Iron and Steel O&M Project	Denitrification, desulfurization and dust removal	March 2019	February 2022	265m ² sintering machines
11. Jinxi Special Steel O&M Project	Denitrification, desulfurization and dust removal	March 2019	February 2022	2×210m ² +1×265m ² sintering machines
12. Denitrification, Desulfurization and Dust Removal O&M Project on 350m ² Sintering Machines of Tianjin Iron Plant	Denitrification, desulfurization and dust removal	November 2019	November 2022	350m ² sintering machines

No.	Project name	Type of project	Starting date of service (Month/Year)	Expiring date of service contract (Month/Year)	Installed capacity
13.	Denitrification O&M Project on 360m ² Sintering Machines of Tianjin Iron Plant	Denitrification	December 2019	November 2022	360m ² sintering machines
14.	Flue Gas Denitrification, Desulfurization and Dust Removal O&M Project on 4×65 Hole 6.05m Stamp Charging Coke Oven of Shanxi Lubao Group's Jingang Zhaofeng Coal Chemical Company	Denitrification, desulfurization and dust removal	December 2019	November 2024	4×65 hole 6-05m stamp charging coke oven
15.	Flue Gas Denitrification, Desulfurization and Dust Removal O&M Project on 4×75t/h Facilities of Shanxi Lubao Group's Shanxi Jintao Lubao Chemical Co., Ltd.	Denitrification, desulfurization and dust removal	December 2019	November 2024	4×75 t/h
16.	2×350 MW Desulfurization System O&M Project of Chengde Construction Investment Company	Desulfurization	September 2020	September 2021	2×350MW
17.	Coke Oven Flue Gas Desulfurization, Denitrification and Dust Removal Facility O&M Project of Shanxi Lubao Group Coking Co., Ltd.	Desulfurization, denitrification and dust removal	November 2020	October 2025	7.65m
18.	Jinxi White Ash Kiln Denitrification O&M Project	Denitrification	November 2020	May 2021	4×600t/h

Concession Operation Business

Under the concession operation business model, the Group is responsible for the financing, investment, construction and operation of a project according to its concession contracts with its customers.

In 2021, the Group continued to carry out its concession operation business, including desulfurization, denitrification and green island. As of 30 June 2021, the Group has accumulated nine concession operation projects and all of which have been under operation smoothly, laying a strong foundation for us to operate continuously and develop steadily.

The following table sets forth details of the concession operation projects of the Group under operation as of at 30 June 2021:

No.	Project name	Installed capacity	Type of project	Newly built/ upgraded	Total investment RMB million	Date of signing contract (Year/Month)	Ending date of concession period (Year/Month)
1.	Jiangxi Jinggangshan BOT Project	2×300MW +2×660MW	Desulfurization	Newly built	224	January 2008 (for Phase I) August 2008 (for Phase II)	July 2030 (for Phase I) December 2030 (for Phase II)
2.	Shanxi Hejin BOT Project	2×350MW	Denitrification	Newly built	90	June 2012	September 2033 (for Unit #1) May 2033 (for Unit #2)
3.	Shanxi Puzhou Phase I BOT Project	2×300MW	Denitrification	Newly built	84	June 2012	January 2034 (for Unit #1) May 2033 (for Unit #2)

4.	Shanxi Puzhou Phase II BOT Project	2×350MW	Denitrification	Newly built	112	May 2014	End of 2037
5.	Shanxi Yuguang BOT Project	2×300MW	Green Island	Upgraded	82	May 2015	February 2036 (for Unit #1) May 2035 (for Unit #2)
6.	Xinjiang Shenhua BOT Project	4×350MW	Green Island	Upgraded	490	June 2017	End of 2032
7.	Huainan Guqiao BOT Project	2×330MW	Green Island	Upgraded	173	May 2018	End of 2033
8.	Xinjiang Guotai Xinhua BOT Project	2×350MW	Green Island	Upgraded	150	July 2018	June 2028
9.	Guangxi Laibin BOO Project	2×300MW	Green Island	Upgraded	281	December 2018	End of 2033

2.2 Water Treatment Business

During the Reporting Period, the Sewage Treatment Center of Shanxi Lubao Industrial Park in China (“**Lubao Sewage Treatment Center**”), the Group’s industrial wastewater treatment project, was operating smoothly, contributing handsome income to the results of the Group. The concentrated water advanced treatment system project of Lubao Sewage Treatment Center has been put into construction, and it is planned to provide wastewater treatment services for chemical companies in the park starting from the end of this year.

The Group regards Lubao Sewage Treatment Center as a demonstration project for such industry, and has swiftly trained a team of technology and operating professionals in industrial wastewater treatment, thus further enhancing the Group’s comprehensive market competitiveness. The Group won the bid for its first coking wastewater zero-discharge EPC project in the steel industry during the Reporting Period. The industrial wastewater treatment business will become one of the important directions of the Group’s development in the future.

2.3 Hazardous and Solid Waste Treatment/Disposal Business

During the Reporting Period, the Group entered into a drilling fluid solid waste treatment project for Sinopec Xinjiang Industrial Zone, with a designed treatment capacity of 120,000 tons per year, opening up a new market for environmental protection and hazardous and solid waste treatment in the oil service sector. The Cooperative Hazardous and Solid Waste Disposal Project of Tangshan Yandong Cement Kiln in China is under construction in an orderly manner. The project is planned to be invested and constructed in two phases. After it is put into operation, the annual hazardous and solid waste treatment capacity is expected to reach approximately 100,000 tons. The Group will continue to leverage on the advantages of industry policies to unremittingly promote the hazardous and solid waste treatment/disposal business.

2.4 Energy Saving and Environmental Protection Business

During the Reporting Period, the Group's Project of Energy Management Contract (EMC) for the Sintering Waste Heat Power Generation in Tianjin Iron Plant is progressing smoothly, which is expected to put into operation at the end of 2021. Upon completion of the project, the operation period will reach 10 years which will bring long-term stable income to the Company. The EMC project has accelerated the strategic deployment of the Group's business. The Group will take this as an opportunity to actively explore into the market in the field of energy saving and environmental protection.

3. FINANCIAL POSITION AND OPERATING RESULTS

In the first half of 2021, after the COVID-19 pandemic in the PRC being effectively controlled, the economy maintained its steady recovery momentum in a stable and favorable manner. The Company's production and operation have achieved good results, with revenue and net profit increasing significantly over the same period last year, and the structure of assets remained in a sound condition.

Revenue

For the six months ended 30 June 2021, the Group's total revenue increased by 40.9% to RMB927 million as compared with RMB658 million for the first half of 2020, mainly attributable to (i) the EPC projects resumed normal operation after effective control of the pandemic in China, resulting in a significant increase in revenue as compared with the same period last year; and (ii) energy saving and environmental protection business and hazardous and solid waste treatment/disposal business were newly added from the same period last year.

The Group generates revenue primarily from four business segments: (i) flue gas treatment business; (ii) water treatment business; (iii) hazardous and solid waste treatment/disposal business; and (iv) energy saving and environmental protection business. The following table sets forth a breakdown of the revenue of the Group by segment for the periods stated:

	Segment revenue For the six months ended 30 June	
	2021 RMB'000	2020 RMB'000
Flue gas treatment business	770,615	613,091
EPC	284,404	146,391
O&M	186,933	186,860
Concession operation	269,022	269,144
Of which: Construction	7,398	19,884
Operation	261,624	249,260
Others	30,256	10,696
Water treatment business	42,571	45,100
Hazardous and solid waste treatment/disposal business	626	–
Energy saving and environmental protection business	113,042	–
Total	926,854	658,191

For the six months ended 30 June 2021, revenue generated from the Group's flue gas treatment business segment was as follows:

Revenue from EPC was RMB284 million, representing an increase of 94.5% as compared with RMB146 million for the first half of 2020. The main reason of the increase was that the EPC projects resumed normal operation after effective control of the pandemic in China, resulting in a significant increase in revenue as compared with the same period last year;

Revenue from O&M business was RMB187 million, remained stable as compared with RMB187 million for the first half of 2020;

Revenue from concession operation was RMB269 million, remained stable as compared with RMB269 million for the first half of 2020; of which, revenue from operation increased by RMB12 million and revenue from construction decreased by RMB12 million;

For the six months ended 30 June 2021, revenue from water treatment business segment was RMB43 million, representing a decrease of 4.4% as compared with RMB45 million for the first half of 2020, mainly due to the decrease in the capacity of wastewater treatment during the Reporting Period as compared with the same period last year;

For the six months ended 30 June 2021, revenue from the Group's hazardous and solid waste treatment/disposal business segment was RMB0.6 million. Hazardous and solid waste treatment/disposal business was the Group's newly added business;

For the six months ended 30 June 2021, revenue from the Group's energy saving and environmental protection business segment was RMB113 million. Energy saving and environmental protection business was a newly added business in the second half of 2020.

Cost of Sales and Services

For the six months ended 30 June 2021, the Group's cost of sales and services was RMB743 million, representing an increase of 51.3% as compared with RMB491 million for the same period last year, mainly attributable to the resumption of normal operation of existing EPC projects and the recognition of cost of the newly added energy saving and environmental protection business and hazardous and solid waste treatment/disposal business in this year.

For the six months ended 30 June 2021, the cost of sales and services of the Group's flue gas treatment business was as follows:

The cost of sales and services for EPC amounted to RMB264 million, representing an increase of 92.7% as compared with RMB137 million for the first half of 2020. The main reason of the increase was the significant increase in revenue as a result of resumption of operation of the projects, resulting in a significant increase in cost as compared with the same period last year;

The cost of sales and services for O&M amounted to RMB150 million, representing an increase of 7.9% as compared with RMB139 million for the first half of 2020, mainly attributable to (i) the relatively lower profit contribution from the operation of new projects; and (ii) the rise in labour cost and the price of bulk material during the Reporting Period;

The cost of sales and services for concession operation increased 1.0% to RMB195 million from RMB193 million for the first half of 2020, relatively stable as compared with the same period last year;

For the six months ended 30 June 2021, the cost of sales and services for water treatment business amounted to RMB23 million, representing an increase of 4.5% as compared with RMB22 million for the first year of 2020, mainly due to the increase in the cost of operation arising from water quality changes during the Reporting Period;

For the six months ended 30 June 2021, the cost of hazardous and solid waste treatment/disposal business was RMB0.5 million. Hazardous and solid waste treatment/disposal business was a newly added business in this year;

For the six months ended 30 June 2021, the cost of sales and services for energy saving and environmental protection business was RMB110 million. Energy saving and environmental protection business was a newly added business in the second half of 2020.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2021, the gross profit of the Group was RMB184 million, representing an increase of 10.2% as compared with RMB167 million for the first half of 2020; gross profit margin was 19.8%, representing a decrease of 5.6 percentage points as compared with the first half of 2020, mainly attributable to (i) the increased proportion of revenue from EPC projects of the Group which had lower gross profit margin; (ii) the rise in labour cost and the price of bulk material; and (iii) the relatively lower gross profit margin of the newly added businesses during the construction period.

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

	For the six months Ended 30 June 2021		For the six months Ended 30 June 2020	
	Gross Profit Margin		Gross Profit Margin	
	RMB'000	%	RMB'000	%
Flue Gas Treatment Business	161,812		143,956	
EPC	20,432	7.2	9,579	6.5
O&M	37,138	19.9	47,345	25.3
Concession Operation	73,986	27.5	76,336	28.4
Of which: Construction	210	2.8	436	2.0
Operation	73,776	28.2	75,900	30.5
Others	30,256	100	10,696	100
Water Treatment Business	19,466	45.7	22,983	51.0
Hazardous and Solid Waste Treatment/Disposal Business	74	11.8	–	–
Energy Saving and Environmental Protection Business	2,953	2.6	–	–
Total	184,305	19.9	166,939	25.4

For the six months ended 30 June 2021, the gross profit of the Group's flue gas treatment business segment was as follows:

The gross profit of EPC amounted to RMB20 million, representing an increase of 100.0% as compared with RMB10 million for the first half of 2020, mainly due to the projects resumed normal operation after effective control of the pandemic in China, resulting in an increase in gross profit as compared with the same period last year;

The gross profit of the O&M business was RMB37 million, representing a decrease of 21.3% as compared with RMB47 million for the first year of 2020, mainly attributable to (i) the relatively lower profit contribution from the operation of new projects; and (ii) the rise in labour cost and the price of bulk material, resulting in the decrease of gross profit;

The gross profit of the concession operation business decreased by 2.6% to RMB74 million from RMB76 million for the first half of 2020, mainly attributable to the rise in labour cost and the price of bulk material, resulting in the decrease in the gross profit;

For the six months ended 30 June 2021, the gross profit of the Group's water treatment business segment amounted to RMB19 million, representing a decrease of 17.4% as compared with RMB23 million for the first year of 2020, mainly attributable to the increase in the cost relating to water quality changes, resulting in the decrease in the gross profit;

For the six months ended 30 June 2021, the gross profit of the Group's hazardous and solid waste treatment/disposal business segment was RMB0.1 million. Hazardous and solid waste treatment/disposal business was a newly added business in this year;

For the six months ended 30 June 2021, the gross profit of the Group's energy saving and environmental protection business segment was RMB3 million. Energy saving and environmental protection business was a newly added business in the second half of 2020.

Other Income and Other Gains and Losses

For the six months ended 30 June 2021, other income and other gains and losses consist primarily of interest income, government subsidy and rental income.

For the six months ended 30 June 2021, the Group's other income and other gains and losses amounted to RMB46 million, representing an increase of RMB33 million as compared with RMB13 million for the first half of 2020, mainly attributable to the significant increase in gains arising from changes in fair value.

Selling and Distribution Expenses

For the six months ended 30 June 2021, the Group's selling and distribution expenses were RMB9 million, roughly unchanged as compared with RMB9 million for the first half of 2020, but the ratio of selling and distribution expenses to revenue dropped to 1.0% from 1.4% for the same period last year, mainly attributable to the increase in the scale of revenue.

Administrative Expenses

For the six months ended 30 June 2021, the Group's administrative expenses increased by RMB4 million to RMB35 million as compared with RMB31 million for the first half of 2020, with the ratio to revenue dropping to 3.8% from 4.7% for the same period last year, mainly due to the cancellation of preferential social security policies after the effective control of the pandemic, resulting in an increase in social security expenditures compared with the same period last year. Meanwhile, the significant increase in the scale of revenue compared with the same period last year also resulted in the decrease of the ratio of administrative expenses to revenue.

Finance Costs

Finance costs of the Group consist of interest expenses on bank loans and other borrowings, lease liabilities and discounted bills payable. For the six months ended 30 June 2021, the Group's finance costs amounted to RMB5 million, representing an increase of RMB3 million as compared with RMB2 million for the first half of 2020, mainly attributable to the increase in the Group's other financing loans for the Reporting Period as compared with the first half of 2020.

Gearing Ratio

The gearing ratio is calculated as a percentage of the Group's total liabilities over the Group's total assets. For the six months ended 30 June 2021, the Group's gearing ratio was 34.6%, dropped by 2.0 percentage points from 36.6% as of 31 December 2020, mainly attributable to the decrease of liabilities and the increase of net assets resulting from the addition of profits.

Pledge of the Group's Assets

As of 30 June 2021, the Group had no bank borrowings bank deposits while the following asset pledges were outstanding: Jiangxi Jianggangshan Boqi Environmental Technology Co., Ltd. ("**Jianggangshan Boqi**"), a subsidiary of the Group, as the lessee, had entered into a finance lease arrangement (the "**Finance Lease Agreement**") with CITIC Financial Leasing Co., Ltd. ("**CITIC Leasing**"). Beijing Boqi had pledged all its equity interests in Jianggangshan Boqi and the service fee receivables under the Jianggangshan Boqi service concession agreement to CITIC Leasing to guarantee its liabilities under the Finance Lease Agreement.

Contingent Liabilities

As of 30 June 2021, the Group did not have any material contingent liabilities.

4. THE GROUP'S FUTURE OUTLOOK

2021 marks the first year of the 14th Five-Year Plan and a critical juncture where the timeframes of its two centenary goals converge. The 14th Five-Year Plan further emphasizes the mission of environmentally friendly low-carbon development and promoting the improvement of environmental quality. Improving the carbon dioxide emissions trading system, continuing to put great effort into pollution prevention and control and realizing the synergistic effect of pollution abatement and carbon reduction, have become a breakthrough point for the environmental protection industry to serve the national economy and people's livelihood. The Group will continue to closely follow the national strategy, strive ahead with unswerving determination and adhere to the path of high-quality development, thereby the Group will focus on the following tasks:

The Group will maintain stable business development in its four major sectors. Relying on the technology and experience of existing projects, the Group will further expand the scales of the four core business sectors, namely flue gas treatment, water treatment, hazardous and solid waste treatment/disposal and energy saving and environment protection. Fully catering for the needs of existing customers, the Group will further develop customer resources in new business areas. Meanwhile, the Group will promote the diversified development of its business through various strategies such as technical cooperation, strategic collaboration and investment, merger and acquisition.

The Group will actively promote the transformation of existing businesses. The target setting of "carbon dioxide emissions peaking and carbon neutrality" puts forward a zero-carbon requirement for the energy industry. Pollution abatement and carbon reduction will become the main direction of future environmental protection policies, and air treatment effort is expected to release new demands. The Group will actively respond to national policies, continue to pay close attention to market trends, and cultivate professional talents and technical teams to conduct exploration and research on carbon reduction related fields relying on strategic partnerships with state-owned enterprises and large industrial groups.

The Group will adhere to the management principle of improving quality and efficiency. With the growth of the Group's performance and the expansion of its business scope, the Group will continue to maintain its development policies of seeking progress while maintaining stability, avoiding risks and strengthening management and control. On the one hand, the Group will optimize the management process, improve the operating efficiency of existing businesses and promote the sustainable and stable development of various businesses. On the other hand, the Group will enhance team capability, recruit high-caliber talents and strengthen the cohesion of employees, so as to build a professional, efficient, stable, high-quality and competent working team. The Group will strive unremittingly to become a leader in China's environmental protection industry.

The Group will take advantage of the core competitiveness of technological innovation. Through the combination of technical cooperation and independent research and development, the Group will enhance its own technological innovation capabilities and continuously achieve technological upgrades and breakthroughs. By integrating resources such as technology, talents and markets, combining with focusing on specific business difficulties and needs, the Group will accelerate the transformation and application of technology and research and development results, thus injecting new impetus into the development of the Group.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Corporate Governance Code

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate values and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules.

Mr. Zeng Zhijun assumed the dual roles of the chairman and the chief executive officer, which constitutes a deviation from code provision A.2.1 of the CG Code. With extensive experience in the environmental protection industry, Mr. Zeng Zhijun is responsible for the overall management, decision making and strategy planning of our Company and has been instrumental to our Group’s growth and business expansion. Since Mr. Zeng Zhijun is one of the key persons of for our Group’s management, our Board considers that vesting the roles of the chairman and the chief executive officer in the same person, Mr. Zeng Zhijun, would not create any potential harm to the interest of our Group and it is, on the contrary, beneficial to the management of our Group. In addition, the operation of the senior management of our Group and our Board, which are comprised of experienced individuals, effectively checks and balances the power and authority of Mr. Zeng Zhijun. Our Board currently comprises two executive Directors (including Mr. Zeng Zhijun), three non-executive Directors and three independent non-executive Directors and therefore has a fairly strong independence element in its composition. Therefore, the Board considers that the deviation from the CG Code is appropriate and justified.

In order to maintain good corporate governance and to ensure Company’s compliance with code provisions of the CG Code, the Board will regularly review the need to appoint different individuals to perform the roles of the chairman and the chief executive officer separately.

Save as disclosed herein, the Company complied with the code provisions as set out in the CG Code during the Reporting Period. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding dealings in the securities of the Company. Having made specific enquiry to all the Directors of the Company, all Directors confirmed that they had strictly complied with the required standards set out in the Model Code during the Reporting Period.

The Board has also adopted the Model Code to regulate all dealings by employees who are likely to be in possession of unpublished 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. No incident of non-compliance with the Model Code by the Company’s relevant employees was noted during the Reporting Period after making reasonable enquiry.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any member of the Group has purchased, sold or redeemed any of the Company's Shares during the Reporting Period.

Interim Dividend

In accordance with the dividend policy announced by the Company on 18 May 2018, the Board considers paying out annual dividends within the range of 30% to 50% of the net profit each year. The Board has resolved not to declare any interim dividend for the six months ended 30 June 2021 (2020: Nil).

Events after the Reporting Period

Inside information relating to termination of letter of confirmation and undertaking for acting in concert and change in controlling shareholders

On 15 July 2021, Mr. Zeng Zhijun and Mr. Cheng Liquan Richard entered into an agreement to terminate the acting-in-concert arrangement and cease to act in concert in relation to the affairs and management of the Company with effect from the aforementioned date. As of the date of this announcement, Mr. Zeng Zhijun and Mr. Cheng Liquan Richard are no longer deemed to be interest in each other's interests in each other's shares of the Company. As a result, each of Mr. Zeng Zhijun, Mr. Cheng Liquan Richard, Best Dawn Limited and World Hero International Limited, who/which is entitled to exercise or control less than 30% of the voting rights in the Company, is no longer a controlling shareholder of the Company.

Please refer to the announcement of the Company dated 15 July 2021 for details.

Continuing connected transaction – extension of Chongqing Chuanwei EPC Contract

On 23 August 2021, the Company announced that the schedule of the Chongqing Chuanwei EPC Project has been postponed and interrupted because of the COVID-19 outbreak. Based on the construction commencement report issued by Chongqing Chuanwei on 8 May 2021, it is contemplated that the Chongqing Chanwei EPC Project shall be completed by November 2021.

The Directors expect that the transaction amount for the transactions contemplated under the Chongqing Chuanwei EPC Contract for the year ending 31 December 2021 as a result of the Extension will not exceed the annual cap of RMB60.73 million. The above cap was determined with reference to (i) the historical transaction amounts as stated in this announcement; (ii) the estimated price of equipment and materials, the construction and installation fee and other preliminary cost for the Extension and in accordance with latest schedule of the Chongqing Chuanwei EPC Project, which in approximately RMB55.2 million; and (iii) a buffer of 10% on an estimated transaction amount as a result of the Extension for the year ending 31 December 2021.

As at the date of this announcement, Sinopec Overseas Investment Holding Limited (“**Sinopec Overseas**”) holds 10.91% equity interest in the Company, and Chongqing Chuanwei and Sinopec Overseas are the subsidiaries of the China Petrochemical Corporation. Therefore Chongqing Chuanwei is a connected person of the Company. As such, the Extension constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Please refer to the announcement of the Company dated 23 August 2021 for details.

Audit Committee and Review of Interim Results

The audit committee of the Company (the “**Audit Committee**”) comprises two independent non-executive Directors and one non-executive Director. The Audit Committee has reviewed with the management the accounting standards and practical guidelines adopted by the Group, and has also discussed auditing, internal control, risk management system and financial reporting matters, including the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2021.

Review of Interim Report

The Audit Committee has reviewed the unaudited interim report of the Group for the six months ended 30 June 2021 (the “**2021 Interim Report**”) and has not expressed any dissent concerning the 2021 Interim Report.

Publication of Interim Results and Interim Report

This announcement is published on the websites of the Company (www.chinaboqi.com) and the Stock Exchange (www.hkexnews.hk). The 2021 Interim Report containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange and dispatched to the Shareholders in due course.

By order of the Board
China Boqi Environmental (Holding) Co., Ltd.
Zeng Zhijun
Chairman, executive Director and chief executive officer

Hong Kong, 27 August 2021

As at the date of this announcement, the executive Directors are Mr. Zeng Zhijun and Mr. Cheng Liquan Richard; the non-executive Directors are Mr. Zheng Tony Tuo, Mr. Zhu Weihang and Mr. Chen Xue; and the independent non-executive Directors are Mr. Liu Genyu, Dr. Xie Guozhong and Mr. Lu Zhifang.