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## **China Shuifa Singyes Energy Holdings Limited**

### **中國水發興業能源集團有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 750)**

#### **ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022**

The board of directors (the “Directors”, collectively referred to as the “Board”) of China Shuifa Singyes Energy Holdings Limited (the “Company”) is pleased to announce the interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2022 (the “Period”).

#### **FINANCIAL HIGHLIGHTS**

	<b>For the six months ended 30 June</b>	
	<b>2022</b>	<b>2021</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(unaudited)</b>	<b>(unaudited and restated)</b>
Revenue	<b>2,966,035</b>	2,463,594
Profit before income tax	<b>158,804</b>	155,535
Income tax expense	<b>38,061</b>	44,275
Profits for the period attributable to owners of the Company	<b>114,542</b>	101,867
Earnings per share for profit attributable to owners of the Company		
– Basic and diluted	<b>RMB0.045</b>	RMB0.040

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

		<b>Six months ended 30 June</b>	
		<b>2022</b>	2021
	<i>Notes</i>	<b>RMB'000</b>	<i>RMB'000</i>
		<b>(Unaudited)</b>	(Unaudited and restated)
Revenue	4	<b>2,966,035</b>	2,463,594
Cost of sales		<b>(2,412,901)</b>	(2,012,439)
<b>Gross profit</b>		<b>553,134</b>	451,155
Distribution costs		<b>(31,614)</b>	(30,739)
Administrative expenses		<b>(165,126)</b>	(139,967)
Net impairment losses on financial and contract assets		<b>(50,187)</b>	(36,521)
Other income		<b>19,196</b>	18,551
Other gains – net		<b>9,514</b>	10,486
<b>Operating profit</b>		<b>334,917</b>	272,965
Finance income		<b>1,641</b>	1,084
Finance costs		<b>(177,990)</b>	(118,629)
Finance costs – net		<b>(176,349)</b>	(117,545)
Share of net results of associates accounted for using the equity method		<b>236</b>	115
<b>Profit before income tax</b>		<b>158,804</b>	155,535
Income tax expense	5	<b>(38,061)</b>	(44,275)
<b>Profit for the period</b>		<b>120,743</b>	111,260
Items that will not be reclassified to profit or loss			
Currency translation differences		<b>(95,832)</b>	25,494
Changes in fair value of equity investments at fair value through other comprehensive income		<b>981</b>	(58)
<b>Total other comprehensive (loss)/income for the period</b>		<b>(94,851)</b>	25,436
<b>Total comprehensive income for the period</b>		<b>25,892</b>	136,696

		<b>Six months ended 30 June</b>	
		<b>2022</b>	<b>2021</b>
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited and restated)</b>
<b>Profit for the period attributable to:</b>			
Owners of the Company		<b>114,542</b>	101,867
Non-controlling interests		<b>6,201</b>	9,393
		<u><b>120,743</b></u>	<u>111,260</u>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		<b>19,691</b>	122,230
Non-controlling interests		<b>6,201</b>	14,466
		<u><b>25,892</b></u>	<u>136,696</u>
<b>Earnings per share for profit attributable to owners of the Company</b>			
Basic and diluted	<i>6</i>	<u><b>RMB0.045</b></u>	<u>RMB0.040</u>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	<b>30 June 2022 RMB'000 (Unaudited)</b>	31 December 2021 RMB'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		5,166,790	4,971,792
Investment properties		334,797	340,590
Right-of-use assets		275,486	261,049
Intangible assets		103,842	106,331
Prepayments		177,098	10,120
Investments accounted for using equity method		1,673	1,438
Deferred tax assets		308,877	303,499
Equity investments designated at fair value through other comprehensive income		8,614	10,503
<b>Total non-current assets</b>		<b>6,377,177</b>	6,005,322
<b>Current assets</b>			
Inventories		81,223	67,433
Contract assets		4,151,414	3,694,860
Trade and bills receivables	8	3,966,767	3,398,449
Prepayments, other receivables and other assets		970,495	750,977
Pledged deposits		73,493	21,820
Cash and cash equivalents		839,151	659,123
<b>Total current assets</b>		<b>10,082,543</b>	8,592,662
<b>Total assets</b>		<b>16,459,720</b>	14,597,984
<b>Equity</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	10	174,333	174,333
Reserves		2,322,504	2,417,957
Retained earnings		1,870,732	1,785,081
		<b>4,367,569</b>	4,377,371
Non-controlling interests		<b>861,308</b>	304,628
<b>Total equity</b>		<b>5,228,877</b>	4,681,999

		<b>30 June</b>	31 December
		<b>2022</b>	2021
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings		<b>3,881,668</b>	3,118,040
Deferred tax liabilities		<b>109,480</b>	110,302
Lease liabilities		<b>22,143</b>	16,254
Deferred income		<b>173,332</b>	179,967
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>4,186,623</b>	3,424,563
		<hr/>	<hr/>
<b>Current liabilities</b>			
Senior notes		<b>930,091</b>	1,468,208
Trade and bills payables	9	<b>2,726,475</b>	2,180,962
Other payables and accruals		<b>1,933,325</b>	1,686,262
Contract liabilities		<b>222,074</b>	192,319
Borrowings		<b>1,054,494</b>	799,667
Income tax payable		<b>173,299</b>	161,998
Lease liabilities		<b>4,462</b>	2,006
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>7,044,220</b>	6,491,422
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>11,230,843</b>	9,915,985
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<b>Total equity and liabilities</b>		<b>16,459,720</b>	14,597,984
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## NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2022

### 1. GENERAL INFORMATION

China Shuifa Singyes Energy Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in Bermuda on 24 October 2003. The registered office of the Company is located at 4th Floor, North Cedar House, 41 Cedar Avenue, Hamilton, HM12, Bermuda. The principal place of business of the Company is located at Unit 3108, 31st Floor, China Merchants Tower, Shun Tak Center, 168-200 Connaught Road Central, Hong Kong.

During the six months ended 30 June 2022 (the “Period”), the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the design, construction, operation and maintenance of curtain walls and green construction, wind farm and solar photovoltaic systems, as well as the sale of supporting products and the sale of green electricity. There were no significant changes in the nature of the Group’s principal activities during the Period.

In the opinion of the directors of the Company (the “Directors”), the immediate holding company, the intermediate holding company and the ultimate holding company of the Company are Water Development (HK) Holding Co., Ltd., which is incorporated in Hong Kong, Shuifa Energy Group Limited (水發能源集團有限公司, “Shuifa Energy”) and Shuifa Group Co., Ltd. (水發集團有限公司, “Shuifa Group”), which are incorporated in the People’s Republic of China (the “PRC”), respectively.

This interim condensed consolidated financial information has not been audited and are presented in Renminbi (“RMB”), unless otherwise stated.

## 2. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”).

The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) except for the adoption of new and amended standards as disclosed in note 3.

On 30 September 2021, Hunan Shuifa Singyes Green Energy Co., Ltd. (“Hunan Green Energy”), an indirect wholly owned subsidiary of the Company, entered into an equity transfer agreement with Shuifa Clean Energy Technology Co., Ltd (“Shuifa Clean Energy”), a company controlled by the ultimate holding company, Shuifa Group, pursuant to which Hunan Green Energy acquired 100% equity interests in Heze Development Zone Shuifa Guangyao New Energy Co., Ltd. (“Heze Guangyao”), 86% equity interests in Xintai Zhongmu New Energy Technology Co., Ltd. (“Xintai Zhongmu”) and 68% equity interests in Dongying Tianze New Energy Technology Co., Ltd. (“Dongying Tianze”), at cash considerations of RMB3,160,000, RMB49,020,000 and RMB51,000,000, respectively (collectively the “Common Control Acquisitions”). The transaction was completed on 7 December 2021.

The Company, Heze Guangyao, Xintai Zhongmu and Dongying Tianze are under common control of Shuifa Group both before and after above transaction. Therefore, it was regarded as a common control combination and accounted for using the principles of merger accounting. The financial statements of Heze Guangyao, Xintai Zhongmu and Dongying Tianze are included in the Group’s consolidated financial statements as if the acquisitions had occurred from the date when the ultimate controlling shareholder first obtained control. Therefore, the opening balances and the comparative figures of the interim condensed consolidated financial information of the Group as at 30 June 2021 and for the six-month period ended 30 June 2021 have been restated.

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total earnings.

#### (a) New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

		<b>Effective for annual periods beginning on or after</b>
IFRS 3 (Amendments)	Reference to the Conceptual Framework	1 January 2022
IAS 16 (Amendments)	Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
IAS 37 (Amendments)	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to IFRS Standards 2018-2020		1 January 2022

### 4. SEGMENT INFORMATION

The Board of Directors of the Group has been identified as the chief operating decision-maker. The Board of Directors reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these internal reports.

The Board of Directors assesses the performance according to four main business segments.

The board of directors assesses the performance of the operating segments based on profit for the year.

### Segment revenue

The segment results for the six months ended 30 June 2022 and 2021 are as follows:

	Six months ended 30 June 2022 (Unaudited)					The Group RMB'000
	Construction services RMB'000	Sale of products RMB'000	Sale of electricity RMB'000	Others RMB'000	Elimination RMB'000	
Revenue from contracts with customers:						
– Recognised at a point of time	–	313,247	225,718	144,958	–	683,923
– Recognised over time	2,259,600	–	–	22,512	–	2,282,112
<b>Total revenue from external customers</b>	<b>2,259,600</b>	<b>313,247</b>	<b>225,718</b>	<b>167,470</b>	<b>–</b>	<b>2,966,035</b>
Inter-segment revenue	72,436	163,868	–	–	(236,304)	–
<b>Segment revenue</b>	<b>2,332,036</b>	<b>477,115</b>	<b>225,718</b>	<b>167,470</b>	<b>(236,304)</b>	<b>2,966,035</b>
Gross profit	368,060	27,183	126,401	31,490	–	553,134
	Six months ended 30 June 2021 (Unaudited and restated)					
	Construction services RMB'000	Sale of products RMB'000	Sale of electricity RMB'000	Others RMB'000	Elimination RMB'000	The Group RMB'000
Revenue from contracts with customers:						
Recognised at a point of time	–	153,851	207,546	138,602	–	499,999
Recognised over time	1,926,418	–	–	37,177	–	1,963,595
<b>Total revenue from external customers</b>	<b>1,926,418</b>	<b>153,851</b>	<b>207,546</b>	<b>175,779</b>	<b>–</b>	<b>2,463,594</b>
Inter-segment revenue	–	306,281	–	–	(306,281)	–
<b>Segment revenue</b>	<b>1,926,418</b>	<b>460,132</b>	<b>207,546</b>	<b>175,779</b>	<b>(306,281)</b>	<b>2,463,594</b>
Gross profit	258,699	26,793	116,808	48,855	–	451,155

## 5. INCOME TAX EXPENSE

The applicable corporate income tax (“CIT”) rate for Mainland China subsidiaries is 25% except for certain subsidiaries that are entitled to preferential tax rates as discussed below:

For Mainland China subsidiaries which are qualified as High and New Technology Enterprises, they are entitled to a preferential tax rate of 15%. For subsidiaries engaging in encouraged industries in Western China, they are entitled to a preferential tax rate of 15% for the period from 1 January 2011 to 31 December 2030. For subsidiaries engaging in the approved projects of solar power station construction, they are exempted from CIT for the first three years and are entitled to a 50% tax reduction for the subsequent three years (“三免三減半”) since their respective first revenue-generating years. Thereafter, they are subject to CIT at a rate of 25% or 15%.

The major components of income tax expense for the reporting period are as follows:

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited and restated)
Current income tax	<b>44,261</b>	46,661
Deferred income tax credit	<b>(6,200)</b>	(2,386)
	<hr/>	<hr/>
Income tax charge/(credit)	<b>38,061</b>	44,275
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The Group’s subsidiaries registered in Hong Kong are subject to a rate of 16.5% on the estimated assessable profits for the six months ended 30 June 2022 (for the six months ended 30 June 2021: 16.5%).

## 6. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit for the Period attributable to owners of the Company, and the weighted average number of ordinary shares of 2,521,081,780 (2021: 2,521,081,780) in issue during the Period.

No adjustment has been made to the basic earnings per share amounts presented for the Period and the six months ended 30 June 2022 and 2021 in respect of a dilution as the exercise prices of the Company's outstanding share options were higher than the average market prices for the Company's shares during the Period and the six months ended 30 June 2022 and 2021.

	<b>Six months ended 30 June</b>	
	<b>2022</b>	2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited and restated)
Profit attributable to equity holders of the Company	<b>114,542</b>	101,867
Weighted average number of ordinary shares issued	<b>2,521,082</b>	2,521,082
Basic earnings per share	<b><u>RMB0.045</u></b>	<u>RMB0.040</u>

## 7. DIVIDENDS

On 10 June 2022, the resolution to declare a final dividend of HK\$0.020 per ordinary share for the year ended 31 December 2021 was passed at the annual general meeting of the Company. The final dividend totalling HK\$50,421,636 has been paid on 15 July 2022 based on the number of issued shares outstanding at that time.

No interim dividend was proposed by the Directors in respect of the Period (2021: nil).

## 8. TRADE AND BILLS RECEIVABLES

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the billing date and net of loss allowance, is as follows:

	<b>Trade receivables</b>		<b>Tariff subsidy receivables</b>	
	<b>30 Jun 2022</b>	31 Dec 2021	<b>30 Jun 2022</b>	31 Dec 2021
	<b><i>RMB'000</i></b>	<i>RMB'000</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 180 days	<b>1,258,786</b>	728,086	<b>149,802</b>	157,906
181 days to 365 days	<b>552,135</b>	217,403	<b>157,906</b>	138,054
1 to 2 years	<b>352,886</b>	696,054	<b>269,381</b>	211,552
2 to 3 years	<b>585,531</b>	531,071	<b>190,493</b>	166,671
Over 3 years	<b>1,039,188</b>	1,152,971	<b>270,760</b>	218,260
	<b><u>3,788,526</u></b>	<u>3,325,585</u>	<b><u>1,038,342</u></b>	<u>892,443</u>

## 9. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date or issuance date, where appropriate, is as follows:

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000
Within 3 months	1,280,028	1,184,288
Between 3 months and 6 months	354,870	303,368
Between 6 months and 12 months	649,164	221,657
Between 1 year and 2 years	303,155	342,738
Between 2 years and 3 years	86,406	83,318
Over 3 years	52,852	45,593
	<u>2,726,475</u>	<u>2,180,962</u>

## 10. SHARE CAPITAL

	As at 30 June 2022 '000 (Unaudited)	As at 31 December 2021 '000
Authorised:		
3,200,000,000 ordinary shares of US\$0.01 each	<u>USD32,000</u>	<u>USD32,000</u>
Issued and fully paid:		
2,521,081,780 ordinary shares of US\$0.01 each	<u>USD25,211</u>	<u>USD25,211</u>
Equivalent to RMB	<u>RMB174,333</u>	<u>RMB174,333</u>

There was no movement in the Company's issued share capital during the Period.

## BUSINESS AND FINANCIAL REVIEW

### Revenue

The following table set out the breakdown of revenue:

	For the six months ended 30 June		Increase/ (Decreased) by
	2022 <i>RMB million</i> (unaudited)	2021 <i>RMB million</i> (unaudited and restated)	
Construction contracts			
– Curtain wall and green building	607.7	663.1	(8.4%)
– Solar EPC	103.1	60.6	70.2%
– Wind Power EPC	1,548.8	1,202.7	28.8%
	<u>2,259.6</u>	<u>1,926.4</u>	17.3%
Sale of electricity	225.7	207.5	8.8%
Sale of products <sup>1</sup>	313.2	153.9	103.6%
Others	167.5	175.8	(4.7%)
Revenue	<u><u>2,966.0</u></u>	<u><u>2,463.6</u></u>	20.4%

Notes:

1. Included Sale of New Material as at 30 June 2022 of RMB44.78 million (30 June 2021: RMB52.17 million).

Gross profit and gross profit margin	For the six months ended 30 June			
	2022		2021	
	<i>RMB million</i> <i>(unaudited)</i>	%	<i>RMB million</i> <i>(unaudited and restated)</i>	%
Construction contracts				
– Curtain wall and green building	<b>68.1</b>	11.2	<b>68.3</b>	10.3
– Solar EPC	<b>3.9</b>	3.8	<b>14.8</b>	24.5
– Wind Power EPC	<b>296.0</b>	19.1	<b>175.6</b>	14.6
	<b>368.0</b>	16.3	<b>258.7</b>	13.4
Sale of electricity	<b>126.4</b>	56.0	<b>116.8</b>	56.3
Sale of products <sup>1</sup>	<b>27.2</b>	8.7	<b>26.8</b>	17.4
Others	<b>31.5</b>	18.8	<b>48.9</b>	27.8
Total gross profit and gross profit margin	<b>553.1</b>	18.6	<b>451.2</b>	18.3

*Notes:*

1. Included the gross profit and gross profit margin of sale of New Material as at 30 June 2022 with RMB6.78 million and 15.1% (30 June 2021: gross profit RMB10.47 million and gross profit margin 20.1%).

The Group's revenue increased by RMB502 million or 20.4%, from RMB2,464 million in first half 2021 to RMB2,966 million in first half 2022. Gross profit increased by RMB102 million or 22.6%, from RMB451 million in first half 2021 to RMB553 million in first half 2022.

### **1) *Curtain wall and green building***

Revenue from curtain wall and green building EPC dropped by 8.4%, while gross profit margin increased slightly from 10.3% to 11.2%. The major reason for the increase in gross profit margin was because of the increase in the proportion of green building business.

## **2) *Solar EPC***

Revenue from Solar EPC business increased by 70.2%, while gross profit margin dropped from 24.5% from 3.8%. The material costs for solar EPC continue to remained high in first half 2022. As such, the profitability of Solar EPC business had been greatly affected, our group therefore temporarily squeezed our Solar EPC business and shift our focus to Wind Power EPC.

## **3) *Wind Power EPC***

Our Group started to engage in Wind Power EPC business in 2020, revenue during the Period amounted to RMB1,549 million, representing an increase of RMB346 million or 28.8%. Gross profit margin during the period was 19.1% (six months ended 30 June 2021: 14.6%). During the first half 2022, our Group was mainly involved in few large scale projects in North East part of China. The increase in the margin was mainly because of the downward trend in wind power material prices.

## **4) *Sale of electricity***

The Group's accumulated project scale was around 741 megawatts ("MW") at 30 June 2022, which comprised of distributed power stations, and centralized ground-mounted photovoltaic power stations inside Mainland China and a solar farm located overseas. The sale of electricity was slightly increased by 8.8% with a stable margin of 56.0% (2021 first half: 56.3%).

## **5) *Sale of products***

Revenue from the sale of products mainly included the sale of renewable energy products such as wind power and photovoltaic project supporting products and solar thermal products. The increase the revenue from sale of products was mainly came from the rapid growth in wind power business.

## **Other income and gains**

Other income and gains during the period ended 30 June 2022 mainly represented gain on disposal of associates, government grants and deferred income released to the profit and loss. The other income and gains during the Period was basically the same as same period last year.

## **Selling and distribution expenses**

During the period, selling and distribution expenses increased by RMB0.9 million or 2.8%, as compared to the six months ended 30 June 2021. The percentage increase less than the sale revenue was mainly because of various cost saving policies imposed by the Group.

## **Administrative expenses**

Administrative expenses increased by RMB25.2 million or 18.0%, as compared to the six months ended 30 June 2021. The increase was mainly because of the salary increase due to the establishment of new companies by the Group in the second half of 2021.

## **Liquidity and financial resources**

The Group's primary source of funding included bank and other borrowings, advances from Shuifa BVI and receivables from project contacts, product sale as well as income from electricity sale. As at 30 June 2022, the Group had outstanding bank and other loans of approximately RMB4,936 million and outstanding senior notes of approximately RMB930 million.

Apart from that, the Group also had outstanding balance of approximately RMB871 million due to Shuifa BVI, which bear interest at 6% per annum and is repayable by 31 December 2022.

## **Capital Expenditures**

Capital expenditures of the Group amounted to RMB299 million for the Period (six months ended 30 June 2021: RMB277 million) and were mainly for the investment and construction of the self-invested solar farms.

## **Borrowings and bank facilities**

The outstanding borrowings comprised bank and other loans of RMB4,936 million with effective interest rates ranging from 2.5% to 5.5%.

## COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	<b>As at 30 June 2022 RMB'000 (Unaudited)</b>	As at 31 December 2021 RMB'000
Contracted, but not provided for:		
Construction of buildings and solar photovoltaic power stations	<b>181,306</b>	213,806
Purchase of office properties	—	11,820
	<hr/> <b>181,306</b> <hr/>	<hr/> 225,626 <hr/>

## DIVIDEND

The Directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: nil).

## CORPORATE GOVERNANCE

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Directors consider that the Company has applied the principles and complied with all the applicable code provisions set out in the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited for the Period and up to the date of this announcement.

## MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the standard for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the Period.

## **AUDIT COMMITTEE**

The Company established the Audit Committee in compliance with Rules 3.21 to 3.23 of the Listing Rules and paragraph C.3 of the Code. The primary duties of the Audit Committee are to oversee the financial reporting process and internal control procedure of the Group, to review the financial information of the Group and to consider issues relating to the external auditor. The Audit Committee consists of the three independent non-executive Directors, and Mr. Yick Wing Fat, Simon is the Chairman of the Audit Committee. The Group's interim results announcement for the Period has been reviewed by the Audit Committee of the Group.

## **PURCHASE, SALE AND REDEMPTION OF COMPANY'S LISTED SECURITIES**

The Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company during the Period.

## **PUBLICATION OF RESULTS ANNOUNCEMENT**

This interim results announcement is available for viewing on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at <http://www.hkexnews.hk> and the Company's website at [www.sfsyenergy.com](http://www.sfsyenergy.com) and the 2022 interim report of the Company containing all the information required under the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Company and the Stock Exchange in due course.

By order of the Board  
**China Shuifa Singyes Energy Holdings Limited**  
**Mr. Zheng Qingtao**  
*Chairman*

Hong Kong, 22 August 2022

*As at the date of this announcement, the executive Directors are Mr. Zheng Qingtao (Chairman), Mr. Liu Hongwei (Vice Chairman), Mr. Chen Fushan and Mr. Wang Dongwei, the non-executive Directors are Mr. Xie Wen and Ms. Li Li, and the independent non-executive Directors are Dr. Wang Ching, Mr. Yick Wing Fat, Simon and Dr. Tan Hongwei.*