昆明滇池水務股份有限公

Kunming Dianchi Water Treatment Co

(A joint stock company incorporated in the People's Republic of China wit

股份代號 Stock Code：3768



臻

CO

REGISTERED NAME OF THE COMPANY 公司法定名稱	昆明滇池水務股份有限公司	昆明滇池水務股份有限公司
ENGLISH NAME OF THE COMPANY 公司英文名稱	Kunming Dianchi Water Treatment Co., Ltd.	Kunming Dianchi Water Treatment Co., Ltd.
REGISTERED OFFICE AND HEADQUARTERS IN THE PRC 中國註冊地址及總部	Water Purification Plant No. 7 Kunming Dianchi Tourist Resort Yunnan Province PRC	中國雲南省昆明市 滇池旅遊度假區 第七水質淨化廠
PRINCIPAL PLACE OF BUSINESS IN HONG KONG 香港主要營業點	Room 1901, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong	香港 銅鑼灣 希慎道33號 利園一期19樓1901室
WEBSITE OF THE COMPANY 公司網站	www.kmdcwt.com	www.kmdcwt.com
STOCK CODE 股份代號	03768	03768
LEGAL REPRESENTATIVE OF THE COMPANY 公司法定代表人	Mr. Zeng Feng	曾鋒先生
AUTHORISED REPRESENTATIVES 授權代表	Mr. Chiu Ming King *FCG, HKFCG*	趙明瑾先生 *FCG, HKFCG*
COMPANY SECRETARY 公司秘書	Mr. Chiu Ming King *FCG, HKFCG*	

弱擾强殺

摀犮蚰琿矌韺媥香港北角英皇道陳昌勇

"Articles of Association"		the articles of association of the Company
「公司章程」	指	本公司公司章程

"H Share"		overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange
「H股」	指	本公司股本中每股面值人民幣1.00元的境外上市外資股，將以港元認購及買賣並於香港聯交所上市
"HK$" or "Hong Kong dollars" or "HK dollars"		Hong Kong dollars, the lawful currency of Hong Kong
「港元」	指	香港法定貨幣港元
"Hong Kong Stock Exchange" or "Stock Exchange"		The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
「香港聯交所」或「聯交所」	指	香港聯合交易所有限公司，為香港交易及結算所有限公司的全資子公司
"Fanchang Dianchi Water"		Fanchang Dianchi Water Treatment Co., Ltd.* (繁昌縣滇池水務有限公司

The following table sets out our key operating and financial data for the periods or as of the dates indicated:

下表載列所示期間或日期我們的主要經營及財務數據：

SUMMARY OF OPERATING DATA

經營數據概要

		As at 31 December 於12月31日				
		2022 **2022年**	2021 2021年	2020 2020年	2019 2019年	2018 2018年
Capacity *('000 m³ per day)*	**產能***(千立方米／日)*					
Wastewater treatment	污水處理	**2,031**	2,043	1,970	1,830	1,827
Reclaimed water supply	再生水供應	**237**	233	213	52	52
Running water supply	自來水供應	**131**	131	131	116	116

		For the year ended 31 December 截至12月31日止年度				
		2022 **2022年**	2021 2021年	2020 2020年	2019 2019年	2018 2018年
Volume *('000 m³ per period indicated)*	**產量***(千立方米／所示期間)*					
Wastewater treatment	污水處理	**718,924**	706,078	657,499	622,842	616,844
Reclaimed water supply	再生水供應	**56,588**	54,422	31,177	11,736	8,825
Running water supply	自來水供應	**17,231**	17,116	14,863	14,801	12,957

		For the year ended 31 December 截至12月31日止年度				
		2022 **2022年**	2021 2021年	2020 2020年	2019 2019年	2018 2018年
Utilisation Rate	**利用率**					
Wastewater treatment	污水處理	**97.4%**	96.3%	92.0%	93.7%	92.9%
Reclaimed water supply	再生水供應	**65.5%**	64.0%	53.4%	61.8%	46.5%
Running water supply	自來水供應	**36.5%**	35.8%	31.9%	35.0%	30.6%

SUMMARY OF OPERATING RESULTS BY SEGMENT 分部經營業績概要

		For the year ended 31 December 截至12月31日止年度				
		2022	2021	2020	2019	2018
		2022年	2021年	2020年	2019年	2018年
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		人民幣千元	*人民幣千元*	*人民幣千元*	*人民幣千元*	*人民幣千元*
Wastewater treatment	**污水處理**					
– Revenue	一收入	**1,298,089**	1,370,283	1,276,466	1,213,810	1,159,075
– Gross profit	一毛利	**627,062**	610,365	558,256	514,145	480,070
– Gross profit margin	一毛利率	**48.3%**	44.5%	43.7%	42.4%	41.4%
Water supply	**水供給**					
– Revenue	一收入	**101,234**	191,534	260,986	304,857	115,254
– Gross profit	一毛利	**40,997**	49,812	53,420	57,622	8,372
– Gross profit margin	一毛利率	**40.5%**	26.0%	20.5%	18.9%	7.3%
Others	**其他**					
– Revenue	一收入	**666,540**	755,921	381,971	314,875	155,458
– Gross profit	一毛利	**189,212**	64,605	67,501	66,157	40,592
– Gross profit margin	一毛利率	**28.4%**	8.5%	17.7%	21.0%	26.1%

Moreover, the water market has entered an era of professional operation. The focus of business has changed from rebuilding facilities to improving quality and efficiency and sustainable development. The operation and maintenance of wastewater networks, wastewater collection rates, pollutant reduction rates and recycled water utilisation, etc. are increasingly important, and promoting green and sustainable development of the industry becomes the direction of future development.

此外，水務市場進入專業化運營時代，業務重心由重建設輕運營向提質增效和可持續發展轉變，排污管網運維、污水收集率、污染物削減率、再生水利用等環節越來越受到重視，推動行業綠色可持續發展成為未來發展的方向。

2. Overview of Reclaimed Water Industry

In recent years, the PRC has actively promoted the resourceful use of wastewater, however, the construction of wastewater resourceful use facilities has lagged behind and the pattern of water supply according to demand and quality has yet to be formed. In January 2022, the PRC issued the "Guiding Opinions on Accelerating the Construction of Urban Environmental Infrastructure"* (《關於加快推進城鎮環境基礎設施建設的指導意見》) which proposed that by 2025, new construction, reconstruction and expansion of reclaimed water capacity will not be less than 15 million cubic metres per day. Meanwhile, under the "Guiding Opinions on Promoting the Resourceful Use of Wastewater"* (《關於推進污水資源化利用的指導意見》) and its "1+N" policy system, reclaimed water will be gradually incorporated into the urban water supply system and integrated into the unified allocation of water resources which will be gradually promoted in the fields of industrial production, municipal miscellaneous use and ecological environment, etc. It is expected that, during the "14th Five-Year Plan" period, the

2. 再生水行業概況

近年來，國家積極推進污水資源化利用，但是污水資源化利用設施建設滯後，還未形成按需供水、分質供水的格局。2022年1月，國家發佈《關於加快推進城鎮環境基礎設施建設的指導意見》提出至2025年要新建、改建和擴建再生水能力不少於1,500萬立方米／日。同時，在《關於推進污水資源化利用的指導意見》以及其「1+N」政策體系下，再生水將逐步納入城市供水體系，進入水資源統一配置，在工業生產、市政雜用、生態環境等領域逐步推廣。預計「十四五」期間，中國再生水利用將會得到更快發展。再生水廠的規劃、建設、運營維護和管理具有巨大發展潛力和市場空間。



Reclaimed Water Business

For our reclaimed water business, as of 31 December 2022, we had 12 of our wastewater treatment plants producing reclaimed water, with a total designed daily production capacity of 237,000 m^3. Customers of our reclaimed water include commercial and industrial establishments, enterprises and public institutions and other entities in Kunming. During the Reporting Period, reclaimed water supply was 56.588 million m^3.

During the Reporting Period, our reclaimed water supply maintained a stable growth. The Company has wastewater treatment plants in a number of regions across the country, which lay a solid foundation for the future development of our reclaimed water business in those regions, and we will continue to promote the development of our reclaimed water business in accordance with local policies and market demand and supply conditions.

Running Water Business

For our running water business, as of 31 December 2022, we had 7 running water plants in the PRC, and 1 running water plant under construction. During the Reporting Period, the supply of running water amounted to 17.231 million m^3, and the quality of water supplied

Requirements of water quality standards

Our wastewater treatment, reclaimed water supply and running water supply facilities are built to treat wastewater and raw water to specified quality standards. The quality of our treated wastewater and supplied reclaimed and running water depends on the level of pollution of the inflow of wastewater into our facilities and normal operation of our facilities. We are subject to risks of unknown or undiscovered inflow of wastewater into our equipment that exceeds our treatment capacity or defects or compatibility problems with our equipment. We cannot assure that we will always be able to timely discover and repair malfunctioning equipment or any other problems with our treatment process or facilities. In such circumstances, our facilities may not be able to treat wastewater or raw water in compliance with the relevant regulatory and contractual standards, which could result in us being subject to claims from our customers or governmental penalties, and could lead to the suspension of our operations pending rectification as well as reputational damage. In addition, the incoming wastewater or raw water to be treated by our facilities may contain pollutants exceeding the types and quantity of pollutants that we contemplated during the design and construction of the facilities which will adversely affect our operating costs, deterioration of our facilities and effluent quality.

Force majeure events

Any future occurrence of force majeure events, natural disasters or outbreaks of pandemics may restrict business in the areas affected and adversely affect ourthathathathathathath(or)9 ƷDC BTyeureemplated

b. Cost of sales

Our cost of sales decreased by RMB384.4 million, or 24.1%, to RMB1,208.6 million for the year ended 31 December 2022, from RMB1,593.0 million for the year ended 31 December 2021. Details are as follows:

- Our cost of sales for wastewater treatment segment decreased by RMB88.9 million, or 11.7%, to RMB671.0 million for the year ended 31 December 2022, from RMB759.9 million for the year ended 31 December 2021, which was mainly due to the decrease in cost of wastewater treatment operation services of RMB72.3 million during the Reporting Period.

- Our cost of sales for water supply segment decreased by RMB81.5 million, or 57.5%, to RMB60.2 million for the year ended 31 December 2022, from RMB141.7 million for the year ended 31 December 2021, which was mainly due to the decrease in construction cost of approximately RMB71.6 million resulting from the decrease in new water supply construction projects during the Reporting Period and decrease in investment in existing projects as compared to 2021.

- Our cost of sales for other segments decreased by RMB214.0 million, or 31.0%, to RMB477.3 million for the year ended 31 December 2022, from RMB691.3 million for the year ended 31 December 2021. In particular, the entrusted management costs decreased by approximately RMB44.5 million; the construction cost decreased by approximately RMB168.3 million resulting from the decrease in investment in existing projects such as the Kunming Domestic Waste Sanitary Landfill Construction Project as compared to 2021. In addition, the cost of gas and power supply increased by approximately RMB27.3 million.

c. Gross margin

Our gross profit increased by RMB132.5 million, or 18.3%, to RMB857.3 million for the year ended 31 December 2022, from RMB724.8 million for the year ended 31 December 2021, which was mainly due to the increase in gross profit from wastewater treatment segment of RMB16.7 million, decrease in gross profit from water supply segment of RMB8.8 million and increase in gross profit from other segments of RMB124.6 million.

Our gross margin increased by 10.2% from 31.3% for the year ended 31 December 2021 to 41.5% for the year ended 31 December 2022, which was mainly due to the significant increase in gross margin of water supply segment and other segments as compared to 2021.

b. 銷售成本

我們的銷售成本從截至2021年12月31日止年度的人民幣1,593.0百萬元減少至截至2022年12月31日止年度的人民幣1,208.6百萬元，降幅為人民幣384.4百萬元或24.1%，具體如下：

- 我們污水處理分部的銷售成本從截至2021年12月31日止年度的人民幣759.9百萬元減少至截至2022年12月31日止年度的人民幣671.0百萬元，降幅為人民幣88.9百萬元或11.7%，主要由於本報告期內污水處理營運服務成本減少約人民幣72.3百萬元。

- 我們水供給分部的銷售成本從截至2021年12月31日止年度的人民幣141.7百萬元減少至截至2022年12月31日止年度的人民幣60.2百萬元，降幅為人民幣81.5百萬元或57.5%，主要由於本報告期內水供給建造新增項目減少，原有項目投入較2021年減少，導致建造服務成本減少約人民幣71.6百萬元。

- 我們其他分部的銷售成本從截至2021年12月31日止年度的人民幣691.3百萬元減少至截至2022年12月31日止年度的人民幣477.3百萬元，降幅為人民幣214.0百萬元或31.0%，其中，委託管理業務成本減少約人民幣44.5百萬元；昆明市生活垃圾衛生填埋場建設項目等原有項目投入較2021年減少，減少建造成本約人民幣168.3百萬元。另外，供氣供電成本增加約人民幣27.3百萬元。

c. 毛利率

我們的毛利從截至2021年12月31日止年度的人民幣724.8百萬元增加至截至2022年12月31日止年度的人民幣857.3百萬元，增幅為人民幣132.5百萬元或18.3%，主要由於污水處理分部的毛利增加人民幣16.7百萬元、水供給分部的毛利減少人民幣8.8百萬元及其他分部的毛利增加人民幣124.6百萬元所致。

我們的毛利率從截至2021年12月31日止年度的31.3%增加至截至2022年12月31日止年度的41.5%，增加10.2%，主要由於水供給分部和其他分部的毛利率較2021年有較大幅度的增加。

I. Finance costs

Our finance costs increased by RMB135.8 million, or 63.5%, to RMB349.5 million for the year ended 31 December 2022, from RMB213.7 million for the year ended 31 December 2021, primarily due to the exchange loss of RMB91.0 million from the foreign currency

c. Amounts due from customers for construction contracts

The portion of amounts due from customers for construction contracts due within twelve months from a particular balance sheet date are classified as current assets as at that balance sheet date and the remainder is classified as non-current assets.

Our total amounts due from customers for construction contracts increased by RMB128.8 million, or 22.1%, to RMB711.3 million as of 31 December 2022 from RMB582.5 million as of 31 December 2021, primarily due to the increased investment in construction for projects such as the Shipansi and Laoqingshan Flood Control and Detention Works and the Environmental Protection Project in Haitou Village, Qingshuihai Conservation Area, Xundian County and the increase in recognised amounts due from customers for construction contracts.

d. Trade and other receivables

Our trade and other receivables primarily consist of (i) trade receivables from local governments, related parties and third parties; (ii) other receivables from related parties, third parties and local governments; and (iii) prepayments. Our trade receivables are amounts due from customers for operation services provided to the customers in TOO, TOT and BOT projects. Our other receivables primarily consist of loans granted to and interest receivable from related parties, and VAT refund yet to be received. Our prepayments primarily consist of prepaid construction payables and prepayment for goods.

c. 應收客戶建造合同款

自特定資產負債表日期起計十二個月內到期的應收客戶建造合同款部分被分類為截至該資產負債表日期的流動資產，而剩餘部分被分類為非流動資產。

我們的應收客戶建造合同款由2021年12月31日的人民幣582.5百萬元增加人民幣128.8百萬元或22.1%，至2022年12月31日的人民幣711.3百萬元，主要由於石盆寺老青山防洪滯蓄工程、尋甸縣清水海保護區海頭村環保工程項目等項目建設投入增加，確認的應收客戶建造合同款增加。

d. 應收賬款及其他應收款

我們的應收賬款及其他應收款主要包括(i)應收地方政府、關聯方及第三方賬款；(ii)應收關聯方、第三方及地方政府的其他款項；及(iii)預付款。我們的應收賬款是指公司在TOO、TOT、BOT等項目中已為客戶提供的運營服務而應向客戶收取的款項。我們的其他應收款項主要包括向關聯方授出的貸款及應收利息以及未收取的增值稅退稅。預付款主要包括預付工程款及預付貨款等。

The following table shows the breakdown of our consolidated trade and other receivables as of the dates indicated:

下表載列於所示日期我們的合併應收賬款及其他應收款明細：

		As at 31 December 於12月31日	
		2022 2022年	2021 2021年
		RMB'000 人民幣千元	*RMB'000 人民幣千元*
Trade receivables:	**應收賬款：**		
– Third parties	－第三方	**202,799**	107,999
– Related parties	－關聯方	**551,514**	277,462
– Local government	－地方政府	**2,200,998**	1,381,406
– Loss allowance	－虧損撥備	**(81,712)**	(56,898)
Trade receivables – net	**應收賬款－淨額**	**2,873,599**	1,709,969
Other receivables:	**其他應收款：**		
– Third parties	－第三方	**99,155**	149,949
– Related parties	－關聯方	**584,390**	865,438
– Local government	－地方政府	**70,666**	53,891
– Loss allowance	－虧損撥備	**(23,671)**	(7,447)
Other receivables – net	**其他應收款－淨額**	**730,540**	1,061,831
Prepayments:	**預付款：**		
– Others	－其他	**72,204**	112,224
– Loss allowance	－減值虧損	**(4)**	(4)
Prepayments – net	**預付款－淨額**	**72,200**	112,220
Trade and other receivables – net	**應收賬款及其他應收款－淨額**	**3,676,339**	2,884,020

Our net trade and other receivables increased by RMB792.3 million, or 27.5%, to RMB3,676.3 million as of 31 December 2022 from RMB2,884.0 million as of 31 December 2021, reflecting in (i) an increase in trade receivables due from local government by RMB819.6

The Group does not hold any collateral as security over these debtors.

本集團並無持有任何抵押品作為擔保。

The following table sets out our receivable turnover days for the periods indicated:

下表載列於所示期間我們的應收款項週轉天數：

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		Days	*Days*
		天	*天*
Trade receivable turnover days [1]	應收賬款週轉天數[1]	**404.9**	223.3
Trade and other receivable turnover days [2]	應收賬款及其他應收款週轉天數[2]	**579.5**	415.4

Notes:

(1) Calculated as the average net trade receivables for the relevant period divided by the revenue for the relevant period and multiplied by 365 days. The arithmetic mean of the opening and closing balances of trade receivables is used for the years ended 31 December 2021 and 2022.

(2) Calculated as the average net trade and other receivables for the relevant period divided by the revenue for the relevant period and multiplied by 365 days. The arithmetic mean of the opening and closing balances of trade and other receivables is used for the years ended 31 December 2021 and 2022.

附註：

(1) 按有關年間平均應收賬款淨額除以有關年間收入再乘以365天計算。截至2021年及2022年12月31日止年度採用應收賬款期初及期末結餘的算數平均值。

(2) 按有關年間平均應收賬款及其他應收款淨額除以有關年間收入再乘以365天計算。截至2021年及2022年12月31日止年度採用應收賬款及其他應收款期初及期末結餘的算數平均值。

e. Trade and other payables/Contract liabilities

Trade and other payables

Our trade and other payables primarily consist of trade payables, other payables, staff salaries and welfare payables, advance from customers, payables on acquisition of property, plant and equipment, payables on acquisition of land use rights from related parties, interest

Contract liabilities

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Contract liabilities	合同負債		
– related parties	一關聯方	**3,184**	–
– third parties	一第三方	**3,655**	7,505
		6,839	7,505

Our trade and other payables increased by RMB127.4 million, or 18.8%, to RMB806.4 million as of 31 December 2022 from RMB679.0 million as of 31 December 2021, which was mainly due to the increase in interest payables and payables on acquisition of property, plant and equipment in 2022.

4. Indebtedness

a. Borrowings

All of our borrowings are denominated in RMB, HKD or USD and some are secured by our property, plant and equipment and some are secured by corporate guarantee issued by the Company. The following table shows our borrowings as of the dates indicated:

4. 債項

a. 借款

我們的借款均以人民幣、港元或美元計值，部分借款以我們的不動產、廠房及設備作抵押，部份由本公司發出的公司保證擔保。下表載列所示日期我們的借款：

		As at 31 December 於12月31日	
		2022 2022年	2021 2021年
		RMB'000 人民幣千元	*RMB'000 人民幣千元*
Non-current portion	**非流動部份**		
Unsecured long-term borrowings	未擔保的長期借款	**989,400**	1,492,600
Secured long-term borrowings	擔保的長期借款	**1,533,293**	700,423
Total non-current borrowings	**非流動借款總額**	**2,522,693**	2,193,023
Current portion	**流動部份**		
Unsecured short-term borrowings	未擔保的短期借款	**2,687,428**	2,129,226
Secured short-term borrowings	擔保的短期借款	**658,966**	2,044,877
Corporate bonds	公司債券	**–**	38,811
Total current borrowings	**流動借款總額**	**3,346,394**	4,212,914
Total borrowings	**借款總額**	**5,869,087**	6,405,937

The weighted average effective interest rates at each balance sheet date are as follows:

各資產負債表日期的加權平均實際利率如下：

		As at 31 December 於12月31日	
		2022 2022年	2021 2021年
Weighted average effective interest rates	加權平均實際利率	**4.05%**	5.34%

The table below sets out the maturity profiles of our borrowings as of the dates indicated:

下表載列所示日期我們借款的到期情況：

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
On demand or within 1 year	即期或1年以內	**3,346,394**	4,212,914
Between 1 and 2 years	1至2年	**928,216**	1,020,349
Between 2 and 5 years	2至5年	**1,304,021**	883,544
Later than 5 years	5年以上	**290,456**	289,130
		5,869,087	6,405,937

As of 31 December 2021 and 2022, our net gearing ratios were 52.2% and 54.4%, respectively. Our net gearing ratios as at 31 December 2022 increased by 2.2% as compared with 31 December 2021, primarily due to the changes in cash and cash equivalent and net debt during the period.

於2021年及2022年12月31日，我們的淨資產負債比率分別為52.2%及54.4%。相較於截至2021年12月31日，我們截至2022年12月31日的淨資產負債比率增加2.2%的主要原因由本期現金及現金等價物及債務淨額變動導致。

Except as disclosed above, as of the 31 December 2022, we did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

除上文所披露者外，截至2022年12月31日，我們並無任何已發行及尚未償還或同意發行的借貸資本、銀行透支、貸款或其他類似債務、承兌負債或承兌信用證、債權證、按揭、質押、租購承擔、擔保或其他重大或有負債。

b. Commitments

(a) Capital commitments

Capital expenditures contracted for at each balance sheet date, but not yet incurred are as follows:

b. 承諾

(a) 資本性承諾

於各資產負債表日期已訂約但尚未產生的資本性支出如下：

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Property, plant and equipment	不動產、工廠及設備	**499,550**	317,311

(b) Concession projects and construction projects contracted at each balance sheet date, but not yet incurred are as follows:

(b) 於各資產負債表日期簽訂但尚未發生的特許項目及建設項目如下：

		As at 31 December 於12月31日	
		2022	2021
		2022年	2021年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Concession projects and construction projects	特許項目及建設項目	**1,760,522**	1,288,760

c. Capital expenditure

Our capital expenditure mainly comprises purchases of land use rights, property, plant and equipment and intangible assets. Our capital expenses were RMB59.1 million and RMB369.3 million for the years ended 31 December 2021 and 2022, respectively. We expect to fund our contractual commitments and capital expenditures principally through net cash generated from our operating activities, proceeds from borrowings and the proceeds we receive from the global offering of H shares.

c. 資本開支

我們的資本開支主要包括購買土地使用權、不動產、廠房及設備及無形資產。截至2021年及2022年12月31日止年度，我們的資本開支分別為人民幣59.1百萬元及人民幣369.3百萬元。我們預期主要通過我們經營活動產生的現金淨額、借款所得款項及H股全球發售的所得款項為我們的合同承諾及資本開支提供資金。

6. Initial public offering and use of proceeds from initial public offering

The H shares of the Company were listed on the Stock Exchange on 6 April 2017 and the Company issued 339,430,000 H shares of par value of RMB1.00 per share with the Offer Price of HK$3.91 per H share. The total issuance size (before deducting the expenses) amounted to approximately HK$1,327,171,300. Following the Listing of H shares of the Company, a total of 593,000 H shares were over-allocated. After deducting (i) the net proceeds from the sale of Sale Shares by the Selling Shareholders in the Global Offering; and (ii) the underwriting commissions and other expenses relating to the Global Offering, the Company received net cash proceeds of RMB1,072.3 million from the Global Offering.

In order to enhance the efficiency of use of proceeds and reduce finance costs, on 5 July 2022, the Board considered and approved the resolution on change of use of net proceeds from the Company's Global Offering and the unutilised net proceeds are expected to be fully utilised by 30 June 2023 based on the changed use and utilisation plan. Please refer to the Company's announcement dated 5 July 2022 for further details.

6. 首次公開發售及首次公開發售所得款項用途

本公司H股於2017年

As of 31 December 2022, approximately RMB1,061.9 million, accounting for 99.0% of RMB1,072.3 million of net proceeds from the Initial Public Offering, has been used in accordance with the use as stated in the paragraph headed "Future Plans and Use of Proceeds" in the Prospectus or the use after change on 5 July 2022. The use of proceeds is as follows:

Use after change	變更後使用用途	Percentage of total net proceeds from the Initial Public Offering 佔全部首次公開發售淨額百分比	Planned use of net proceeds from the Initial Public Offering 首次公開發售所得款項淨額計劃用途	Unused net proceeds from the Initial Public Offering as at 1 January 2022 於2022年1月1日尚未動用首次公開發售所得額款項淨額	Actual use of net proceeds from the Initial Public Offering for the period from 1 January 2022 to 31 December 2022 自2022年1月1日起至2022年	Actual use of net proceeds from the Initial Public Offering for the period from the Listing Date to 31 December 2022	Unused net proceeds from the Initial Public Offering

As of 31 December 2022, the unused net proceeds from the Initial Public Offering for each of the business strategies as stated in the above table have been placed as deposits in licensed banks of the PRC which will be used in accordance with the progress of the Company's investment projects. Affected by the COVID-19 pandemic, the original progress of utilisation was slight delayed, and is expected to be used up by June 2023. The business objectives,

12. Disposal of subsidiaries, associates and joint ventures

On 29 June 2022, the Company, the People's Government of Suncun

The Company entered into an entrusted loan contract with Xindu Investment and Kunming Panlong Sub-branch of Bank of China Limited ("**Panlong Sub-branch of Bank of China**") on 24 September 2021, pursuant to which the Company entrusted Panlong Sub-branch of Bank of China to provide a RMB350 million loan to Xindu Investment with an annual interest rate of 7.5%. For details, please refer to the announcement of the Company dated 24 September 2021. The loan has become due during the Reporting Period, and the Company has received all principal and interest in accordance with the terms of the entrusted loan contract.

The Company entered into an entrusted loan contract with Xindu Investment and Kunming Chenggong District Rural Credit Cooperative* (昆明市呈貢區農村信用合作聯社) ("**Chenggong District Rural Credit Cooperative**

15. 貸款協議載有關於控股股東須履行特定責任的條件

於2022年3月25日，本公司之直接全資附屬公司滇池國際控股有限公司(「**借款人**」)(作為借款人)及本公司(作為擔保人)與數家銀行(「**該等銀行**」)簽訂貸款協議(「**貸款協議**」)。根據貸款協議，該等銀行將向借款人提供合共不多於300百萬美元或等值外幣的貸款(「**融資**」)，融資的最終還款日期為首次提款日36個月後當日。於簽訂貸款協議當日，昆明市國資委持有昆明滇池投資90%股權，昆明滇池投資於本公司已發行股本中擁有約64.16%的權益。根據貸款協議，如果昆明市國資委不再直接或間接擁有51%以上的本公司的股權，將被視為發生控制權變更，該等銀行可根據貸款協議取消其承貸額，並宣佈融資項下的所有尚未償還金額(包括累計利息)及所有怕袖) 鄄III諏釕酎畋巾嗇鮓禎璚｛刁歁

A. EXECUTIVE DIRECTORS

Mr. Zeng Feng (曾鋒), aged 58, joined our Group in August 2021. Mr. Zeng was appointed as an executive Director and the Chairperson of the Board on 16 September 2021 and is responsible for strategic decision making of our Company's operations. Mr. Zeng is the chairperson of the Strategy and Investment Decision Committee, and a member of the Remuneration and Appraisal Committee and the Nomination Committee of our Company.

From August 1985 to May 1993, Mr. Zeng worked at the Southwest Aviation Forestry Protection General Station of the Ministry of Forestry (林業部西南航空護林總站). From May 1993 to January 2006, he worked at the Administrative Committee of Kunming Hi-tech Industrial Development Zone (昆明高新技術產業開發區管委會) and served as deputy chief officer, chief officer, assistant to director and deputy director of the finance department and director of accounting and settlement center, during which he also attended a postgraduate course in business and economics at the Chinese Academy of Social Sciences (中國社會科學院) from December 1996 to November 1998. From January 2006 to November 2010, he worked at the Management Committee of Kunming Airport Economic Zone (昆明空港經濟區管委會) and served as the person in charge and head of the finance department, deputy director of the management committee, member of the Party working committee, and vice mayor of the People's Government of Guandu District. From November 2010 to August 2021, he worked at Kunming Development Investment Group Co., Ltd. (昆明發展投資集團有限公司) and served as deputy secretary of the Party committee and secretary of the disciplinary inspection committee, chairman of the trade union, general manager, secretary of the Party committee, director and chairman of the board of directors, during which he also served as the secretary of the Party committee and chairman of the board of directors of Kunming Dianchi Investment from March 2011 to June 2012. He also concurrently served as a non-executive Director of the Company from January 2011 to June 2018, and has served as a director of Kunming Dianchi Investment since December 2021.

Mr. Zeng gradua(en-US)/p fen-US Yunnan Finance and Ten-US Coll雲南財貿學院) in June 1990, majoring in accoun(en-US)ing. He also ob(en-US)ained the accounting professional and technical qualification certificate in October 1994.

A. 執行董事

曾鋒先生，58歲，於2021年8月加入本集團，於2021年9月16日獲委任為執行董事、董事長，負責本公司的戰略決策。曾先生為本公司戰略與投資決策委員會主任委員、薪酬與考核委員會及提名委員會委員。

曾先生於1985年8月至1993年5月就職於林業部西南航空護林總站；於1993年5月至2006年1月就職於昆明高新技術產業開發區管委會，歷任財政分局副主任科員、主任科員、局長助理、副局長兼會計結算中心主任，期間曾於1996年12月至1998年11月參加中國社會科學院商業經濟專業研究生課程班學習；於2006年1月至2010年11月就職於昆明空港經濟區管委會，歷任財政分局負責人、局長、管委會副主任、黨工委委員，官渡區人民政府副區長；於2010年11月至2021年8月就職於昆明發展投資集團有限公司，歷任黨委副書記兼紀委書記、工會主席、總經理、黨委書記、董事、董事長，期間曾於2011年3月至2012年6月兼任昆明滇池投資黨委書記、董事長；2011年1月至2018年6月兼任本公司非執行董事；於2021年12月至今兼任昆明滇池投資董事。

曾先生於1990年6月畢業於雲南財貿學院會計專業。於1994年10月獲得會計師專業技術資格證書。

Mr. Luo served as a director of coordination department at Kunming Dianchi Project Management Company (昆明滇池項目管理有限公司), a subsidiary of Kunming Dianchi Investment, from June 2008 to June 2009. He also served at Kunming Dianchi Property Development Company Limited (昆明滇池置業有限責任公司), a subsidiary of Kunming Dianchi Investment, as the deputy general manager from June 2009 to June 2013. From June 2012 to 3 November 2016, Mr. Luo served as a director of Kunming Dianxing Property Development Co., Ltd. (昆明滇星房地產開發有限責任公司) and Kunming Dianlong Property Development Co., Ltd. (昆明滇龍房地產開發有限責任公司).

Mr. Luo graduated from Yunnan University (雲南大學) in Yunnan Province, the PRC, majoring in engineering management in January 2007, and obtained a master's degree in agricultural extension from Southwest Forestry University (西南林業大學) in Yunnan Province, the PRC in January 2013.

As Mr. Luo has been subject to investigation by the Kunming Disciplinary Inspection Committee of the Communist Party of China and the Kunming Supervisory Committee for suspected serious breach of disciplines and laws, on 7 February 2023, the Board resolved to propose the removal of Mr. Luo as an executive Director, a member of the Strategy and Investment Decision Committee and a deputy general manager. The removal from office of the member of the Strategy and Investment Decision Committee and the deputy general manager has become effective on 7 February 2023 and the removal from office of the executive Director has been approved by the Company at

Ms. Ren graduated from Changchun Institute of Technology (長春工程學院) in July 2002, majoring in computerised accounting; and graduated from Changchun Institute of Technology in July 2013, majoring in finance management. Ms. Ren is a senior accountant, certified public accountant and certified tax agent.

任女士於2002年7月畢業於長春工程學院會計電算化專業；於2013年7月畢業於長春工程學院財務管理專業。任女士亦為高級會計師、註冊會計師、註冊稅務師。

Mr. Zhang Yang (張洋), aged 37, joined the Group in December 2022 and was appointed as a non-executive Director of the Company on 7 December 2022. Mr. Zhang participates in the development of our business strategies. He currently serves as an assistant to the general manager of Kunming Industrial Development and Investment Co., Ltd.* (昆明產業開發投資有限責任公司).

張洋先生，37歲，於2022年12月加入本集團，於2022年12月7日獲委任為非執行董事，參與制定我們的業務發展戰略。現任昆明產業開發投資有限責任公司總經理助理。

Mr. Zhang worked at the Global Energy Internet Research Institute* (全球能源互聯網研究院) (subsequently renamed as Global Energy Internet Research Institute Co., Ltd.* (全球能源互聯網研究院有限公司)) from May 2016 to August 2019; worked at Beijing Zhongguancun Yanqingyuan Investment Development Co., Ltd.* (北京中關村延慶園投資發展有限公司) from August 2019 to October 2020 as an assistant to the general manager; and has worked at Kunming Industrial Development and Investment Co., Ltd.* (昆明產業開發投資有限責任公司) as an assistant to the general manager since October 2020.

張先生於2016年5 年5放菈⑹袈榿害撦

He graduated from Kunming Polytechnic University (昆明理工大學) in July 2010 majoring in mechanical engineering and automation and obtained a bachelor's degree, and graduated from the University of Western Australia (澳大利亞西澳大利亞大學) in November 2015 majoring in electrical and electronic engineering and obtained a doctorate degree.

C. INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Wang Dongfang (王東方), aged 47, joined the Group in December 2022 and was appointed as an independent non-executive Director of the Company on 7 December 2022. Ms. Wang participates in making significant decisions and advises on corporate governance, connected transactions, and various matters concerning Directors and senior management. Ms. Wang is currently the chairperson of the Audit Committee, a member of the Remuneration and Appraisal Committee and the Strategy and Investment Decision Committee of the Company.

* *For identification purposes only*

Ms. Wang worked at Yunnan Jingwei Certified Public Accountants* (雲南經緯會計師事務所) from July 1996 to October 2002 as an assistant of the audit department and a deputy manager of the administration department; worked at China Cinda Asset Management Co., Ltd* (中國信達資產管理公司) from October 2002 to March 2008 as a senior manager of the asset management department; worked at Pacific Securities Co., Ltd.* (太平洋證券股份有限公司) from June 2008 to August 2010 as a senior manager of the investment banking department; worked at Shenwan Hongyuan Securities Underwriting and Sponsorship Co., Ltd.* (申萬宏源證券承銷保薦有限責任公司) from August 2010 to October 2017, serving as a senior manager of the investment banking department and a deputy manager of the financing business department; and has worked at Shengang Securities Co., Ltd.* (申港證券股份有限公司) since October 2017. Currently, she is the deputy general manager and managing director of the fifth investment banking department.

Ms. Wang graduated from Yunnan Finance and Trade School (雲南省財貿學校) in June 1996 majoring in accounting and statistics; graduated from Yunnan Finance and Trade College (雲南財貿學院) in December 1998 majoring in accounting; and graduated from China University of Political Science and Law (中國政法大學) in January 2008 majoring in law and obtained a bachelor of laws degree. Ms. Wang is a sponsor representative, a certified public accountant and a certified tax agent in the PRC.

During the Reporting Period, the Guizhou Regulatory Bureau of the China Securities Regulatory Commission (碓籃キ鬾璋濆櫂輅澇螭茵荸荽鞤攇烘鞤И キ鬾璋潢蠽甌碗絮　皤猰贙薟荸荽鞤キ鬾璋濆

Ms. Zheng Dongyu (鄭冬渝), aged 66, joined our Group in June 2021 and was appointed as an independent non-executive Director on 18 June 2021. Ms. Zheng participates in making significant decisions and advises on corporate governance, connected transactions, and various matters concerning Directors and senior management. Ms. Zheng is currently the chairperson of the Nomination Committee and a member of the Audit Committee of the Company.

Ms. Zheng served as a lecturer at the School of Law of Yunnan University (雲南大學) from August 1984 to December 2012. She currently serves as a two-level teaching supervisor of the schools and colleges of Yunnan University, a leader of the teaching supervision team of the School of Law, an independent director of Kunming Automation Whole Set of Equipment Business Co., Ltd (昆明自動化成套集團股份有限公司) (a company listed on the National Small and Medium-sized Enterprise Share Transfer System, stock code 832848) and Kunming Yunnei Power Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 000903) and an independent director of Yunnan Gold Mining Group Co., Ltd. (雲南黃金礦業集團股份有限公司). Ms. Zheng served as an independent director of Yunnan Nantian Electronics Information Co., Ltd (雲南南天電子信息產業股份有限公司) (a company listed on Shenzhen Stock Exchange, stock code 000948), Yunnan Yuntianhua Co., Ltd (雲南雲天化股份有限公司) (a company listed on Shanghai Stock Exchange, stock code 600096) and Huaneng Lancang River Hydropower Inc. (華能瀾滄江水電股份有限公司) (a company listed on Shanghai Stock Exchange, stock code 600025).

Ms. Zheng graduated from the Southwest University of Political Science and Law (西南政法大學) with a bachelor of laws degree in July 1984 and obtained a master oftm 5o9 ĸ(direct)0.50 8 42.5197 288.8437Tw 539.04and obtC202B70670038503DE5jETEMC /P ≠0.4867.042 0 30F

D. SUPERVISORS

Mr. Na Zhiqiang (那志強), aged 61, is the chairman of our Board of Supervisors and an employee representative Supervisor, responsible for leading the daily work of our Board of Supervisors, overseeing the Directors, managers and other management personnel to ensure compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders' general meetings. Mr. Na joined our Group in February 1990. On 19 January 2011, he was appointed as the chairman of our Board of Supervisors and an employee representative Supervisor. Mr. Na has over 30 years' working experience in the wastewater treatment industry.

Mr. Na worked successively as the office manager, assistant to the plant manager, and the plant manager of Kunming No. 1 Water Purification Plant from February 1990 to December 2007. From January 2008 to June 2009, Mr. Na served as the deputy general manager of Kunming Municipal Wastewater Treatment Co. Ltd., a wholly-owned subsidiary of the Company. From June 2009 to June 2011, he served as the manager of general affairs department of Kunming Dianchi Investment.

Mr. Na graduated from the Party School of Yunnan Provincial Committee of the Chinese Communist Party (中國共產黨雲南省委員會黨校) in Yunnan Province, the PRC, in December 2004, majoring in economics and management.

Mr. Yao Jianhua (姚建華), aged 64, joined our Group in November 1995 and has been an employee representative Supervisor of our Company since 19 January 2011 in charge of overseeing the Directors, managers and other management personnel to ensure compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders' general meetings. Mr. Yao has over 28 years' working experience in the wastewater treatment industry. From June 2005 to November 2019, Mr. Yao has been the executive director, the general manager and the legal representative of Kunming Dianchi Logistics, a wholly-owned subsidiary of the Company.

Prior to joining our Group, Mr. Yao served successively as a section clerk and deputy section chief of Kunming Municipal Facilities Management Cashier Office (昆明市市政設施收費管理處) from February 1988 to February 1998, and deputy chief of the Management Cashier Office of Kunming City Drainage Company Limited (昆明城市排水公司收費管理處) from February 1998 to June 1999.

D. 監事

那志強先生，61歲，為監事會主席及職工代表監事，負責主持監事會的日常工作，及監督董事、經理及其他管理人員，確保遵守法律及法規、組織章程細則及股東會議的決議案。那先生於1990年2月加入本集團，於2011年1月19日獲委任為監事會主席及職工代表監事。那先生在污水處理行業擁有逾30年的經驗。

那先生於1990年2　　年2 堠伋涀昔仲澰潼

Mr. Yao graduated from Chinese People's Liberation Army Kunming Army College (中國人民解放軍昆明陸軍學院) in Yunnan Province, the PRC, majoring in political theory in July 1999.

Mr. Shao Wei (邵偉), aged 42, joined our Group on 7 May 2016 and is a Supervisor of our Company in charge of overseeing the Directors, managers and other management personnel to ensure compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders' general meetings. Mr. Shao has over 10 years' working experience in the corporate finance management. Mr. Shao worked as the accounting manager of planning and financing department of Kunming DIG, responsible for corporate finance and accounting affairs. He was transferred to Kunming Development New Energy Industry Investment Operation Co., Ltd. (昆明發展新能源產業投資運營有限公司) in August 2018 and has been serving as the deputy general

Mr. Shao graduated from Kunming University of Science and Technology (昆明理工大學) in Yunnan Province, the PRC, majoring in accounting computerisation in July 2010. He received a certificate in accounting (intermediate level) in September 2010 and obtained the professional and technical qualification certificate of senior accountants in June 2018.

邵先生於2010年7月畢業於中國雲南省昆明理工大學，主修會計電算化專業。於2010年9月獲得中級會計師專業技術資格證書，並於2018年6月獲高級會計師專業技術資格證書。

E. SENIOR MANAGEMENT

Each member of our senior management satisfies the qualification requirements under the relevant PRC laws and regulations for his or her position. The senior management is responsible for the day-to-day management of our business. The following table sets forth the information regarding our senior management as at the end of the Reporting Period:

E. 高級管理層

各高級管理層成員均滿足相關中國法律及法規對其所任職位的資格要求。高級管理層負責本公司日常業務的管理。下表載列於報告期末有關各高級管理層成員的資料：

Name 姓名	Age 年齡	Position 職位	Roles and responsibilities 角色及職責	Appointment date 委任日期	Date of joining our Group 加入本集團的日期	Relationship with other Directors, Supervisors and senior management 與其他董事、監事及高級管理層的關係
Mr. Chen Changyong	53	Executive Director and General Manager	Participate in the Company's strategic decision-making and be responsible for the Company's operation and management	Appointed as General Manager in 10 July 2019 and as Executive Director on 19 June 2020	June 2019	None
陳昌勇先生	53	執行董事兼總經理	參與公司戰略決策及負責本公司的運營管理	2019年7月10日獲委任為總經理及於2020年6月19日獲委任為執行董事	2019年6月	無
Mr. Luo Yun	44	Executive Director and Deputy General Manager	Responsible for supervising our Company's investment strategies, market expansion and production safety and environmental protection	Served as Deputy General Manager from January 2015 to 7 February 2023 and as Executive Director from 23 June 2016 to 6 April 2023	June 2013	None
羅雲先生	44	執行董事兼副總經理	負責監督本公司的投資策略、市場開拓及安全生產與環境保護工作	2015年1月至2023年2月7日任副總經理及於2016年6月23日至2023年4月6日任執行董事	2013年6月	無

Mr. Chen Changyong (陳昌勇) is an executive Director and the general manager of our Company. Please see the section headed "Profiles of Directors, Supervisors and Senior Management – A. Executive Directors" in this report for details of Mr. Chen Changyong's biography.

Mr. Luo Yun (羅雲) served as an executive Director and the deputy general manager of our Company during the Reporting Period. Please see the section headed "Profiles of Directors, Supervisors and Senior Management – A. Executive Directors" in this report for details of his biography.

Except as disclosed above:

(1) none of our Directors has any interests in any business, which competes or is likely to compete, either directly or indirectly, with our business;

(2) none of our Directors, Supervisors and senior management has been a director of any public company, the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this report; and

(3) there is no other information that needs to be brought to the attention to the Shareholders under Rule 13.51(2) of the Hong Kong Listing Rules.

F. COMPANY SECRETARY

As at the end of the Reporting Period, Mr. Chiu Ming King (趙明璟) is our company secretary.

Mr. Chiu Ming King (趙明璟) currently serves as the head of corporate and fund services at Vistra Corporate Services (HK) Limited. He has over 10 years of experience in the company secretarial field.

Mr. Chiu was elected as an associate and a fellow of The Chartered Governance Institute in the United Kingdom in 2003 and 2015, respectively, and admitted as an associate and a fellow of The Hong Kong Chartered Governance Institute ("**HKCGI**") (formerly known as The Hong Kong Institute of Chartered Secretaries) in October 2003 and September 2015, respectively. He is also a holder of the Practitioner's Endorsement Certificate issued by HKCGI. He has been a chairman of the Professional Services Panel and a council member of HKCGI.

Mr. Chiu obtained a bachelor of arts from University of Toronto in Toronto, Canada, in June 1999 and received a master of arts in professional accounting and information systems from City University of Hong Kong in November 2003.

F. 公司秘書

於報告期末，本公司的公司秘書為趙明璟先生。

趙明璟先生現時為Vistra Corporate Services (HK) Limited的公司

CHAPTER EIGHT REPORT OF THE BOARD OF DIRECTORS
第八章 董事會報告

董事會現向股東提呈本集團截至2022

本公司是中國雲南省污水處理及再生水服務行業的領軍企業，也是中國雲南省污水處理規模較大的企業，享有向昆明市及中國其他若干地區提供**競炕艙理.服滂**的**權**特許經營權有利於本公司繼續保持和鞏固在雲南省水務市場的經營優勢和競爭地位。

本公司堅持「一元為主、相關多元發展」經營戰略，產業鏈從污水處理延伸到再生水利用、污泥資源化利用、自來水供應等相關祷賨，並逐步向固廢處置、土壤個嵱妊水供擦粂滿煽鱖糙芒褼梧剽鰥印資置、眷處

3. Key Financial Ratios

The following table shows some major financial ratios of the Group to reflect the Group's profitability, operational capabilities and solvency, for Shareholders to analyse the Group's potential to grow and develop:

3. 財務關鍵指標

下表載列本集團若干主要財務比率，以反映本集團的盈利能力、運營能力及償債能力，以供股東對本集團的成長和發展能力作出分析：

		As at or for the year ended 31 December 於12月31日或於截至12月31日止年度	
		2022 2022年	2021 2021年
Gross profit margin[1]	毛利率[1]	**41.5%**	31.3%
Net profit margin[2]	淨利潤率[2]	**15.7%**	14.7%
Return on equity[3]	股本回報率[3]	**7.0%**	7.7%
Return on total assets[4]	總資產回報率[4]	**2.8%**	2.8%
Current ratio[5]	流動比率[5]	**102.2%**	93.5%
Quick ratio[6]	速動比率[6]	**101.6%**	93.2%
Gearing ratio[7]	淨資產負債比率[7]	**54.4%**	52.2%

Notes:

(1) Equals to gross profit divided by our total revenue for the same period.

(2) Equals to profit for the year divided by our total revenue for the same period.

(3) Represents profit for the year as a percentage of total equity for the same period.

(4) Represents profit for the year as a percentage of total assets for the same period.

(5) Equals to current assets divided by current liabilities as at the end of the period.

(6) Equals to current assets less inventories divided by current liabilities as at the end of the period.

(7) Calculated as net debt divided by total capital at the end of the period. Net debt is calculated as total borrowings less cash and cash equivalents at the end of the period. Total capital is calculated as total equity plus net debt.

附註：

(1) 等於毛利除以我們於相同期間的總收入。

(2) 等於年內利潤除以我們於相同期間的總收入。

(3) 年內利潤所佔相同期間權益總額的百分比。

(4) 年內利潤所佔相同期間總資產的百分比。

(5) 等於流動資產除以期末流動負債。

(6) 等於流動資產減存貨再除以期末流動負債。

(7) 按債務淨額除以期末資本總額計算。債務淨額按借款總額減期末現金及現金等價物計算。資本總額按權益總額加債務淨額計算。

Gross profit margin and net profit margin

Please refer to "Management Discussion and Analysis – E. Financial Review – 1. Consolidated Results of Operations" for a discussion of the factors affecting our gross profit margin and net profit margin during the Reporting Period.

Return on equity

Our return on equity decreased from 7.7% in 2021 to 7.0% in 2022, which was mainly due to the increase in total equity of RMB221.8 million in 2022.

Return on total assets

Our return on total assets remained at 2.8% in 2022 and 2021.

Current ratio and quick ratio

Our current ratio and quick ratio increased from 93.5% and 93.2% as of 31 December 2021 to 102.2% and 101.6% as of 31 December 2022, respectively, primarily because current liabilities decreased by RMB868.3 million in 2022.

Gearing ratio

Please refer to "Management Discussion and Analysis – E. Financial Review – 4. Indebtedness" for a discussion of the factors affecting our gearing ratio during the Reporting Period.

Based on the above indicators, we believe that the Group possesses strong competitiveness and operational capabilities to create value for Shareholders on an ongoing basis.

毛利率及淨利潤率

有關報告期內影響我們毛利率及淨利潤率的因素的討論，請參閱「管理層討論及分析－E、財務回顧－1.合併經營業績」。

股本回報率

我們的股本回報率從2021年的7.7%減少至2022年的7.0%，主要由於

4. Laws, Regulatory and Compliance Matters

Our operations are subject to various national and local laws and regulations governing environmental protection, safety production and product quality, among others. As for our compliance measures, we aim to meet regulatory and industrial standards of the relevant central and local government authorities and our industry associations.

4. 法律、監管及合規事項

我們的業務須遵守各類關於環境保護、安全生產、產品質量等方面的國家性及地方性法律法規。我們的合規性措施旨在遵循相關中央及地方政府部門及行業協會的監管及行業標準。

於報告期內，本集團之附屬公司宏宇熱電作為被告方被訴至浙江省紹興市中級人民法院，原告聲稱其與宏宇熱電及其餘三名被告方於2015年3月7日簽署了一份股權轉讓協議，就股權轉讓協議糾紛向浙江省紹興市中級人民法院申請主張宏宇熱電及其餘被告方承擔約人民幣1.4億元的股權轉讓價款及滯納金等款項。詳情請見本公司日期為2022年5月9日的公告。

原告於2022年6月7日向該法院提出撤訴申請，申請撤回對宏宇熱電及其餘一名被告的起訴。經審查後，浙江省紹興市中級人民法院裁定准許原告撤回對宏宇熱電及其餘一名被告的起訴。詳情請見本公司日期為2022年6月15日的公告。該重大訴訟未對公司財務、運營造成重大影響。

除以上所披露外，報告期內，本集團並無重大的未決或潛在的訴訟或其他法律程序，本集團也並無捲入任何會對其業務、財務狀況或營運業績產生重大不利影響的訴訟或其他法律程序。

董事確認，於報告期內，本集團已於所有重大方面遵守中國適用法律法規，並無任何重大不合規事件，且本集團已取得就業務營運而言屬重要的所有相關許可、批文及資格證書、授權及審批。

5. Major Financial Risk Factors

The major risks that the Company's business is exposed to are as

As at 31 December 2022, if the interest rate on floating interest rate borrowings had been higher/lower by 0.5% (2021: 0.5%), the Group's net profit for each year would have changed mainly as a result of higher/lower interest expenses on floating rate borrowings. Details of changes are as follows:

於2022年12月31日，如浮動利率借款的利息上升／下降0.5%(2021: 0.5%)，則本集團該年度的淨利潤將發生變化，主要因為浮動利率借款的利息費用上升／下降所致。具體變化如下：

		Year ended 31 December 截至12月31日止年度	
		2022	2021
		2022年	2021年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Year ended:	截至本年度止：		
Net profit (decrease)／increase	淨利潤(減少)／增加		
– 0.5% higher	－增加0.5%	**(15,129)**	(17,546)
– 0.5% lower	－減少0.5%	**15,129**	17,546

Credit risk and impairment assessment

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem.

The Group's credit risk exposures are primarily attributable to trade and other receivables, receivables under service concession arrangements, amounts due from customers for construction contracts, contract assets, financial assets at amortised cost, cash and bank balances and restricted funds. The Group does not hold any collateral to cover its credit risks associated with its financial assets and contract assets (including amounts due from customers for construction contracts), except for financial asset at amortised cost. The amounts presented in the consolidated statement of financial position are net of loss allowance.

The Group performed impairment assessment for financial assets and contract assets (including amounts due from customers for construction contracts) under ECL model. For trade and other receivables, receivables under service concession arrangements, amounts due from customers for construction contracts and contract assets, the balances are primarily derived from local governments, PRC state-owned entities and quasi-government organisations. As the Group's historical credit loss experience does not indicate significantly different loss patterns for these customers, the loss allowance based on past due status is not further distinguished between these customers.

信用風險及減值評估

信用風險指交易對手違約其合約責任導致本集團財務虧損的風險。本集團的信用風險管理措施的目標是控制潛在可收回風險。

本集團面臨的信用風險主要源於貿易及其他應收款項、特許經營權協議下的應收款項、應收客戶建造合同款、合約資產、以攤銷成本計量的金融資產、現金及銀行餘額以及受限制資金。除按攤銷成本計量的金融資產外，本集團並無持有任何抵押品以應對與金融資產及合約資產(包括應收客戶建造合同款)有關的信用風險。合併財務狀況表中呈列的金額已扣除虧損撥備。

本集團根據預期信貸虧損模型對金融資產及合約資產(包括應收客戶建造合同款)進行減值評估。對於貿易及其他應收款項、特許經營權協議下的應收款項、應收客戶建造合同款及合約資產，其結餘主要來自地方政府、中國國有實體及準政府組織。由於本集團過往的信貸虧損經驗並無顯示該等客戶的虧損模式有重大差異，故不同客戶群之間並無進一步區分基於逾期狀況的虧損撥備。

有關本集團的信用風險管理、面臨的最大信用風險及相關減值評估的資料概述如下：

(i) 貿易應收款項

為盡量減低信用風險，本集團釐定信貸限額、信貸有罣團邈菔臨的瘢用風險，以慧抵樑鏈祐慵客[illegible]砐營隨蓥

(vi) Bank balances and restricted funds

All the cash and bank balances and restricted funds were deposited in the major financial institutions in the PRC and Hong Kong, which the Directors believe are of high credit quality. Therefore, the Group's exposure to credit risk arising from these balances is limited.

Liquidity risk

Our objective is to maintain sufficient cash and sources of funding through available banking facilities and maintain flexibility in funding by maintaining committed credit lines. We had net current liabilities of RMB91.6 million as of 31 December 2022. With respect to our future capital commitments and other financing requirements, we had unutilised banking facilities of RMB1,619.8 million as of 31 December 2022.

To manage the liquidity risk, our management monitors rolling forecasts of our liquidity reserve (including undrawn banking facilities) and cash and cash equivalents on the nhMP.7 (equirementex)10 (p (ur)14.4 (obj)13.0)0.7 (capitand)10 ( )0.7 (c)0.ricted..7 (equirolling)63.1 (

We recruit our employees on the open market. Compensation for our employees includes basic wages, performance-based wages, bonuses and other staff benefits. For the years ended 31 December 2021 and 2022, our employee benefits amounted to approximately RMB185.2 million and RMB215.5 million, respectively.

我們在公開市場上招募僱員。我們僱員的報酬包括基本工資、績效工資、獎金及其他僱員福利。於截至2021年及2022年12月31日止年度，我們的僱員福利分別約為人民幣185.2百萬元和人民幣215.5百萬元。

We believe our employees are the most valuable resources to achieve our success. To ensure the quality of our employees at all levels, we have in-house training programs to train our staff. New employees at our production facility receive trainings pertinent to their job duties. We also own Kunming Dianchi Water Treatment Vocational Training School, which provides more training courses for our employees.

我們認為僱員是我們獲得成功的最寶貴資源。為確保各級僱員的素質，我們開設公司內部的培訓計劃為僱員提供培訓。工廠的新員工會接受與其職責對應的培訓。我們同時擁有昆明滇池水處理職業培訓學校，為我們的員工提供更多培訓。

The labor union communicates closely with the management regarding labor matters and represents our employees' interests. During the Reporting Period, we had not experienced any interruptions to our operations caused by major labor disputes and there were no complaints or claims from our employees which had a material adverse effect on our business. The Directors believe that we have a good relationship with our employees. During the Reporting Period, the Group had no major labor disputes which might produce significant impact on the normal business and operation of the Group.

工會代表員工的利益，就有關勞工事宜與管理層密切溝通。報告期內，我們並無因重大勞動糾紛引致的運營中斷，亦無對我們的業務產生嚴重不利的員工投訴與索償。董事認為我們與僱員的關係良好，報告期內，本集團並無任何重大勞務糾紛對本集團正常業務營運產生重大影響。

8. Relationship with Customers

8. 與客戶的關係

Customers of our wastewater treatment services were primarily local governments in Yunnan Province, the PRC. Customers of our reclaimed water supply services were municipal government agencies, public parks and residential property management companies. Customers of our running water supply service were generally local residents, commercial and industrial users and other institutions located in the areas covered by our concession agreements.

我們的污水處理服務的客戶主要是中國雲南省地方政府。我們再生水供應服務的客戶為市政機構、公園及住宅物業管理公司。我們的自來水供應服務的客戶通常是位於所覆蓋區域內的當地居民、工商業用戶及其他機構。

Our largest customer during the Reporting Period was the Kunming Finance Bureau. The revenue attributable to our largest customer was approximately RMB905.1 million, accounting for approximately 43.8% of the total revenue of the Group. During the Reporting Period, the revenue attributable to our top five largest customers was approximately RMB1,405.5 million, accounting for approximately 68.0% of the total revenue of the Group.

本報告期內，我們的最大客戶為昆明市財政局，來自我們的最大客戶的收入約為人民幣905.1百萬元，佔本集團總收入比例約為43.8%。本報告期內，來自我們的前五大客戶的收入約為人民幣1,405.5百萬元，佔本集團總收入比例約為68.0%。

Our major suppliers include Kunming Power Supply Bureau of Yunnan Power Grid Company Limited which provides electricity for our operation, construction contractors such as China Europe International Construction Group Limited and Hunan No.4 Engineering Co., Ltd. which undertake the construction portions of our projects and raw materials providers such as Hunan Yuze Energy Trading Co., Ltd. and Shaanxi Guoyafangfang Energy Technology Co., Ltd. which provide water treatment chemicals and others materials for the operation and maintenance of our facilities.

我們的主要供應商包括為我們提供運營用電的雲南電網有限責任公司昆明供電局，承接我們項目施工部分的中歐國際建工集團有限公司、湖南省第四工程有限公司等施工承包商，以及為我們提供污水處理化學品及其他設施運行維護材料的湖南省煜澤能源貿易有限公司、陝西國亞方方能源科技有限公司等原材料供應商。

All of our top five suppliers are independent third parties based in China, and none of our Directors, their associates or any Shareholder (who, to the knowledge of our Directors, owned more than 5% of our Company's issued shares) had any interest in any of our top five suppliers during the Reporting Period. We did not have any major suppliers who were also our customers. We did not enter into any long-term agreements with our major suppliers during the Reporting Period.

Except for our utility service providers, we have established a centralised procurement policy for our cooperated suppliers. Under such policy, our subsidiaries are required to solicit bids from different suppliers, and select the suppliers based on price, quality, and timely delivery of the products. All supply contracts will be required to be reviewed and approved by the headquarters which will conduct periodic tests to check the quality of the delivered products.

We have sourced our raw materials from a few local suppliers located near Kunming in order to benefit from the economies of scale and convenient transportation, which allowed for faster and cheaper delivery of raw materials. We generally pay our suppliers within 10 to 15 days after receiving the delivery of goods, subject to internal review and approval. For our major suppliers, we often settle accounts monthly, and as of 31 December 2022, we did not have any payments in arrears.

B. BUSINESS PERFORMANCE

The audited results of the Company and its subsidiaries for the year ended 31 December 2022 are stated in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 160 to 161. The financial positions of the Company and its subsidiaries for the year ended 31 December 2022 are stated in the Consolidated Statement of Financial Position on pages 162 to 163. The consolidated cash flows of the Company and its subsidiaries for the year ended 31 December 2022 are stated in the Consolidated Statement of Cash Flows on pages 165 to 166.

The discussion and analysis on the Group's business performance and financial position for the current year are stated under "Management Discussion and Analysis" on pages 20 to 61 hereof.

B. 業績

本公司及其附屬公司截至2022年12月31日止年度經審計業績載於第160頁至第161頁的合併損益及其他全面收益表。本公司及其附屬公司截至2022年12月31日止年度的財務狀況載於第162頁至第163頁的合併財務狀況表。本公司及其附屬公司截至2022年12月31日止年度的合併現金流量載於第165頁至第166頁的合併現金流量表。

有關本集團本年度的業績表現、財務狀況的討論與分析，載於本年報第20頁至第61頁的管理層討論及分析。

C. SHARE CAPITAL

As of 31 December 2022, the Company had issued 1,029,111,000 shares (comprising 689,088,000 Domestic Shares and 340,023,000 H Shares) with a nominal value of RMB1 each.

C. 股本

於2022年12月31日，本公司已發行1,029,111,000股股份(包括689,088,000股內資股及340,023,000股H股)，每股面值為人民幣1元。

D. ISSUANCE OF CORPORATE BONDS

We issued corporate bonds with par value of RMB700.0 million for a term of 7 years, bearing interest at 4.35% per annum on 25 December 2015. At the end of the fifth year, the Company may adjust the interest rates for the remaining two years. In the event that investors disagree with the adjustment made to the interest rates, they may choose to demand for an early redemption of corporate bonds outstanding.

In 2020, the Company has repurchased the corporate bonds with a nominal value of RMB660.0 million, and reduced the coupon rate of the bonds to 4.15%, which will remain unchanged in the sixth and seventh years of its lifetime (from 25 December 2020 to 24 December 2022). On 24 December 2022, the bonds became due, the Company completed the repurchase of the remaining bonds, and the principal and interest on the bonds were settled as at the end of the Reporting Period.

Save as disclosed above, during the Reporting Period, the Company did not repurchase or issue any other corporate bonds.

D. 公司債券發行

我們已於2015年12月25日於中國發行面值為人民幣700.0百萬元的公司債券，期限7年，年利率為4.35%。於第5年末，本公司可調整餘下兩年的利率，倘投資者不同意對利率所作調整，可選擇要求提前贖回未償還的公司債券。

於2020年，本公司已回購賬面值為人民幣660.0百萬元的公司債券，同時下調債券利率為4.15%，並在存續期的第6至第7年(2020年12月25日至2022年12月24日)固定不變。於2022年12月24日，該債券已到期，本公司已完成剩餘債券的回購，截至報告期末，該債券本金及利息均已兌付完畢。

除上述披露以外，於報告內，本公司無其他回購、發行任何公司債券等事宜。

I. PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment mainly include those property, plant and equipment that we operate in our business and are located in China, including such property leased during the operational lease for our business operating under concession.

I. 不動產、工廠及設備

不動產、工廠及設備主要包括位於中國且用於我們業務經營的不動產、工廠及設備，包括我們就特許經營服務業務基於經營租賃所租賃的不動產。

J. PROFIT DISTRIBUTION

Taking into account the future plans and the financial position and cash flow position of the Company, the Board does not recommend the distribution of a final dividend for the year ended 31 December 2022.

I. 利潤分派

董事會考慮到本公司未來計劃及財務狀況、現金流情況，不建議分派截至2022年12月31日止年度的末期股息。

K. BANK BORROWING SAND OTHER BORROWINGS

The details in relation to the bank borrowings and other borrowings of the Company and its subsidiaries as of 31 December 2022 are stated in Note 30 to the Financial Statements.

K. 銀行借款及其他借款

本公司及其附屬公司於2022年12月31日的銀行借款及其他借款詳情載於財務報表附註30。

L. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

L. 董事、監事和高級管理層

報告期內，董事會包括9名董事，其中3名執行董事、3名非執行董事及3名獨立非執行董事。董事由股東委任，任期3年，此後可膺選連任。

監事會目前包括3名監事，其中2名職工代表監事。其餘監事已由股東委任，現有職工代表監事已由工會代表委任。監事任期3年，此後可膺選連任。

於本年度內直至報告期末，本公司董事、監事的資料如下：

Name 姓名	Age 年齡	Position 職位	Roles and responsibilities 角色及職責	Appointment date 委任日期	Date of joining our Group 加入本集團的日期	Relationship with other Directors, Supervisors and senior management 與其他董事、監事及高級管理層的關係
Mr. Zeng Feng	[illegible]	[illegible]Director (Chairperson of the Strategy				

Name	Age	Position	Roles and responsibilities	Appointment date	Date of joining our Group	Relationship with other Directors, Supervisors and senior management
姓名	年齡	職位	角色及職責	委任日期	加入本集團的日期	與其他董事、監事及高級管理層的關係
羅雲先生	44	執行董事兼副總經理(戰略與投資決策委員會委員)	監督本公司的投資策略、市場拓展及安全生產與環境保護工作	2015年1月至2023年2月7日擔任副總經理及於2016年6月23日至2023年4月6日擔任執行董事	2013年6月	無
Ms. Song Hong	59	Non-executive Director	Participates in the development of business strategies of the Company	23 June 2016	June 2016	None
宋紅女士	59	非執行董事	參與制定本公司的業務發展戰略	2016年6月23日	2016年6月	無
Ms. Ren Na	42	Non-executive Director	Participates in the development of business strategies of the Company	6 November 2020, and ceased to serve as a non-executive Director from 6 April 2023	November 2020	None
任娜女士	42	非執行董事	參與制定本公司的業務發展戰略	2020年11月6日，於2023年4月6日起不再擔任非執行董事	2020	

Name 姓名	Age 年齡	Position 職位	Roles and responsibilities 角色及職責	Appointment date 委任日期	Date of joining our Group 加入本集團的日期	Relationship with other Directors, Supervisors and senior management 與其他董事、監事及高級管理層的關係
Mr. Yin Xiaobing[3]	49	Independent Non-executive Director (Chairman of the Audit Committee and the Nomination Committee, and member of the Strategy and Investment Decision Committee and the Remuneration and Appraisal Committee)	Participates in making significant decisions and advises on corporate governance, connected transactions, and various matters concerning Directors and senior management	23 June 2016, and ceased to serve as an Independent Non-executive Director and all other		

Name 姓名	Age 年齡	Position 職位	Roles and responsibilities 角色及職責	Appointment date 委任日期	Date of joining our Group 加入本集團的日期	Relationship with other Directors, Supervisors and senior management 與其他董事、監事及高級管理層的關係
Mr. Ong King Keung	47	Independent Non-executive Director (Chairman of the Remuneration and Appraisal Committee, and member of the Audit Committee and the Nomination Committee)	Participation in making significant decisions and advises on corporate governance, connected transactions and various matters concerning Directors and senior management	12 November 2021	November 2021	None
王競強先生	47	獨立非執行董事(薪酬與考核委員會主任委員、審計委員會及提名委員會委員)	參與作出重大決策及就企業管治、關連交易及董事及高級管理層的各種事宜提出建議	2021年11月12日	2021年11月	無
Mr. Na Zhiqiang	61	Chairman of the Board of Supervisors, Employee Representative Supervisor	Responsible for leading the daily work of the Board of Supervisors, overseeing the Directors, managers and other management personnel to ensure the compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders' general meetings	19 January 2011	February 1990[6]	None
那志強先生	61	監事會主席、職工代表監事	負責主持監事會的日常工作，監督董事、經理及其他管理人員，確保遵守法律及法規、組織章程細則及股東會議的決議案	2011年1月19日	1990年2月[6]	無

3. Mr. Yin Xiaobing tendered his resignation to the Board on 21 October 2022 to resign as an Independent Non-executive Director, the chairperson of the Audit Committee, the

M. SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

None of the Directors or Supervisors of the Company has entered into a service contract with the Company or any of its subsidiaries that may not be terminated by the employer within one year without the payment of compensation (other than statutory compensation).

N. REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The details of the remuneration of the Company's Directors, Supervisors and senior management are stated in Note 12 to the Financial Statements. The remuneration policies of the Directors are set out in the section headed "Chapter 9 Corporate Governance Report" of this report. The remuneration of senior management comprises basic salary, performance-based bonuses and other benefits. The basic salary is determined based on the position of each senior management in the Company, performance-based bonuses are determined based on the Company's operating results and other benefits include statutory pension, medical and housing provident funds. The Board will conduct annual performance appraisal for senior management and the amount of annual remuneration is determined at the end of the year.

The Company participates in a defined contribution social pension scheme established by the PRC government and contributes a

Q. INTEREST AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN SHARES, UNDERLYING SHARES AND DEBENTURES

Q. 董事、監事及高級管理層於股份、相關股份及債券的權益及淡倉

As of 31 December 2022, none of the Directors, Supervisors and senior management had any interest or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

截至2022年12月31日，本公司董事、監事及高級管理人員概無於本公司或其任何相聯法團(定義見《證券及期貨條例》第XV部)的股份、相關股份或債權證中，擁有《證券及期貨條例》第XV部第7及8分部須知會本公司及香港聯交所的任何權益或淡倉(包括根據《證券及期貨條例》的該等條文彼被當作或視為擁有的權益或淡倉)，或根據《證券及期貨條例》第352條須計入該條所指的登記冊內的任何權益或淡倉，或根據《上市發行人董事進行證券交易的標準守則》須知會本公司及香港聯交所的任何權益或淡倉。

As of 31 December 2022, none of the Directors or Supervisors or

截至2022年12月31日，概無董事或監事或彼等各自的配偶或18歲以下的子女獲本公司授予任何權利以認購本公司或其任何相聯法團的股份或已行使任何該等權利。

R. 主要股東於股份之權益

截至2022年12月31日，就本公司董事所知，下列人士(本公司董事、最高行政人員或監事除外)於本公司股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及3部分須向本公司披露或根據《證券及期貨條例》第336條在本公司所存置的登記冊中記錄之權益或淡倉：

Name of shareholder 股東名稱	Identity/Nature of interest 身份／權益性質	Class of shares 股份類別	Number of shares (share) 股份數目(股)	Approximate percentage of the total issued share capital of the Company (%) 佔本公司已發行股本總額的概約百分比(%)	Approximate percentage of the relevant class of shares of the Company (%) 佔本公司相關類別股份的概約百分比(%)
Kunming Dianchi Investment Co., Ltd. 昆明滇池投資有限責任公司	Beneficial Owner 實益擁有人	Domestic Shares 內資股	627,253,548 (long position) *(Note 2)* 627,253,548(好倉) *(附註2)*	60.95% 60.95%	91.03% 91.03%
Kunming Public Rental Housing Development and Construction Management Co., Ltd. 昆明市公共租賃住房開發建設管理有限公司	Security interest 保證權益	Domestic Shares 內資股	33,013,345 (long position) *(Note 3)* 33,013,345(好倉) *(附註3)*	3.21% 3.21%	4.79% 4.79%
Kunming Industrial Development & Investment Co., Ltd.	Interest of Controlled Corporation				

Name of shareholder 股東名稱	Identity/Nature of interest 身份／權益性質	Class of shares 股份類別	Number of shares (share) 股份數目(股)	Approximate percentage of the total issued share capital of the Company (%) 佔本公司已發行股本總額的概約百分比(%)	Approximate percentage of the relevant class of shares of the Company (%) 佔本公司相關類別股份的概約百分比(%)
Yunnan Provincial Investment Holdings Group Co., Ltd. 雲南省投資控股集團有限公司	Beneficial Owner 實益擁有人	H Shares H股	64,770,000 (long position) 64,770,000(好倉)	6.29% 6.29%	19.05% 19.05%
Modern Orient Limited Modern Orient Limited	Interest of Controlled Corporation 受控法團權益	H Shares H股	47,754,000 (long position) *(Notes 4 and 5)* 47,754,000(好倉) *(附註*[illegible]	4.64%	14.04%

S. MANAGEMENT CONTRACTS

During the Reporting Period, the Group did not enter into any contracts and there were no existing contracts in respect of the management and administration of all or any significant portion of the business (except for such service contracts entered into with the Group's Directors, Supervisors and all employees).

T. CONNECTED TRANSACTIONS

We have entered into some transactions with the Controlling Shareholder. In accordance with Chapter 14A of the Listing Rules, such transactions have constituted the connected transactions or continuing connected transactions of the Company.

1. Non-exempt Continuing Connected Transactions Subject to the Reporting, Annual Review, Announcement, Circular and Independent Shareholders' Approval Requirements

Entrusted Operation and Management Framework Agreement

The Company disclosed in the Prospectus that the Company entered into certain agreements with the Controlling Shareholder prior to the Listing, pursuant to which the Company provided certain operation and management services to the Controlling Shareholder in relation to wastewater treatment plants, reclaimed water supply facilities and running water facilities owned by the Controlling Shareholder. Such operation and management service, depending on the development stage of the project, typically includes operating, testing and adjusting the equipment and facilities, arranging operating personnel and experts to maintain the daily operation of such plants and ensure the effluent quality meets the relevant discharge standard, setting up management policies and operation guidelines, chemicals purchase, and sludge transportation and disposal. The Company does not provide construction service to the Controlling Shareholder. To regulate the terms and conditions under which the Company will provide such operation and management services to the Controlling Shareholder after the Listing, the Company entered into an entrusted operation and management framework agreement with the Controlling Shareholder on 25 April 2016 and 30 April 2019, respectively (the "**Entrusted Operation and Management Framework Agreement**") with a term of three years each ending on 31 December 2021. The Entrusted Operation and Management Framework Agreement may, upon mutual written consent between the parties, be extended for an additional term

The consideration of the services contemplated under the Sludge Treatment and Disposal Agreement is the equivalent of the unit price of sludge treatment and disposal per tonne ("**Unit Price**") multiplied by the quantity of sludge received by Kunming Dianchi Investment. As of the date of this report, the Unit Price is determined with reference to the market price which is at RMB120 per tonne (excluding tax). The market price is determined with reference to prices charged in contracts entered into by the Group and independent third parties who provide similar services of the sludge treatment and disposal on normal commercial terms to the Group. Kunming Dianchi Logistics took reference from such relevant contracts entered into in the past year and took the averaD 10tP ⁄La898 Tw 8 eithwrac tsinto ( )0.6 (the)1 The to.vestment. As pth.6 ( )0.7loc twil is iplied

3. Confirmation by the independent non-executive Directors

The independent non-executive Directors have reviewed each of the aforementioned disclosed continuing connected transactions and confirmed that the transactions have been conducted:

a. in the ordinary and usual course of business of the Group;

b. either on normal commercial terms or, if there are no sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favorable to the Group than terms available to or from (as case may be) independent third parties; and

c. in accordance with the agreement governing the relevant transactions, on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

4. Confirmation of Auditor

The Board has received a confirmation letter in relation to above continuing connected transactions from Baker Tilly Hong Kong Limited ("**Baker Tilly Hong Kong**"), confirming with respect to the above continuing connected transactions as at 31 December 2022 that:

a. nothing has come to the auditors' attention that causes the auditors to believe that the disclosed continuing connected transactions have not been approved by the Board;

b. for the transactions involving the provision of goods or service by the Group, nothing has come to the auditors' attention that causes the auditors to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;

c. nothing has come to the auditors' attention that causes the auditors to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

d. nothing has come to the auditors' attention that causes the auditors to believe that the disclosed continuing connected transactions have exceeded the annual cap.

3. 獨立非執行董事確認

獨立非執行董事已審核上述各項已披露之持續關連交易，並確認：

a. 該等交易屬本集團的日常業務；

b. 該等交易按照一般商務條款進行，或如可供比較的交易不足以判斷該等交易的條款是否一般商務條款，則對本集團而言，該等交易的條款不遜於獨立第三方可取得或提供(視屬何情況而定)；及

c. 該等交易是根據有關交易的協議條款進行，而交易條款公平合理，並且符合股東的整體利益。

4. 核數師確認

董事會已收到核數師天職香港會計師事務所有限公司(「**天職香港**」)就上述持續關連交易的確認函，確認截至2022年12月31日止，針對上述持續關連交易：

a. 未注意到任何事項，使其相信該等已披露的持續關連交易未經董事會批准；

b. 針對涉及到需要本集團提供貨品或服務的交易，未注意到任何事項，使其相信交易在所有重大方面未按照本集團的定價政策進行；

c. 未注意到任何事項，使其相信交易在所有重大方面未根據有關該等交易的協議進行；及

d. 未注意到任何事項，使其相信該等已披露的持續關連交易已超逾全年上限。

W. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Being a company listed on the Hong Kong Stock Exchange, the Company is always dedicated to maintaining the corporate governance practices at a high standard. The Company has adopted the code provisions of the Corporate Governance Code as contained in Appendix 14 to the Listing Rules (the "**CG Code**") and those set out in the Corporate Governance Report as its own corporate governance code. During the Reporting Period, the Company had established various committees under the Board and formulated the relevant corporate governance system in accordance with the provisions contained in the CG Code.

During the Reporting Period, the Company has been observing all mandatory code provisions as stipulated in the CG Code except for provision B.2.2 (details of which are stated in the Corporate Governance Report on pages 113 to 114 hereof).

X. PUBLIC FLOAT

Based on publicly available information and to the knowledge of the Directors, there is sufficient public float of at least 25% of the Company's issued H Shares as at the Latest Practicable Date, which is in compliance with the requirements of minimum public float of the Listing Rules.

Y. DONATIONS

During the Reporting Period, the Company had made donations for charity of RMB nil in an aggregate.

Z. PERMITTED INDEMNITY PROVISIONS

During the Reporting Period, the Company had purchased stipul2n(provisinhe)14 ( )0a DiinsurBDC BDC BT0.072(at)1

Under code provision B.2.2, every director, including those appointed

根據企業管治守則第B.2.2條，每名董事(包括有指定日期的董事)應輪流退任，至少每三年一次。截至報告期末，本公司第一屆董事會、監事(「**監事**」)會任期已滿三年，惟相關候選人的提名工作尚未結束，與此同時，董事會考慮到董事會、監事會工作的連續性，在《公司章程》的相關規定下，董事任期屆滿未及時改選，在改選出的董事就任前，原董事仍應當依照法律、行政法規、部門規章和《公司章程》的規定，履行董事職務。故董事會認為偏離企業管治守則條文第B.2.2條的情形整體上不會對本集團的運營造成重大影響。並且本公司將盡快完成相關工作。

董事會將不時審查本公司的企業管治常規及運作，以符合上市規則項下有關規定並保障股東的權益。

B. 遵守董事及監事進行證券交易之標準守則

本公司已採納上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》(「**標準守則**」)，作為所有董事、監事及有關僱員(定義與企業管治守則相同)進行本公司證券交易的行為守則。根據對董事(不包括於本報告日期本公司無法聯絡的羅雲先生)及監事的專門查詢後，各董事及監事於報告期內均已嚴格遵守標準守則所訂之標準。

As of the end of the Reporting Period, the composition of the Board is as follows:

截至本報告期末，董事會組成如下：

Name 姓名	Age 年齡	Sex 性別	Position 職位	Appointment date 委任日期	Term 任期
Mr. Zeng Feng 曾鋒先生	58 58	Male 男	Chairperson; Executive Director 董事長、執行董事	16 September 2021 2021年9月16日	3 years 3年
Mr. Chen Changyong 陳昌勇先生	53 53	Male 男	Executive Director and General Manager 執行董事兼總經理	Appointed as General Manager on 10 July 2019 and as Executive Director on 19 June 2020 2019年7月10日獲委任為總經理及於2020年6月19日獲委任為執行董事	3 years 3年
Mr. Luo Yun 羅雲先生	44 44	Male 男	Executive Director and Deputy General Manager 執行董事兼副總經理	Served as Deputy General Manager from January 2015 to 7 February 2023 and as Executive Director from 23 June 2016 to 6 April 2023 2015年1月至2023年2月7日任副總經理及於2016年6月23日至2023年4月6日任執行董事	3 years 3年
Ms. Song Hong 宋紅女士	59 59	Female 女	Non-executive Director 非執行董事	23 June 2016 2016年6月23日	3 years 3年
Ms. Ren Na 任娜女士	42 42	Female 女	Non-executive Director 非執行董事	6 November 2020 to 6 April 2023 2020年11月6日至2023年4月6日	3 years 3年
Mr. Zhang Yang 張洋先生	37 37	Male 男	Non-executive Director 非執行董事	7 December 2022 2022年12月7日	3 years 3年
Ms. Wang Dongfang 王東方女士	47 47	Female 女	Independent Non-executive Director 獨立非執行董事	7 December 2022 2022年12月7日	3 years 3年
Ms. Zheng Dongyu 鄭冬渝女士	66 66	Female 女	Independent Non-executive Director 獨立非執行董事	18 June 2021 2021年6月18日	3 years 3年
Mr. Ong King Keung 王競強先生	47 47	Male 男	Independent Non-executive Director 獨立非執行董事	12 November 2021 2021年11月12日	3 years 3年

The biographies of the Directors and the relationships with each other are set out in the section headed "Profiles of Directors, Supervisors and Senior Management" of this annual report.

董事履歷資料及董事會成員間關係於本年報之「董事、監事及高級管理層簡歷」一節中披露。

b. Job Duties and Authority of the Board of Directors

The Board of Directors shall be accountable to the general meeting and have the duty to report to the general meeting. The Board of Directors shall be responsible for implementing the resolutions of the general meeting, the formulation and review of corporate governance policies and practices, the review and monitoring of the training and continuous professional development of Directors and senior management, the review and monitoring of the Company's policies and practices on compliance with legal and regulatory requirements, the review of compliance with the Corporate Governance Code, etc. During the Reporting Period, the Board has reviewed the implementation of corporate governance policies and practices, internal risk management and control, and compliance control. The authority of the Board of Directors are expressly stated in the Articles of Association of the Company and the major responsibilities of the Board of Directors include: being responsible for convening the general meeting, implementing the resolutions of the general meeting, determining the operating plan and investment proposals of the Company, setting up the annual financial budget proposal, final accounts, profit distribution proposal, proposal for increase or decrease of capital and others, deciding on the establishment of the Company's management authority, determining the appointment or dismissal of general manager, deputy general manager and other senior management officers, formulating the basic management system of the Company and determining the establishment of the special committees of the Board of Directors.

b. 董事會職責及職權

董事會對股東大會負責並向其報告工作，負責執行股東大會決議，負責制定及檢討企業管治政策及常規、檢討及監察董事及高級管理層的培訓及持續專業發展、檢討及監察公司在遵守法律及監管規定方面的政策及常規檢討遵守企業管治守則的情況等。報告期內，董事會已對企業管治政策及常規、內部風險管理與控制、合規控制等方面執行情況進行了檢視。董事會職權已在本公司章程中有明確規定，其主要職權如下：負責召集股東大會、執行股東大會決議，決定公司的經營計劃和投資方案，制訂年度財務預算方案、決算方案、利潤分配方案、增減資方案等，決定公司管理機構的設置，決定聘任或者解聘總經理、副總經理等高級管理人員，制定公司基本管理制度以及決定董事會專門委員會的設置等。

c. Job Duties and Authority of the Management

The management is responsible for the specific implementation of the resolutions of the Board of Directors and the daily business management of the Company. In accordance with the Articles of Association of the Company, the major responsibilities of the management include: to propose the Company's operating plan and investment proposal, to propose the plan of establishing the internal management authority, to propose the basic management system of the Company and to formulate the Company's specific regulations.

c. 管理層職責及職權

管理層負責具體執行董事會決議及公司日常經營管理。根據本公司章程，管理層主要職權如下：擬定公司經營計劃和投資方案，擬定內部管理機構設置方案，擬定公司基本管理制度及制定公司具體規章等。

2. Meetings of Board of Directors and General Meeting

In accordance with the provisions of the Articles of Association of the Company, meetings of the Board of Directors shall be convened at least four times a year. The Chairperson is responsible for the convening of the Board meeting and is responsible for preparing the Board meeting agenda. A notice of regular Board meeting shall be given to all Directors at least 14 days before the meeting is convened pursuant to the requirements of the Code, and such notice shall state the date, time and venue of the meeting to be convened and the format to be adopted for such meeting. For other interim Board meetings, reasonable notices shall be delivered to all Directors.

2. 董事會會議及股東大會

根據本公司章程的規定，董事會每年至少召開四次會議，董事長負責董事會會議的召集，並負責擬定董事會會議議程。定期董事會會議通知會按守則的要求於會議舉行前14天送呈各董事，並會於通知上列明會議召開的時間、地點以及會議將採取的方式。其他臨時董事會會議則向各董事發出合理通知。

In accordance with the provisions of the Listing Rules, in the event that the Company decides to declare, propose or pay dividends, or it shall pass at the meeting of the Board of Directors such resolutions in respect of profits or loss for any year, half-year or other periods, the Company must give a notice to the Hong Kong Stock Exchange at least seven working days before the convening of such meeting and must issue an announcement thereof.

根據上市規則規定，在決定宣派、建議或支付股息，或將於會上通過任何年度、半年度或其他期間有關盈利或虧損的議案的董事會會議，公司必須在進行該等會議至少足七個工作日之前通知香港聯交所並進行公告。

Save for the circumstances where connected transactions are reviewed and considered at a meeting of the Board of Directors as required by the Articles of Association of the Company, meetings of the Board of Directors shall be held only if half or more of the Directors are present. Directors shall attend Board meetings in person. If a Director is unable to attend a Board meeting for some reasons, he or she may entrust another Director to attend the meeting on his or her behalf and shall specify the scope of the authorisation in a power of attorney. The secretary of the Company's Board of Directors is responsible for preparing and safekeeping the minutes of the Board meetings and ensuring that the Directors can enquire about such minutes.

除公司章程規定的董事會審議關連交易事項的情況外，董事會會議應由過半數董事出席方可舉行。董事會會議應當由董事本人出席，如因故不能出席，可委託其他董事代為出席，但應當在委託書中載明授權範圍。公司董事會秘書負責製作和保管董事會會議記錄，並確保董事能夠查詢該等記錄。

The Directors confirm that during the Reporting Period, the Company has strictly complied with the provisions in relation to the meetings of the Board of Directors. The Chairperson held a meeting with the independent non-executive Directors without presence of other Directors during the year. During the Reporting Period, the Board of Directors convened a total of 25 meetings. The attendance of the meetings by the Directors was as follows:

董事確認，報告期內，本公司嚴格遵守有關董事會會議的規定。董事長已於年內與獨立非執行董事舉行了沒有其他董事在場的會議。報告期內，董事會共召開了25次會議，董事出席會議的情況如下：

Name 姓名	Position 職位	Number of meetings attended/should attend 出席／應參加會議次數	Attendance Rate 出席率
Mr. Zeng Feng 曾鋒先生	Chairperson; Executive Director 董事長、執行董事	25/25	100%
Mr. Chen Changyong 陳昌勇先生	Executive Director and General Manager 執行董事兼總經理	25/25	100%
Mr. Luo Yun 羅雲先生	Executive Director and Deputy General Manager 執行董事兼副總經理	20/25	80%
Ms. Song Hong 宋紅女士	Non-executive Director 非執行董事	24/25	96%

Name 姓名	Position 職位	Number of meetings attended/should attend 出席／應參加會議次數	Attendance Rate 出席率
Ms. Ren Na 任娜女士	Non-executive Director 非執行董事	25/25	100%
Ms. Yu Yanbo (1) 余燕波女士(1)	Non-executive Director 非執行董事	21/21	100%
Mr. Zhang Yang (2) 張洋先生(2)	Non-executive Director 非執行董事	4/4	100%
Mr. Yin Xiaobing (3) 尹曉冰先生(3)	Independent Non-executive Director 獨立非執行董事	21/21	100%
Ms. Wang Dongfang (4) 王東方女士(4)	Independent Non-executive Director 獨立非執行董事	4/4	100%
Ms.Zheng Dongyu 鄭冬渝女士	Independent Non-executive Director 獨立非執行董事	25/25	100%
Mr. Ong King Keung 王競強先生	Independent Non-executive Director 獨立非執行董事	24/25	96%

Notes:

(1) The resignation of Ms. Yu Yanbo from her positions as a non-executive Director of the Company took effect after the 2022 First EGM, and she was not required to participate in any Board meetings held after the effective date of her resignation.

(2) Upon approval at the 2022 First EGM, Mr. Zhang Yang was appointed as a non-executive Director and participated in all Board meetings held after his appointment.

(3) The resignation of Mr. Yin Xiaobing from relevant positions in the Company, took effect after the 2022 First EGM, and he was not required to participate in any Board meetings held after the effective date of his resignation.

(4) Upon approval at the 2022 First EGM, Ms. Wang Dongfang was appointed as an independent non-executive Director and participated in all Board meetings held after her appointment.

附註：

(1) 余燕波女士辭任本公司非執行董事於2022年第一次臨時股東大會後生效，毋須參加其辭任生效後的董事會會議。

(2) 張洋先生是經2022年第一次臨時股東大會批准後新委任的非執行董事，參加了獲委任後的全部董事會會議。

(3) 尹曉冰先生辭任於本公司擔任的相關職務已於2022年第一次臨時股東大會後生效，毋須參加其辭任生效後的董事會會議。

(4) 王東方女士是經2022年第一次臨時股東大會批准後新委任的獨立非執行董事，參加了獲委任後的全部董事會會議。

During the Reporting Period, 1 annual general meeting and 1 extraordinary general meeting were held. Prior to the general meeting, reasonable notice was given in strict accordance with the relevant requirements of the Listing Rules and the Articles of Association, and the chairpersons and members of the special committees were invited to attend the meetings and individual resolutions were proposed on the actual separate issues to be considered at the general meetings. The attendance of the Directors was as follows:

報告期內，本公司共召開了1次股東週年大會和1次臨時股東大會。於股東大會召開前，公司嚴格按照上市規則及章程等相關規定發出合理通知，並邀請專門委員會主任及委員出席，於股東大會上所提審的實際獨立的議題均個別提出決議案。董事出席會議的情況如下：

Name 姓名	Position 職位	Number of meetings attended/should attend 出席／應參加會議次數	Attendance rate 出席率
Mr. Zeng Feng	Chairperso (Number of meetings)Tj ET EM 1C BAeEM540 0 0 1 k 2/28 0 0 8 155.9056 490.8402 Tm (Chairperso402		

Notes:

(1) Ms. Yu Yanbo tendered her resignation to the Board on 21 October 2022. Her resignation took effect after the 2022 First EGM.

(2) Mr. Zhang Yang was a non-executive Director newly appointed after approval at the 2022 First EGM, and he participated in the EGM as a candidate of Director.

(3) Mr. Yin Xiaobing tendered his resignation to the Board on 21 October 2022. His resignation took effect after the 2022 First EGM.

(4) Ms. Wang Dongfang was an independent non-executive Director newly appointed after approval at the 2022 First EGM, and she participated in the EGM as a candidate of Director.

3. Chairperson and President

During the Reporting Period, Company fully complied with the relevant requirements that the roles of chairperson and chief executive officer should be separated and should not be held by the same person under the provision C.2.1 of the CG Code. Currently, Mr. Zeng Feng is the Chairperson of the Company and Mr. Chen Changyong is the general manager (President) of the Company. The role of the Chairman was separate from that of the general manager (President), and they performed corresponding duties respectively in accordance with relevant laws and regulations and provision of the Company's Articles of Association. The Chairperson is responsible for leading the Board, ensuring the effective functioning of the Board, assuming primary responsibility for good corporate governance practices and procedures, encouraging all Directors to take an active part in the affairs of the Board and ensuring that all Directors are provided with sufficient and reliable information in a timely manner required for necessary analysis based on their expertise.

附註：

(1) 余燕波女士已於2022年10月21日向董事會提交辭呈，其辭任已於2022年第一次臨時股東大會後生效。

(2) 張洋先生是經2022年第一次臨時股東大會批准後新委任的非執行董事，其以董事候選人的身份參加了該次臨時股東大會。

(3) 尹曉冰先生已於2022年10月21日向董事會提交辭呈，其辭任已於2022年第一次臨時股東大會後生效。

(4) 王東方女士是經2022年第一次臨時股東大會批准後新委任的獨立非執行董事，其以董事候選人的身份參加了該次臨時股東大會。

3. 董事長及總裁

於報告期內，本公司已完全遵守企業管治守則第C.2.1條，董事長與行政總裁的角色應分開，不由同一人擔任的相關規定。現本公司董事長由曾鋒先生擔任，總經理(總裁)由陳昌勇先生擔任，董事長及總經理(總裁)職務已明確劃分，並根據相關法律法規及本公司《公司章程》的規定分別履行相應的職責。董事長負責領導董事會，確保董事會有效運作，對良好企業管治常規及程序負主要責任，鼓勵所有董事積極投入董事會事務並確保全體董事獲及時提供足夠及可靠資料，足以應付彼等根據專長作出必要分析所需。

5. Mechanism for the Board to obtain independent advice

There are three independent non-executive Directors of the Board. In appointing independent non-executive directors, the Nomination Committee and the Board will focus on assessing factors such as the independence and time commitment of candidates to ensure that the Board receives independent and professional advice and recommendations from the relevant independent non-executive Directors in the course of daily operation of the Board. Meanwhile, the Company's Articles of Association also specify that the independent non-executive Directors can report directly to the general meeting, the securities regulatory authority of the State Council and other relevant departments, and that, for major investment decisions involved, the Board shall engage social advisory bodies to provide independent professional advice, etc. The relevant mechanism provides institutional protection and enforceable procedural safeguards for the Board to obtain independent advice in the operation of the Company.

6. Remuneration of Directors

The Directors may receive basic salary, non-monetary advantage, right to pension, bonuses, and compensations (including such compensation provided due to the loss or termination of their job duties or appointment). The remuneration standards of the Directors are set by the Remuneration and Appraisal Committee based on the principle of balancing the rights, responsibilities and benefits, taking into account relevant laws and regulations, the industry standards, the development stage of the Company and the duties and contributions of the Directors. The Remuneration and Appraisal Committee will revise the relevant

The independent non-executive Directors receive their remuneration from the Company, whereby the Company shall pay Mr. Yin Xiaobing, Ms. Zheng Dongyu and Ms. Wang Dongfang an amount of pre-tax remuneration of RMB150,000, respectively on a yearly basis, and Mr. Ong King Keung (an independent non-executive Director in Hong Kong) an amount of pre-tax remuneration of RMB220,000 on a yearly basis. The remuneration is paid to each of the independent non-executive Directors after deducting the relevant taxes and fees during their respective terms of office in the year. The Company do not provide performance-based equity remuneration to the independent non-executive Directors. Travel and accommodation expenses incurred for the Company's Board meetings, general meetings and the relevant activities organised by the Board of Directors attended by the independent non-executive Directors shall be borne by the Company. As for those non-executive Directors who do not take any management job duties in the Company, they do not receive their remuneration from the Company. The executive Directors who undertake management job duties in the Company shall receive their remuneration from the Company. The remuneration of all executive Directors shall be determined pursuant to the standards as provided in the "Measures Regarding Remuneration Management" of the Company, and in particular, such remuneration shall include the basic salary, performance bonus and other benefits. The basic salary is determined based on the position held by an executive Director in the

For the year ended 31 December 2022, the Directors have participated in the following training:

A: Reading materials related to continuous compliance responsibilities, corporate governance and other relevant topics

B: Reading newspapers, periodicals, newsletters of the Company and updates on economy, general business and water industry, or materials about Directors' responsibilities and duties

8. Company Secretary and his training

During the Reporting Period, Mr. Chiu Ming King (趙明璟) acted as the company secretary of the Company and was responsible for

D. COMMITTEES UNDER THE BOARD OF DIRECTORS

Our Board of Directors delegates certain responsibilities to various committees. In accordance with relevant PRC laws, regulations, the Articles of Association of the Company and certain rules and regulations, we have formed four committees, namely the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, and the Strategy and Investment Decision Committee, and have expressly stated its terms of reference for the committees in writing.

1. Audit Committee

The Audit Committee of the Company consists of three members, all of which are independent non-executive Directors. During the Reporting Period, such members include Mr. Yin Xiaobing (ceased to be an independent non-executive Director and the Chairperson of the Audit Committee with effect from 7 December 2022), Ms. Wang Dongfang (served as the Chairperson of the Audit Committee with effect from 7 December 2022), Ms. Zheng Dongyu and Mr. Ong King Keung.

The principal responsibilities of the Audit Committee are to review the financial information of the Company, review and supervise the Company's financial reporting process, financial control, internal control, risk management systems, internal audit system and perform corporate governance duties, and to oversee the audit process and to recommend the engagement or replacement of external auditors. The Audit Committee is also responsible for the communications between the internal and the external auditors and performing other duties and responsibilities as assigned by the Board.

As for the selection, appointment and dismissal of external auditors

67the Board to0 CD stems, 7 Tw 8 0 0 8 42.5197 248.5542 Tm[(A)0.5 andiss 10 t10 (.[(control)13.3 (67the Boarzh-HKS01751lA

During the Reporting Period, the Audit Committee held 6 meetings, the details of which are as follows:

On 4 March 2022, a meeting of the Audit Committee was held in the Company, at which 2 proposals including the authorization of the Board to select and determine the Company's Auditors for the year of 2022 were considered and approved by the Audit Committee.

On 25 March 2022, a meeting of the Audit Committee was held in the Company, at which 11 proposals including the Proposal on Report from the External Auditors on the Audit of the Company's 2021 Annual Results, the Proposal on Audited Financial Statements in the Previous Year and the Proposal on Profit Distribution Plan were considered and approved by the Audit Committee.

On 9 May 2022, a meeting of the Audit Committee was held in the Company, at which 2 proposals including the proposed appointment of the Company's Auditors for the year of 2022 were considered and approved by the Audit Committee.

On 5 July 2022, a meeting of the Audit Committee was held in the Company, at which 2 proposals including the report of the Company's external auditors on the audit work were considered and approved by the Audit Committee.

CHAPTER NINE CORPORATE GOVERNANCE REPORT
第九章

During the Reporting Period, the attendance of the meetings by the committee members was as follows:

報告期內，各委員出席會議情況如下：

Name	姓名	Number of meetings attended/should attend 出席／應參加會議次數	Attendance rate 出席率
Ms. Zheng Dongyu *(Chairperson)*	鄭冬渝女士*(主任委員)*	1/1	100%
Mr. Yin Xiaobing	尹曉冰先生	2/2	100%
Mr. Zeng Feng	曾鋒先生	3/3	100%
Mr. Ong King Keung	王競強先生	3/3	100%

4. Strategy and Investment Decision Committee

During the Reporting Period, the Strategy and Investment Decision Committee of the Company consists of three members, including two executive Directors and one independent non-executive Director, and the committee shall be chaired by an executive Director. The members include Mr. Zeng Feng (chairperson), Mr. Luo Yun, Mr. Yin Xiaobing (ceased to be an independent non-executive Director and a member of the Strategy and Investment Decision Committee with effect from 7 December 2022) and Ms. Wang Dongfang (served as a member of the Strategy and Investment Decision Committee with effect from 7 December 2022). Except for Mr. Yin Xiaobing and Ms. Wang Dongfang, who are independent non-executive Directors, all other members are executive Directors.

The principal responsibilities of the Strategy and Investment Decision Committee are to conduct studies and make recommendations to the Board on the long-term development plan and strategies, the significant investment or financing plans of the Company, and significant capital investment for operation projects, to review the implementation of those investment and financing plans, and to perform other duties and responsibilities as assigned by the Board.

4. 戰略與投資決策委員會

報告期內，本公司戰略與投資決策委員會包括三名委員，其中執行董事兩名，獨立非執行董事一名，主任委員由執行董事擔任。包括曾鋒先生(主任委員)、羅雲先生、尹曉冰先生(於2022年12月7日起不再擔任獨立非執行董事及戰略與投資決策委員會委員)及王東方女士(於2022年12月7日起擔任戰略與投資決策委員會委員)。除尹曉冰先生、王東方女士為獨立非執行董事外，所有其他成員均為執行董事。

戰略與投資決策委員會的主要職責為開展調研及就本公司的長期發展計劃及戰略、重大投資或融資計劃以及經營項目的重大資本投資向董事會提出建議、檢討該等投融資計劃的實施情況及履行董事會賦予的其他職責與責任。

During the Reporting Period, the Strategy and Investment Decision Committee held 4 meetings. Details are as follows:

On 21 January 2022, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed 2 proposals concerning the investment situation of the Company for the year of 2021 and the investment plan of the Company for the year of 2022 which were considered and approved by the Strategy and Investment Decision Committee.

On 4 March 2022, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposal of the Company commencing an international syndicated loan which was considered and approved by the Strategy and Investment Decision Committee.

On 9 May 2022, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposal of the Company's "14th Five-Year" development strategy plan which was considered and approved by the Strategy and Investment Decision Committee.

On 29 December 2022, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposal of the Company's investment plan for new

E. NOMINATION POLICY OF DIRECTORS, BOARD DIVERSITY POLICY AND DIVERSITY ANALYSIS

According to the Company's Articles of Association and the relevant nomination system of directors, the Nomination Committee provides consultation to the Board with respect to the nomination of Directors. It will first consider and determine the candidates for nomination of new or succeeding Directors, then make recommendations to the Board. The Board will decide whether to propose such candidate to the general meeting for election. In the course of selecting candidates

The Company has formulated the Diversity Policy of Members of The Board of Directors, which sets out:

- When the Company is establishing the composition of the members of the Board of Directors, it will take into consideration from different aspects and achieve the diversity of the member of the Board of Directors. Such aspects shall include but is not limited to gender, age, cultural and educational background, races, professional experience, technique, knowledge and

本公司已制定董事會多元化政策，其列明：

- 本公司在設定董事會成員組合時，會從多個方面考慮並實現董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。公司以非單一性別董事會成員為目標，董事會所有委任均以用人唯才為原則，並以客觀條件考慮人選，同時會充分顧及董事會成員多元化的裨益。

- 本公司甄選人選將以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會提供的貢獻而作決定。

提名委員會於檢討董事會組成時亦已檢討及採納上述可計量目標。提名委員會已按照董事會多元化政策的要求，甄選新董事／繼任董事，同時在報告期內召開了專門的會議檢視董事會多元化政策的執行及推進情況，以期達致董事會成員多元化目標。報告期內，公司董事會成員非由單一性別董事擔任，已達到性別多元化目標。

The composition of the Board of Directors, the background of its members and procedures of selection of new Directors during the Reporting Period are in line with the requirements of the Diversity Policy of Members of the Board of Directors. At the end of the Reporting Period, an analysis of diversification of the Board of Directors is as follows:

報告期內董事會的組成、成員背景及甄選新董事的程序符合董事會多元化政策的要求。截至報告期末，董事會多元化分析如下：

Item 項目	Category 類別	Number 人數	Percentage in the members of the Board of Directors 佔董事會成員比例
Gender 性別	Male 男性	5	56%
	Female 女性	4	44%
Age 年齡	35 to 50 35歲至50歲	5	56%
	51 or above 51歲以上	4	44%
Post 職銜	Executive Director 執行董事	3	33%
	Non-executive Director 非執行董事	3	33%
	Independent non-executive Director 獨立非執行董事	3	33%
Length of service as Board members 出任公司董事會成員年資	Within 1 year 1年內	2	22%
	1 to 3 years (including 3 years) 1至3年(含3年)	5	56%
	3 to 10 years 3年至10年	2	22%
Experience in water treatment industry 水務行業經驗	1 to 5 years (including 5 years) 1至5年(含5年)	6	67%
	10 to 20 years (including 20 years) 10至20年(含20年)	2	22%
	Over 20 years 20年以上	1	11%
Major or expertise 專業或特長	Engineering, project and operational management 工程、項目及運營管理	4	44%
	Finance and accounting 金融及財會	4	44%
	Law 法律	1	11%

In terms of employee diversity, as of 31 December 2022, the Company had a total of 1,492 employees, of which 979 were male and 513 were female, accounting for 65.6% and 34.4% of the total number of employees respectively. Due to the special nature of the Company's industry, there is a greater proportion of male employees in front-line production operations in the Company's production units, while in non-front-line production positions, we will attach importance to gender balance and diversity.

F. RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the effectiveness of risk management and internal control systems of the Group. The Group has incorporated environmental, social and governance related risks into the Group's risk management and internal control system. The Board and senior management have overall responsibilities for maintaining a sound and effective risk management and internal control systems of the Group in order to protect the interests of Shareholders and the Group as a whole and to ensure strict compliance with relevant laws, rules and regulations. The systemscsdnlud.7 (ems)a7 (ems)deffro.5 7with

The major characteristics of the risk management and internal control systems are: the Company has consolidated the risk management and internal control systems and has formulated the systematic framework from the level of the Company and business. Under such framework, a mutual mapping between key risk points and control points is established by setting up risk control matrix in order to implement the control measures in relation to risk identification, evaluation and addressing in various business processes within the enterprise. As a result, risk management and internal control can be merged in organic manner. The Company shall classify the internal control system into three layers, namely the basic management system, specific regulations/management measures and detailed rules for implementation. The effectiveness of various rules and regulations shall be evaluated each year and annual construction plan of the system shall be devised in accordance with the evaluation results and the regulatory requirements and based on the business need of the Company and such rules and regulations that need to be established, amended and abolished shall be expressly provided. The Company highly values the dynamic monitoring of risk management. Based on the changes of the internal and external environments of the Company, the impact created on the Company's operating process by various risks and the possibility of the loss caused by such various risks are to be quantified; and the Company's risk tolerance and risk addressing strategies are reasonably confirmed. The Company seriously concerns about the management and control of major risks, focus on the major risks evaluated, refines the solution thereof; analyses in depth the root cause for the generation of the major risks, causes of risks, possible impacts and addressing strategies to be adopted; and formulates practicable measures for risk management and control.

風險管理及內部監控系統的主要特點：公司整合了風險管理和內部控制體系，制定了公司層面和業務層面的體系框架。在該框架下，通過編製風險控制矩陣將關鍵風險點與控制點建立相互映射的關係，將風險辨識、評估、應對的控制措施落實至企業內部各項業務流程，從而實現風險管理與內部控制有機融合；公司將內控制度劃分為基本管理制度、具體規章／管理辦法和實施細則三個層級。每年評估各項規章制度的有效性，並按照評估結果，根據監管要求和公司發展需要擬定制度體系的年度建設計劃，明確需要制定、修訂和廢止的規章制度。公司重視風險管理的動態監測工作，根據公司內外部環境變化，量化評估各類風險對公司經營過程造成的影響和損失的可能性，合理確定公司風險承受度和風險應對策略。公司重點關注重大風險的管控，針對評估出的重大風險，細化解決方案，深入分析重大風險產生根源、風險成因、可能產生的影響、擬採取的應對策略，制定切實可行的風險管控措施。

The Company will continue to maintain open-up and effective investors communication policies for the purposes of timely providing investors with the latest information on the Company's business subject to the compliance with the relevant regulatory provisions.

M. ARTICLES OF ASSOCIATION

During the Reporting Period, there were no amendments to the Articles of Association.

N. ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the Company has complied with the provisions of "Comply or Explain" ("**不遵守就解釋**") stated in the "Environmental, Social and Governance ("**ESG**") Reporting Guide". The Environmental, Social and Governance Report is set out in Chapter 13 of the "Environmental, Social and Governance Report" of this annual report.

O. CORPORATE CULTURE

Corporate culture is the soul of an enterprise, one of the cornerstones for the implementation of corporate strategies and a source of vitality, health and sustainable development. The Company at /P <</Lang (en-US)/MCID 431

一、 監事會組成

截至2022年12月31日，本公司監事會包括3名監事，其中：1名股東代表監事，2名職工代表監事。監事任期3年，可連選連任。

本公司的監事會組成如下：

Name 姓名	Position 職位	Appointment date 委任日期
Na Zhiqiang	Chairman of the Board of Supervisors; Employee Representative Supervisor	19 January 2011
那志強	監事會主席、職工代表監事	2011年1月19日
Yao Jianhua	Employee Representative Supervisor	19 January 2011
姚建華	職工代表監事	2011年1月19日
Shao Wei	Shareholder Representative Supervisor	7 May 2016
邵偉	股東代表監事	2016年5月7日

二、 監事會會議情況

報告期內，本公司監事會共召開了3次監事會會議，所有會議均按程序及規定進行，決議均合法有效。各位監事出席會議情況如下：

Name 姓名	Number of meetings attended/ should attend 出席／應參加會議次數	Attendance rate 出席率

As Mr. Luo has been subject to investigation by the Kunming Disciplinary Inspection Committee of the Communist Party of China and the Kunming Supervisory Committee for suspected serious breach of disciplines and laws, on 7 February 2023, the Board resolved to propose the removal of Mr. Luo from relevant positions of the Company. Save for this, during the Reporting Period, the Board of Supervisors was not aware of any Directors or senior management who acted illegally or in violation of laws and regulations or to the detriment of the rights and interests of the Company and Shareholders.

羅雲先生因涉嫌嚴重違紀違法接受中共昆明市紀律檢查委員會、昆明市監察委員會調查，2023年2月7日董事會已建議免除其於本公司的相關職務，除此以外，報告期內，監事會未發現董事、高級管理人員存在違法、違規或損害本公司及股東權益的行為。

(3) Monitoring the financial position of the Company

As of 31 December 2022, the Board of Supervisors of the Company carefully reviewed the relevant financial information and audit reports of the Company. The Board of Supervisors believes that during the Reporting Period, the Company has diligently implemented the "Accounting Law", the "Accounting Standards for Business Enterprises", the "International Accounting Standards" and other relevant financial standards, with compliant and effective accounting and financial management in place. The financial accounting reports issued for each of the periods in the year 2022 presented a fair and true view, in all material respects, of the financial position and results of operations of the Company and did not contain any false entries, misleading statements or material omissions.

(4) Monitoring the connected transactions of the Company

The Board of Supervisors reviewed the connected transactions that took place during the Reporting Period and examined the decision-making process in relation to these transactions. The Board of Supervisors believes that such connected transactions were conducted on normal commercial terms, were fair, equitable and reasonable, and there existed no damages to the interests of the Company and other shareholders.

(5) Monitoring the establishment and implementation of internal controls of the Company

The Company has established a rather complete internal control system, which was in compliance with the requirements of the relevant laws and regulations of the state and meeting the actual needs of production, operation and management of the Company. Such system could be effectively implemented. The establishment of the internal control system has produced effect on better risk prevention and control on various sectors of production, operation and management of the Company. With the development of the Company's business and changes in risks, the Company has made amendments and supplements to the relevant systems in a timely manner to form a dynamic supervision mechanism. During the Reporting Period, the supervisory activities of the Board of Supervisors did not identify any material risk existing in the Company and there was no objection to the supervision matters during the Reporting Period.

(六) 監察公司信息披露情況

本公司及董事會、經理層嚴格按照《中華人民共和國公司法》、《中華人民共和國證券法》、《香港聯合交易所有限公司證券上市規則》等相關法律法規，對本公司股票股價可能產生重大影響的信息以及聯交所要求披露的信息，在規定的時間內、在規定的媒體上、以規定的方式真實、準確、完整地履行了信息披露義務，並按規定報送監管部門，不存在虛假記載、誤導性陳述或者重大遺漏。

(6) Monitoring the information disclosure by the Company

In strict compliance with the "Company Law of the People's Republic of China" (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (《香港聯合交易所有限公司證券上市規則》) and other relevant laws and regulations, the Company, the Board of Directors and the management fulfilled their obligations to disclose information that may have a material impact on the share price of the Company and information required to be disclosed by the Stock Exchange within the prescribed time, on the prescribed media and in the prescribed manner in a true, accurate and complete manner, and reported to the regulatory authorities in accordance with relevant requirements without any false entries, misleading statements or material omissions.

(五) 監察公司內部控制建立及執行情況

本公司建立了較完善的內部控制體系，符合國家相關法律法規要求以及公司生產經營管理實際需要，並能得到有效執行，內部控制體系的建立對公司生產經營管理的各環節起到了較好的風險防範和控制作用。隨著公司業務發展及風險變化情況，公司適時對相關制度進行修訂、補充，形成動態監管機制，監事會在報告期內的監督活動未發現公司存在重大風險，對報告期內的監督事項無異議。

(7) Conducting collective or special supervision and inspection

In order to further improve the level of decision-making in a lawful, democratic and scientific manner, and to diligently implement the requirements of the "Three Important and One Large Matters" decision-making system as stipulated by the higher regulatory authorities, the Board of Supervisors participated in the special inspection on the implementation of the "Three Important and One Large Matters" decision-making system of the Company, and carried out inspections on matters requiring rectification. The Board of Supervisors is of the view that during the Reporting Period, the Company has improved the system construction, strengthened the supervision of decision making, standardised the decision making conducts and enabled risk prevention in the decision making of major issues, which facilitated the healthy development of the Company.

（七） 開展集中或專項督查檢查

為進一步提高公司依法決策、民主決策、科學決策水平，認真貫徹落實上級監管單位關於「三重一大」決策製度的要求，監事會參與了針對本公司「三重一大」決策制度落實情況的專項工作檢查，並針對需整改事項進行督察。監事會認為，報告期內本公司完善了制度建設，強化了決策監督，規範了決策行為，對重大事項的決策做到了風險防範，促進了本公司的健康發展。

IV. 2023 ANNUAL WORK PLAN

In 2023, the Supervisory Committee will continue to strictly comply with the laws, regulations and the Articles of Association of the Company, faithfully and diligently perform its duties and obligations to effectively safeguard the interests of the Company and its shareholders, and ensure the standardized and healthy operation of the Company. In the coming year, the Board of Supervisors will perform its supervisory functions in the following aspects:

(1) Diligently performing duties according to relevant laws and regulations. In 2023, the Board of Supervisors will continue to implement and improve the working mechanism and operational mechanism of the Board of Supervisors, diligently implement the requirements of relevant laws and regulations, improve the supervision and management of the Company's lawful operation, strengthen the communication with the Board of Directors and the management, and supervise the Board of Directors and senior management in accordance with the law, so as to further rationalise and regulate their decision-making and operation activities.

四、 2023年度工作計劃

2023年，監事會將繼續嚴格遵守法律、法規和公司章程的規定，忠實勤勉地履行職權和義務，切實維護公司及廣大股東的利益，確保公司規範健康運作。新的一年，監事會將從以下幾個方面履行監督職能：

（一） 依法依規，認真履職。2023年，監事會將繼續推進、完善監事會工作機制和運行機制，認真貫徹執行有關法律法規要求，完善對公司依法運作的監督管理，加強與董事會、管理層的工作溝通，依法對董事會、高級管理人員進行監督，以使其決策和經營活動更加科學規範。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對截至2022年12月31日止年度的合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment assessment of trade receivables Refer to Note 27 "Trade and other receivables", Note 2 "Significant accounting policies – Critical accounting estimates and judgements" and Note 3 "Financial Risk Management – Financial risk factors – Credit risk" to the consolidated financial statements. As at 31 December 2022, the net carrying amount of trade receivables was approximately RMB2,873,599,000 and loss allowance provisions for trade receivables was approximately RMB81,712,000. The management of the Group estimates the amount of lifetime expected credit losses ("ECL") of trade receivables individually or based on provision matrix through grouping of various debtors that have similar loss patterns, after considering the historical loss rates experience, ageing of overdue trade receivables, customers' repayment history and customer's financial position. Estimated loss rates are based on historical observed default rates over the expected life of the trade receivables and are adjusted for forward-looking information.	

KEY AUDIT MATTERS *(continued)*

KEY AUDIT MATTERS *(continued)* 關鍵審計事項*(續)*

Key Audit Matter	How our audit addressed the Key Audit Matter
Accounting treatment for service concession arrangements	
The Group entered into service concession arrangements with government authorities or their designators in respect of the wastewater treatment, reclaimed and running water supply business under Build-Operate-Transfer and Transfer-Operate-Transfer arrangements in the People's Republic of China. The arrangements were accounted for in accordance with IFRIC-12 Service Concession Arrangements. The accounting treatment for service concession arrangements involved significant management judgements and estimates, including the determination of applicable accounting models, estimation of the future guaranteed receipts, prevailing market rates of construction gross margins and discount rates as used in the valuation process. As a result, we identified the accounting treatment for service concession arrangements as a key audit matter.	Our audit procedures included, but are not limited to, the following: – We obtained an understanding of, assessed and tested the relevant internal controls over accounting for service concession arrangements. – We assessed whether the accounting model adopted was in line with IFRSs by reviewing the contract terms of whether the Group has an unconditional contractual right to receive6 (receive6 (rm36S106 Tc 0.077 Tw 8 0 0

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

核數師就審計合併財務報表承擔的責任 *(續)*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與負責監管人士溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

我們還向負責監管人士提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動及相關的防範措施。

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

我們通過與負責監管人士溝通，確定本年度合併財務報表審計工作中最重要的事項，即關鍵審計事項。除非法律或法規不容許公開披露此等事項或在極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述此等事項。

The engagement director on the audit resulting in this independent auditor's report is Leung Yun Wa.

出具本獨立核數師報告的審計項目董事是梁潤華。

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 24 March 2023

天職香港會計師事務所有限公司
執業會計師
香港，2023年3月24日

Leung Yun Wa
Practising Certificate number: P08096

梁潤華
執業證書編號：P08096

AS AT 31 DECEMBER 2022 於2022年12月31日

		Notes 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Non-current liabilities	**非流動負債**			
Deferred revenue	遞延收益	*31*	**230,943**	245,267
Borrowings	借款	*30*	**2,522,693**	2,193,023
Deferred tax liabilities	遞延稅項負債	*23*	**51,903**	86,492
			2,805,539	2,524,782
NET ASSETS	**淨資產**		**4,657,591**	4,435,811
Capital and reserves	**資本及儲備**			
Share capital	股本	*32*	**1,029,111**	1,029,111
Other reserves	其他儲備	*33*	**1,575,452**	1,543,576
Accumulated profits	留存收益		**2,044,427**	**1,854,715**

The consolidated financial statements on pages 160 to 310 were approved and authorised for issue by the Board of Directors on 24 March 2023 and signed on its behalf by:

Zeng Feng
曾鋒
Director
董事

Chen Changyong
陳昌勇
Director
董事

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		Attributable to the equity holders of the Company 本公司權益持有人應佔					
		Share capital 股本	Other reserves 其他儲備	Accumulated profits 留存收益	Total 總額	Non-controlling interests 非控制性權益	Total equity 權益總額
		RMB'000 人民幣千元	*RMB'000 人民幣千元*	*RMB'000 人民幣千元*	*RMB'000 人民幣千元*	*RMB'000 人民幣千元*	*RMB'000 人民幣千元*
		(Note 32) (附註32)	*(Note 33) (附註33)*				
At 1 January 2021	**於2021年1月1日**	1,029,111	1,523,380	1,712,800	4,265,291	7,136	4,272,427
Profit for the year	年度利潤	–	–	338,278	338,278	1,273	339,551
Other comprehensive income:	其他全面收益：						
Item that may be reclassified subsequently to profit or loss	*其後可能重新分類至損益之項目*						
Exchange differences on consolidation	滙兌差額	–	(1,219)	–	(1,219)	–	(1,219)
Total comprehensive income for the year	年度全面收益總額	–	(1,219)	338,278	337,059	1,273	338,332
Transactions with owners:	**與所有者的交易：**						
Contributions and Distributions	*注資及分派*						
Dividends *(Note 13)*	分派股息*(附註13)*	–	–	(174,948)	(174,948)	–	(174,948)
Transfer to statutory reserves							



FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

		Notes 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
OPERATING ACTIVITIES	**經營活動**			
Cash used in operations	經營使用的現金	35(a)	**(15,038)**	(415,434)
Interest paid	已付利息		**(197,121)**	(239,146)
Income tax paid	已付所得稅		**(90,470)**	(62,377)
Net cash used in operating activities	**經營活動使用的現金淨額**		**(302,629)**	(716,957)
INVESTING ACTIVITIES	**投資活動**			
Purchase of property, plant and equipment	購買不動產、工廠及設備		**(366,388)**	(57,677)
Purchase of intangible assets	購買無形資產		**(2,947)**	(1,847)
Concessions that will form an intangible asset model under contract assets	在合約資產下將形成無形資產模式的特許經營權		**–**	(141,764)
Proceeds from disposal of property, plant and equipment	出售不動產、工廠及設備所得款		**8**	422
Loans to related parties	借款給關聯方	37(b)(ii)	**(760,000)**	(1,030,000)
Repayments from related parties	關聯方還款	37(b)(iii)	**900,000**	1,380,000
Repayments from a third party	第三方還款		**68,000**	–
Interest received	已收利息		**29,183**	90,613
Government grants received relating to purchase of property, plant and equipment	收到與購買不動產、工廠和設備有關之政府補助	31	**–**	10,000
Refund of government grants	退回政府補助	31	**(1,985)**	–
Settlement of consideration in respect of				

1. 一般資料

昆明滇池水務股份有限公司(「**本公司**」)是按照《中華人民共和國(「**中國**」)公司法》於2010年12月23日在中國雲南省註冊成立的股份有限責任公司，其股份在香港聯合交易所有限公司(「**聯交所**」)主板上市。本公司的註冊辦事處位於昆明滇池旅遊度假區第七污水處理廠。

於2022年12月31日，董事認為本公司的直接及最終控股公司為昆明滇池投資其楾侑엉(芒脛胺

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Application of amendments to IFRSs

應用國際財務報告準則(修訂本)

The Group has applied, the following amendments or annual improvements for the first time to these financial statements for the current accounting period:

本集團已於本會計期間的該等財務報表中首次應用以下修訂本或年度改進：

Amendments to IFRS 3	Reference to the Conceptual Framework	國際財務報告準則第3號(修訂本)	概念框架指引
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	國際財務報告準則第16號(修訂本)	2021年6月30日之後與2019冠狀病毒疫情有關的租金優惠
Amendments to IAS 16	Property, plant and equipment – Proceeds before intended use	國際會計準則第16號(修訂本)	不動產、工廠及設備－未作擬定用途前之所得款項
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	國際會計準則第37號(修訂本)	虧損合約－履行合約的成本
Annual Improvements to IFRS Standards 2018-2020	Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41	國際財務報告準則2018年至2020年之年度改進	國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附的說明範例及國際會計準則第41號(修訂本)

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

相關修訂並未對本集團編製或列報當期或前期業績及財務狀況的方式產生重大影響。本集團並未採納任何於本會計期間尚未生效的新準則或詮釋。

A summary of the principal accounting policies adopted by the Group is set out below.

本集團採用的主要會計政策摘要如下。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost basis, except for investment properties and financial liabilities at fair value through profit or loss ("**FVPL**") which are measured at fair value as explained in the accounting policy set out below.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from equity holders of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, are measured initially either at fair value or at the present ownership instrument's proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by IFRSs.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of consolidation *(continued)*

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the non-controlling interests. Total comprehensive income is attributed to the equity holders of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in ownership interests

Changes in the Group's ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the equity holders of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

2. 主要會計政策*(續)*

合併基礎*(續)*

分配全面收益總額

本公司股權持有人及非控股權益分佔損益及其他全面收益之各部分。全面收益總額須分配予本公司股權持有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

擁有權權益出現變動

倘本集團於附屬公司的擁有權權益變動並無導致失去控制權，則列賬為股本交易。控股權益及非控股權益的賬面值將會調整，以反映其於附屬公司的有關權益變動。非控股權益的經調整金額與已付或已收代價的公允價值間任何差額直接於權益中確認並歸屬於本公司權益持有人。

倘本集團失去對附屬公司的控制權，出售時產生的損益按下列兩者的差額計算：(i)於失去控制權當日已收代價的公允價值與任何保留權益的公允價值的總和；及(ii)於失去控制權當日附屬公司及任何非控股權益的資產(包括商譽)及負債的賬面值。先前於其他全面收入確認的有關所出售附屬公司的金額按與假設控股公司直接出售相關資產或負債的同一基準列賬。於前附屬公司保留的任何投資及前附屬公司結欠或應付前附屬公司的任何金額自失去控制權當日起視適用情況列賬為金融資產、聯營公司、合營公司或其他。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position as set out in Note 41 to the consolidated financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses, if any. The carrying amount of the investments is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

附屬公司

附屬公司為本集團控制之實體。倘本集團因參與實體之營運而承受或享有其可變動回報，並有能力透過其對實體之權力影響該等回報，則本集團對該實體擁有控制權。倘有事實及情況顯示，控制權之一項或多項元素出現變動，本集團將重新評估其是否對被投資公司有控制權。

在合併財務報表附註41載列的本公司財務狀況表中，附屬公司投資以成本減去累計減值虧損列值(如有)。倘投資之賬面值高於其可回收金額，則投資之賬面值按個別基準削減至其可收回金額。附屬公司業績由本公司按已收及應收股息基準入賬。

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associate is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

聯營公司

聯營公司為本集團對其擁有重大影響力的實體。重大影響力為參與被投資方的財務及營運政策的決策的權力，惟並不能夠控制或共同控制有關政策。

本集團於聯營公司之投資乃以股本會計法入賬，惟投資或其部分被歸類為持作銷售則除外。根據權益法，投資初步按成本記錄並隨後就本集團分佔投資對象的淨資產以及有關投資之減值虧損之收購後的變化做調整。除本集團已代表投資對象產生合法或推定義務或付代款，倘本集團於投資對象應佔虧損相等於或超過該投資對象之權益賬面值(包括任何長期權益實際上是本集團對投資對象之投資淨額)，本集團不再確認其應佔之進一步虧損。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Associates *(continued)*

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In the Company's statement of financial position as set out in Note 41, investments in associates is also accounted for under the equity method of accounting, less any impairment losses.

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

2. 主要會計政策*(續)*

聯營公司*(續)*

本集團與聯營公司之間交易所產生之未變現損益，均按本集團於投資對象所佔之權益予以抵銷；惟證明已轉讓資產減值之未變現虧損除外，在此情況下，該等未變現虧損會及時在損益內確認。

於附註41所載的本公司

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property, plant and equipment *(continued)*

As described in Note 32(a) to the consolidated financial statements, the Group received certain completed water supply or wastewater treatment facilities as capital injection from its controlling shareholder and undertakes the operation and maintenance of such facilities owned by the Group in the concession period, during which the Group can charge service fees based on the supplied water or treated wastewater to recover its costs of investment, operations and maintenance and obtain reasonable return, according to the concession agreement entered in to by the Group and the governmental authority ("**Transfer-Own-Operate**" Model or "**TOO**" Model). Since the Group directed the use of the assets and controlled the significant residual interest in the assets under the TOO Model during the concession period and the Group has the exclusive priority right to extend its operation period and is not required to return these assets to the governmental authority at the end of the concession period, the fixed assets under the TOO Model are accounted for as property, plant and equipment.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment other than construction in progress, over their estimated useful lives from the date on which they are available for use and after taking into account their estimated residual value, using the straight-line method at the following rates per annum. Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately.

Buildings and facilities	20 to 50 years
Machinery and equipment	8 to 18 years
Office and electronic equipment	3 to 10 years
Motor vehicles	8 to 10 years

2. 主要會計政策*(續)*

不動產、工廠及設備*(續)*

如合併財務報表附註32(a)所述，本集團收到控股股東投入的若干已完工水供給和污水處理設施作為資本，並在特許期間內承擔該等設施的運營和維護。在此期間內，根據本集團與政府部門簽訂的特許經營權協議，本集團可根據供應的水或處理的廢水收取服務費，以收回其投資、運營和維護成本並獲取合理回報(「**轉讓－擁有－經營**」模式或「**TOO**」模式)。鑒於本集團在特許期間內指定資產的用途並控制TOO模式下資產的重大剩餘權益，並且享有延長運營期限的獨家優先權且沒有被要求在特許期間結束後將資產返還予政府部門。因此，TOO模式下的固定資產按不動產、工廠和設備入賬。

除在建工程外，折舊乃自不動產、工廠及設備可供使用日期起，就彼等之估計可用年期撇銷成本減累計減值虧損，計入彼等之估計剩餘價值後，以直線法及依以下年率計算。倘不動產、工廠及設備項目部份的可使用年期相異，則該項目的成本或估值按合理基準分配並分開折舊。

建築物及設施	20至50年
機械和工具	8至18年
辦公及電子設備	3至10年
汽車	8至10年

FOR THE YEAR ENDED 31 DECEMBER 2022 截至2022年12月31日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策*(續)*

非金融資產減值*(續)*

– ***減值虧損撥回***

倘用作釐定資產可收回金額的估算出現有利變動，則會撥回減值虧損。減值虧損撥回僅限於假設過往年度並無確認減值虧損的情況下釐定的資產賬面值。減值虧損撥回在確認撥回的年度計入損益。

特許經營權協議

本集團與政府部門(「**授予方**」)訂立了若干特許經營權協議。特許經營權協議包括建設－經營－移交(「**BOT**」)協議和移交－經營－移交(「**TOT**」)協議。根據BOT協議，本集團向授予方提供污水處理和水供給設施的建造和升級改造，並以在指定期間內(「**經營期間**」)根據授予方預先設定的條件，經營服務項目作為回報。服務項目在經營期間結束後按零對價轉讓予授予方。除本集團須就經營已完工污水處理和水供給設施支付對價外，TOT協議與BOT協議類似。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Service concession arrangements *(continued)*

(a) Consideration given by the Grantor

A financial asset (receivable under a service concession arrangement) is recognised to the extent that the Group has an unconditional right to receive cash or another financial asset from the Grantor for the construction and upgrade services rendered and/or the consideration paid and payable by the Group to the Grantor. The Group has an unconditional right to receive cash if the Grantor contractually guarantees to pay the Group specified or determinable amounts or the shortfall, if any, between amounts received from the users of the public services and specified or determinable amounts.

An intangible asset (operating concession) is recognised to the extent that the Group receives a right to charge users of public services, which is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the services.

If the Group is paid for the construction and upgrade services or the cash payments for the rights to charge grantors or public users (under BOT/TOT arrangement) partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially in accordance with IFRS 15.

2. 主要會計政策*(續)*

特許經營權協議*(續)*

(a) 授予方付出的對價

在本集團對於向授予方提供的建造和升級改造服務擁有無條件收取現金或其他金融資產的權利和／或[illegible]營權協議下的應收款項)予以確認。若授予方於合約中保證依下列金額給付本集團，則本集團具有能無條件收取現金之權利：特定或可確定金額，或本

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Service concession arrangements *(continued)*

(b) Construction and upgrade services

Revenue from construction service is recognised over time using an input method, based on the percentage of completion of the contract, which is determined by the direct proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

(c) Operating service

During the Operation Period of the service concession arrangements, receipts up to the level of the guarantee are treated as repayment of the financial asset. Costs for operating services are expensed in the period in which they are incurred.

(d) Contractual obligations to restore the facilities to a specified level of serviceability

The Group has contractual obligations which it must fulfil as a condition of its licenses, that is (i) to maintain the wastewater treatment plants it operates to a specified level of serviceability and/or (ii) to restore the plants to a specified condition before they are handed over to the Grantor at the end of the service concession arrangement. These contractual obligations to maintain or restore the water treatment plants, except for upgrade element, are recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period. In the opinion of the directors of the Company, the contractual obligations to maintain or restore infrastructure were not material to the Group.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Financial instruments

金融工具

Financial assets

金融資產

Recognition and derecognition

確認及終止確認

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

金融資產於且僅於本集團成為該工具合約條文之一方時按交易日基準確認。

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

金融資產於且僅於(i)本集團來自該金融資產之未來現金流量之合約權利屆滿時或(ii)本集團轉讓該金融資產，且(a)本集團已轉移該金融資產擁有權之絕大部份風險及回報，或(b)本集團並未轉移或保留該金融資產擁有權之絕大部份風險及回報，惟其放棄對該金融資產之控制權時終止確認。

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

倘本集團仍保留已轉讓金融資產擁有權之絕大部份風險及回報，本集團會繼續確認該金融資產。

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

倘本集團既不轉移亦不保留已轉讓資產擁有權之絕大部份風險及回報，且繼續控制該已轉讓資產，本集團按其持續參與程度及可能須支付之相關負債金額確認該金融資產。

Classification and measurement

分類及計量

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at fair value through profit or loss ("**FVPL**"), transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

金融資產(無重大融資成分的貿易應收款項除外)初步按其公允價值確認，倘金融資產並未按公允價值計入損益(「**按公允價值計入損益**」)，則加上收購金融資產之直接應佔交易成本。該等貿易應收款項初步按其交易價計量。

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("**FVOCI**"); (iii) equity investment measured at FVOCI; or (iv) measured at FVPL.

於初步確認時，金融資產分類為(i)按攤銷成本計量；(ii)按公允價值計入其他全面收益(「**按公允價值計入其他全面收益**」)計量之債務投資；(iii)按公允價值計入其他全面收益計量之股本投資；或(iv)按公允價值計入損益。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets *(continued)*

Classification and measurement (continued)

2) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition at FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which IFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets.

A financial asset is classified as held for trading if it is:

(i) acquired principally for the purpose of selling it in the near term;

(ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or

(iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

The Group's financial assets measured at FVPL include the derivatives – Cross Currency swap.

2. 主要會計政策*(續)*

金融工具*(續)*

金融資產(續)

分類及計量(續)

2) 按公允價值計入損益之金融資產

該等投資包括非按攤銷成本計量或按公允價值計入其他全面收益之金融資產，包括持作交易之金融資產、初步確認時指定按公允價值計入損益之金融資產，以及國際財務報告準則第3號適用之業務合併中之或然代價安排所導致之金融資產及其他須按公允價值計入損益之金融資產。彼等按公允價值列賬，所導致之任何收益及虧損於損益中確認，不包括該等金融資產所賺取之任何股息或利息。

金融資產分類為持作交易，則其：

(i) 獲收購之主要目的是在短期內出售；

(ii) 於初步確認時為集中管理且具有短期獲利之最近實際模式跡象之可識別金融工具組合之一部份；或

(iii) 不屬於財務擔保合同，或並非指定且有效對沖工具之衍生工具。

本集團按公允價值計入損益的金融資產包括衍生工具－交叉貨幣掉期。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Financial instruments *(continued)*

金融工具*(續)*

Financial liabilities

金融負債

Recognition and derecognition

確認及終止確認

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

金融負債於且僅於本集團成為該工具合約條文之一方時確認。

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

金融負債於且僅於負債消除時，即在有關合約訂明之責任獲解除、註銷或屆滿時，方終止確認。

Classification and measurement

分類及計量

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

金融負債初步按其公允價值確認，倘金融負債並未按公允價值計入損益，則加上發行金融負債之直接應佔交易成本。

The Group's financial liabilities include trade and other payables and borrowings. All financial liabilities except for financial liabilities at FVPL are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

本集團的金融負債包括應付賬款及其他應付款及借款。除按公允價值計入損益的金融負債外，所有金融負債均初步按其公允價值確認及隨後採用實際利率法按攤銷成本計量，惟貼現將不會產生重大影響時，則於該情況下按成本列賬。

Financial liabilities are designated at initial recognition as at FVPL only if:

倘符合下列條件，則金融負債於初步確認時指定為按公允價值計入損益處理：

(i) the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases;

(i) 該分類會消除或明顯減少按不同基準計量資產或負債或確認其盈虧所產生的計量或確認不一致；

(ii) they are part of a group of financial liabilities or financial assets and financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or

(ii) 其屬於一組受管理之金融負債或金融資產及金融負債的一部份且根據明文規定之風險管理策略按公允價值基準評估其表現；或

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Financial instruments *(continued)*

金融工具*(續)*

Impairment of financial assets and other items *(continued)*

金融資產及其他項目的減值(續)

Measurement of ECL

預期信貸虧損之計量

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

預期信貸虧損乃金融工具預期年期的信貸虧損(即所有現金短欠的現值)的概率加權估計。

A credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

信貸虧損為合約項下應付某一實體的合約現金流量與該實體預期收取的現金流量之間的現值差額。

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

全期預期信貸虧損指金融工具預期年期所有可能的違約事件產生的預期信貸虧損，而12個月預期信貸虧損為全期預期信貸虧損的一部份，其預期源自可能在報告日期後12個月內發生的金融工具違約事件。

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

倘以集體基準計量預期信貸虧損，金融工具乃依據下列一項或以上共享信貸風險特徵而分組：

(a) past due status

(a) 逾期狀況

(b) nature of financial instrument

(b) 金融工具性質

(c) nature, size and industry of debtors

(c) 債務人的性質、規模及行業

(d) local economy environment of provinces in the PRC

(d) 中國各省的當地經濟環境

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets and other items *(continued)*

Measurement of ECL (continued)

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria.

(a) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or

(b) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 主要會計政策*(續)*

金融工具*(續)*

金融資產及其他項目的減值*(續)*

預期信貸虧損之計量(續)

虧損撥備於各報告日期重新計量以反映初步確認以來金融工具信貸風險及虧損的變動。虧損撥備得出的變動於損益確認為減值盈虧並對金融工具賬面值作相應調整。

違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為歷史經驗顯示如金融工具符合以下任何一項準則，本集團或未能收回全數未償還合約金額。

(a) 有內部衍生資料或取自外部來源資料顯示債務人不大可能全數向其債權人(包括本集團)支付欠款(未考慮本集團所持任何抵押品)；或

(b) 對手方有違反財務契諾。

無論上述分析如何，本集團認為金融資產逾期超過90日已屬發生違約，除非本集團有合理及可靠資料證明較為滯後的違約準則更為適當則作別論。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets and other items *(continued)*

Low credit risk

A financial instrument is determined to have low credit risk if:

(a) it has a low risk of default;

(b) the borrower has a strong capacity to meet its contractual cash flow obligations in the near terms; and

(c) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

As detailed in Note 3.1(b) to the consolidated financial statements, cash and bank balances and restricted funds are determined to have low credit risk.

Simplified approach of ECL

For trade receivables, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. 主要會計政策*(續)*

金融工具*(續)*

金融資產及其他項目的減值*(續)*

低信貸風險

如有下列情況，金融工具會被釐定為低信貸風險：

(a) 其具低違約風險；

(b) 借款人有實力履行其近期合約現金流量責任；及

(c) 較長遠的經濟或營商條件的不利變動可能(但不一定)會減低借款人履行其合約現金流量責任的能力。

誠如合併財務報表附註3.1(b)所詳述，現金及銀行結餘及受限制資金被確定為具有低信貸風險。

預期信貸虧損之簡化法

本集團就應收賬款應用簡化法計算預期信貸虧損。本集團於各報告日期根據全期預期信貸虧損確認虧損撥備，並已設立撥備矩陣，以其過往信貸虧損經驗為基準，並就應收賬款及經濟環境之特定前瞻性因素作出調整。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses.

應收賬款及其他應收款

應收賬款於本集團擁有收取代價之無條件權利時確認。倘於到期支付代價前僅需時間推移，收取代價之權利則屬無條件。倘收益已於本集團擁有收取代價之不附有條件的權利前確認，則有關款項呈列為合約資產。

不包含重大融資組成部分的應收賬款初步按其交易價格計量。包含重大融資組成部分的貿易應收款項初步按其公允價值加交易成本計量。所有應收賬款其後則使用實際利率法按攤銷成本列賬(包含信貸虧損撥備)。

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group's derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

衍生工具

衍生工具於衍生工具合約訂立當日按公平值初始確認，其後於各報告期間末按公平值重新計量。公平值變動之會計處理取決於該衍生工具是否被指定為對沖工具，如被指定為對沖工具，則取決於對沖項目之性質。本集團之衍生工具並不符合對沖會計準則。不符合對沖會計準則之衍生工具之公平值如有變動，將即時於損益內確認並計入其他收益／(虧損)。

Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

應付賬款及其他應付款

應付賬款及其他應付款初步按公平值確認，並於其後按攤銷成本列賬，惟倘貼現之影響不大，則按發票金額列賬。

Borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs.

借貸

附息借貸初步按公平值減交易成本計量，其後使用實際利率法及按攤銷成本列賬。利息開支根據本集團對借貸成本之會計政策確認。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

現金及現金等價物

就合併現金流量表而言，現金及現金等價物指可隨時轉換為已知現金金額且價值變動風險較低之短期高流動性投資。

Revenue recognition

Revenue from contracts with customers

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

(i) Wastewater treatment services

(ii) Water supply services

(iii) Revenue from construction contracts

(iv) Management services

(v) Thermal production

(vi) Transportation services

(vii) Finance income

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

(a) a good or service (or a bundle of goods or services) that is distinct; or

(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

收益確認

客戶合約收益

貨品或服務的性質

本集團所提供貨品或服務的性質如下：

(i) 污水處理服務

(ii) 供水服務

(iii) 建築合同收入

(iv) 管理服務

(v) 熱力生產

(vi) 運輸業務

(vii) 財務收入

識別履約責任

於合約開始時，本集團會評估與客戶所訂合約中承諾的貨品或服務，並識別為各承諾轉移給客戶以下兩者之一的履約責任：

(a) 明確的貨品或服務(或一束貨品或服務)；或

(b) 連串明確的貨品或服務，大致相同且轉移給客戶的模式相同。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

Revenue from contracts with customers *(continued)*

Identification of performance obligations (continued)

A good or service that is promised to a customer is distinct if both of the following criteria are met:

(a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and

(b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

(b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or

(c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

2. 主要會計政策*(續)*

收益確認*(續)*

客戶合約收益*(續)*

識別履約責任(續)

如同時符合以下準則，則承諾給客戶的貨品或服務謂之明確：

(a) 客戶自身或連同其他可隨時利用的資源受惠於貨品或服務(即貨品或服務謂之明確)；及

(b) 本集團轉移給客戶貨品或服務的承諾可與合約中其他承諾分開識別(即轉移貨品或服務就合約文本而言謂之明確)。

收益確認的時間性

收益當(或如)本集團藉轉移所承諾貨品或服務(即資產)給客戶而達致履約責任時確認。資產當(或如)客戶取得其控制權時謂之轉移。

如符合以下其中一項準則，本集團隨時間轉移貨品或服務的控制權，故達致履約責任並隨時間確認收益：

(a) 客戶於本集團履約時同時接受及使用本集團履約所提供的利益；

(b) 本集團履約創造或提昇客戶於資產被創造或提昇時所控制的資產(如在建工程)；或

(c) 本集團履約時並無創造對本集團而言具替代用途的資產，；

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

Finance and interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). Since the Group's main operation is carried out in the PRC, the amounts shown in the consolidated financial statements are presented in RMB.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("**foreign operations**") are translated into the presentation currency as follows:

– Assets and liabilities for each statement of financial position presented and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at the end of the reporting period.

– Income and expenses for each statement of comprehensive income are translated at average exchange rate.

2. 主要會計政策*(續)*

外幣換算

本集團各實體財務報表所包含的項目乃以實體經營所在主要經濟環境的貨幣(「**功能貨幣**」)計量。由於本集團之業務主要於中國開展，於合併財務報表所示金額乃以人民幣呈列。

以外幣進行之交易乃按於交易日期之現行匯率換算為功能貨幣。結算此等交易及以外幣計值之貨幣資產及負債以年終匯率折算產生之匯兌收益及虧損於損益內確認。重新換算按公允價值列賬的

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2. 主要會計政策*(續)*

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

撥備

當本集團因過往事件而須承擔現時之法定或推定責任，而履行該責任可能需要流出能實現經濟利益之資源且有關責任之金額能可靠估計時，即會確認撥備。已確認撥備之支出會在產生支出年度與有關撥備互相抵銷。本集團會於各報告期末審閱撥備，並作出調整，以反映當前之最佳估計。倘有關撥備金額之時間值影響重大，則撥備金額應為履行責任預期所需支出之現值。倘本集團預期撥備將會獲得償還，則償還款項會確認為個別資產，惟僅於償還實際上肯定時方予確認。

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

或有負債

或有負債為由過往事件產生的現有義務，惟並無被確認，原因為不太可能需要有體現經濟利益的資源流出以履行該義務，或者該義務的金額無法充分可靠地計量。

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

如果本集團對某項義務負有連帶責任，預計將由其他各%朽鈔差虽⑽驪趴樞薹涞憕腓鈔，

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "**holder**") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee *(continued)*

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises:

(a) the amount of the initial measurement of the lease liability;

(b) any lease payments made at or before the commencement date, less any lease incentives received;

(c) any initial direct costs incurred by the Group; and

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

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset. The unexpired lease term of the leased properties is ranging from 2 to 3 years.

2. 主要會計政策*(續)*

租賃*(續)*

作為承租人*(續)*

本集團將租賃合同中的每個租賃組成部分分別作為租賃入賬。本集團以租賃組成部分之相關獨立價格為基準將合約代價分配至各租賃組成部分。

本集團未產生單獨組成部分的應付金額被視為分配給合同中單獨確定的組成部分的總代價的一部分。

本集團於租賃開始日期確認使用權資產和租賃負債。使用權資產按成本進行初始計量，包括：

(a) 租賃負債初步計量金額；

(b) 於開始日期或之前作出的任何租賃付款，減去已獲得的租賃優惠；

(c) 本集團所產生的任何初始直接成本；及

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

其後，使用權資產乃按成本減任何累計折舊及任何累計減值虧損計量，並就租賃負債任何重新計量而作出調整。折舊按租賃期與使用權資產的未到期的租賃期限中的較短者以直線法計提。租賃物業的可使用年限介乎2至3年。

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee *(continued)*

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

A lease modification is accounted for as a separate lease if:

(a) the modification increases the scope of the lease by adding the right to use or more underlying assets; and

(b) the consideration for the lease increases by an amount

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Employee benefit

(a) Pension obligations

The full-time employees of the Group in the PRC are covered by various government-sponsored defined contribution pension plans under which the employees are entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these retired employees. The Group contributes on a monthly basis to these pension plans. Under these plans, the Group has no obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred and contributions paid to the defined-contribution pension plans for an employee are not available to reduce the Group's future obligations to such defined-contribution pension plans even if the employee leaves the Group. In addition to the government-sponsored defined contribution pension plans as mentioned above, effective from 1 January 2014, the Group operates an additional employee pension plan. The full-time employees of the Group in the PRC are entitled to an additional pension aggregating to 8% of previous year's salaries. The Group has no further obligation for this additional employee pension plan beyond the contribution made.

(b) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's Lang

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax assets or liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or liability is settled, based on the tax rates and the tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and investments in associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

A related party is a person or entity that is related to the Group.

(a) A person or a close member of that person's family is related to the Group if that person:

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Related parties *(continued)*

(b) An entity is related to the Group if any of the following conditions applies:

(i) the entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) both entities are joint ventures of the same third party.

(iv) one entity is a joint venture of a (each)13.4 (i) 3 entity and (each)13.4 (i) other entity is an associate of the third entity.

(v) the entity is a (3.8 ( )0.6 (post-employment)14.2 ( )0.5 (benefit)14.2 ( )0.5 (plan)13.9 ( )0.5 (for)14 ( )0.5 (the)37.1

(vi) the entity is controlledor jointly controlledby a person a).

(vii) a (3.6 (person)13.7 (identified (3.6 (in)13.7 ((a) (3.8 ((i) (3.8 (has)13.8 (significant)14 (influence)25.1 ( )]TJET

2. SIGNIFICANT ACCOUNTING POLICIES
(continued)

Critical judgements and accounting estimates *(continued)*

Critical accounting estimates *(continued)*

(ii) Impairment of trade and other receiv.u(0.6 (oth)-0.a.C00.6 (f)11.4 ( )0.7 (re)-0.6 (ce)-0.6 (i)-0.6 (v.u(h)-0.a.C0)-0.a.Cs6 (er)11.2 ( )u

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Critical judgements and accounting estimates *(continued)*

Critical accounting estimates *(continued)*

(iv) Percentage of completion of construction and service contracts

The Group recognises revenue for construction work and service contracts according to the percentage of completion of the individual contract of construction or service work. The Group's management estimates the percentage of completion of construction or service work based on the actual cost incurred over the total budgeted cost, where the corresponding contract revenue is also estimated by management. Because of the nature of the activity undertaken in construction and service contracts, the date at which the activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revises the estimation of both contract revenue and contract costs in the budget prepared for each construction contract and service contract as the contract progresses.

(v) Service concession arrangements

If the Group is paid for the construction and upgrade services or the cash payments for the rights to charge grantors or public users (under BOT/TOT arrangement) partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially in accordance with IFRS 15. Significant judgement is exercised in determining the transaction price and the allocation thereof. Discount rates, estimates of future cash flows and other factors are used in the valuation process. Any change in the expected cash flows will result in change in the carrying value of the financial receivable.

2. 主要會計政策*(續)*

重大判斷及會計估計*(續)*

重大會計估計(續)

(iv) 建設完工百分比及服務合同

本集團根據個別建造或服務工程合同的完工百分比確認建造工程和服務合同的收入。本集團管理層根據總預算成本中發生的實際成本來估計建造或服務工程的完工百分比，並估計相應的合同收入。由於建造和服務合同中承接活動性質的不同，活動開始的日期與活動結束的日期通常歸屬於不同的會計期間。在建造過程中本集團會覆核為各建造合同和服務合同編製的預算，並修改對合同收入和合同成本的估計。

(v) 特許經營權協議

如果本集團提供建造及改造升級服務獲得給付或獲取向授予方或公共服務使用者收費之權利收取現金(在BOT/TOT協議下)，該利益部分由金融資產帶來，部分由無形資產帶來，則對價的各組成要素分別處理且根據國際財務報告準則第15號進行初始確認。在釐定交易價格及其分配需要做出重大判斷。在估值過程中需要使用折現率，以及對未來現金流量和其他因素的估計。預期現金流量的任何變動都將會導致金融應收款賬面價值的變化。

2. 主要會計政策(續)

重大判斷及會計估計(續)

重大會計估計(續)

(v) 特許經營權協議(續)

當在特許期間內收到款項時，本集團將其分配至(i)償還金融應收款(如有)，用於減少合併財務狀況表中金融應收款的賬面價值，(ii)將在合併損益及其他全面收益表中確認為收入的利息收入，以及(iii)合併損益及其他全面收益表中經營和維護水及其他處理工廠產生的收入。

初始確認後，無形資產按成本計量，包括資本化借款成本減累計攤銷和減值損失。特許經營權協議中無形資產的估計可使用年限是指，自本集團開始向公眾收取基礎設施使用費起至特許期間結束的期間。

於2022年12月31日的合併財務狀況表中列示於無形資產下的特許經營權的淨值約為人民幣539,304,000元(2021年：約人民幣305,222,000元)，而特許經營權協議下的應收款項則約為人民幣2,590,549,000元(2021年：約人民幣2,737,814,000元)。

(vi) 投資物業估值

投資物業乃按獨立專業估值師進行之估值按公平價值列賬。於釐定公平價值時，估值師乃依據涉及若干市況估計(包括不可觀察輸入數據)之估值方法。於依賴估值報告時，本公司董事已行使其判斷並信納估值所用假設反映現時市況。該等假設之變動會導致本集團投資物業公平價值之變動，對收益或虧損金額之相應調整將於損益中確認。有關詳情載於附註15。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk and impairment assessment

Credit risk refers to the risk that a counterparty will default on its

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險及減值計估 (續)

貿易應收款項 (續)

本集團所面臨之信用風險，主要受各客戶個別特徵而非客戶所經營行業影響，因此信用風險高度集中之情況主要發生於本集團對個別客戶有重大風險承擔時。於2022年12月31日，本集團最大客戶及五大客戶分別佔貿易應收款項總額之53%(2021年：52%)及82%(2021年：78%)，因此承受一定程度的信用集中風險。

此外，本集團採用國際財務報告準則第9號簡化方法計量預期信貸虧損，該方法採用所有貿易應收款項的全期預期虧損撥備，並按集體基準以撥備矩陣計算，惟須個別評估的項目除外。本集團根據逾期狀況對其貿易應收款項進行分類。由於本集團過往的信貸虧損經驗並無顯示不同客户類別的虧損模式有重大差異，故本集團的不同客户群之間並無進一步區分基於逾期狀況的虧損撥備。年

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

***(b) Credit risk and impairment assessment** (continued)*

Receivables under service concession arrangements, amounts due from customers for construction contracts

The Group has periodic collectively and individually assessed allowance for credit losses for its receivables under service concession arrangements, amounts due from customers for construction contracts at the end of the reporting period based on internal credit rating, their ageing, historical observed default rates based on 12-month ECL and adjusted for forward-looking information that is available without undue cost or effort. In the opinion of the management of the Group, these customers are local governments, PRC state-owned entities and quasi-government organisations, which are financially sound and there is no significant credit risk with these customers.

Impairment loss on receivables under service concession arrangements of approximately RMB26,026,000 (2021: approximately RMB15,981,000) and reversal of impairment loss on amount due from customers for construction contracts approximately RMB6,820,000 (2021: impairment loss of approximately RMB14,112,000) is recognised during the year respectively. Details of the quantitative disclosures are set out below in this note.

Contract assets

In determining the ECL for contract assets, the management of the Group have made individual assessment on the recoverability of contract assets based on historical settlement records, past experience, and also forward-looking information. In the opinion of the management of the Group, these customers are local governments, PRC state-owned entities and quasi-government organisations, which are financially sound and there is no significant credit risk with these customers.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

***(b) 信用風險及減值計估**(續)*

特許經營權協議下的應收款項、應收客戶建造合同款

本集團根據內部信用評級、其賬齡、過往觀察到的基於12個月的預期信貸虧損的違約率，並根據毋須付出過度成本或努力即可獲得的前瞻性資料進行調整，對特許經營權協議下的應收款項、應收客戶建造合同款在報告期末時的信貸虧損撥備進行定期整體及單獨評估。本集團管理層認為，該等客戶為地方政府、中國國有實體及準政府組織，其財務狀況良好，該等客戶並無重大信用風險。

年內分別確認特許經營權協議下的應收款項的減值虧損約人民幣26,026,000元(2021年：約人民幣15,981,000元)及應收客戶建造合同款的減值虧損撥回約人民幣6,820,000元(2021年：減值虧損約人民幣14,112,000元)。有關量化披露的詳情載於本附註下文。

合約資產

於釐定合約資產的預期信貸虧損時，本集團管理層根據歷史結算記錄、過往經驗及前瞻性資料對合約資產的可收回性進行個別評估。本集團管理層認為，該等客戶為地方政府、中國國有實體及準政府組織，其財務狀況良好，且與該等客戶之間不存在重大信用風險。

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險及減值計估 *(續)*

其他應收款項

就其他應收款項而言，本集團管理層根據歷史結算記錄、過往經驗以及合理及有理據支持的前瞻性資料的定量及定性資料，對其他應收款項的可收回性進行定期集體評估及定期個別評估。本集團管理層認為，自初步確認以來，該等結餘的信用風險並無顯著增加，且本集團根據12個月預期信貸虧損計提減值，惟由於存在不利事件，本集團管理層認為若干其他應收款項結餘約人民幣8,782,000元(2021年：約人民幣3,000元)乃指定根據全期預期信貸虧損進行減值評估且可收回性較低，因此，於年內確認若干結餘約人民幣8,782,000元(2021年：約人民幣3,000元)的減值虧損。年內確認其他應收款項的減值虧損總額約人民幣16,227,000元(2021年：約人民幣1,914,000元)。

以攤銷成本計量的其他金融資產

管理層根據歷史結算記錄以及合理及有理據支持的前瞻性資料的定量及定性資料對其可收回性進行定期個別評估。於2022年12月31日，本集團已就已出現信貸減值的

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

***(b) Credit risk and impairment assessment** (continued)*

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its trading records to rate its major customers and other debtors.

The Group's current credit risk framework comprises the following categories:

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

***(b) 信用風險及減值評估**(續)*

本集團制定並維持其信用風險等級，以根據違約風險的程度對風險進行分類。本集團利用其交易記錄對其主要客戶和其他債務人進行評級。

本集團目前之信用風險分級框架包括以下類別：

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收款項	Other financial assets/other items 其他金融資產／其他項目
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手的違約風險較低，且並無任何逾期款項	Lifetime ECL – not credit-impaired 整個存續期預期信貸虧損－未發生信貸減值	12-month ECL 12個月預期信貸虧損
Watch list 觀察名單	Debtor frequently repays after due dates but usually settle in full 債務人經常於到期日後還款，惟通常會全額結清	Lifetime ECL – not credit-impaired 整個存續期預期信貸虧損－未發生信貸減值	12-month ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk and impairment assessment

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

***(b) Credit risk and impairment assessment** (continued)*

The tables below detail the credit risk exposures of the Group's

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險及減值評估(續)

(i) 貿易應收款項

作為本集團信用風險管理的一部分，本集團使用債務人的賬齡評估客戶的減值，因為該等客戶具有共同的風險特徵，能够代表客戶按照合同條款支付所有到期款項的能力。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

***(b) Credit risk and impairment assessment** (continued)*

(ii) Financial asset at amortised cost and other receivables (continued)

Notes:

(i) Other receivables with gross carrying amount totalling approximately RMB745,429,000 (2021: RMB1,069,275,000) for which 12-month ECL has been provided, resulted in recognition of ECL of approximately RMB11,836,000 during the year (2021: approximately RMB1,914,000).

(ii) Certain other receivables with gross carrying amount totalling approximately RMB8,782,000 (2021: approximately RMB3,000) that have become credit-impaired for which lifetime ECL has been provided, resulted in recognition of ECL of approximately RMB4,391,000 (2021: Nil) during the year. The management of the Group considered that the recovery of these balances was remote due to unfavourable event occurred.

(iii) As at 31 December 2022, financial assets at amortised cost of RMB300,000,000 were individually determined to be credit-impaired for which lifetime ECL has been provided. The individually impaired financial assets at amortised cost related to debtors that were in financial difficulties with the reference to the shortfall between the carrying amount and expected value of collateral, and management assessed that only a portion of principal and interest receivables was expected to be recovered. Consequently, further loss allowance of RMB54,000,000 (2021: RMB6,000,000) was recognised during the year.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

***(b) 信用風險及減值評估**(續)*

(ii) 以攤銷成本計量的金融資產及其他應收款項(續)

附註：

(i) 其他應收款項賬面總值約人民幣745,429,000元(2021年：人民幣1,069,275,000元)已計提12個月預期信貸虧損，於年內導致確認預期信貸虧損約人民幣11,836,000元(2021年：約人民幣1,914,000元)。

(ii) 若干其他應收款項賬面總值約人民幣8,782,000元(2021年：約人民幣3,000元)已發生信貸減值並計提整個存續期預期信貸虧損，於年內導致確認預期信貸虧損約人民幣4,391,000元(2021年：零)。本集團管理層認為，由於發生不利事件，該等結餘的可收回性極低。

(iii) 於2022年12月31日，以攤銷成本計量的金融資產人民幣300,000,000元被個別釐定為已發生信貸減值並計提整個存續期預期信貸虧損，當中已參考賬面值與抵押品預期價值之間的差額，管理層評估認為僅有部分應收本金及利息有望收回。因此，於年內已確認進一步虧損撥備人民幣54,000,000元(2021年：人民幣6,000,000元)。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

***(c) Liquidity risk** (continued)*

The estimated amount of interest payments on borrowings are arrived based on the principal borrowing balance and prevailing interests rates at respective reporting dates up to the final maturity date of the borrowing agreements.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on basis of the gearing ratio. This ratio is calculated as net debts divided by total capital. Net debts are calculated as total borrowings less cash and cash equivalents and restricted funds. Total capital is calculated as "equity" as shown in the consolidated financial statements plus net debts.

The net gearing ratio as at 31 December 2022 and 2021 is as follow:

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

***(c) 流動資金風險**(續)*

上述估計的借款利息付款為依據借款本金餘額及各個報告日期至借款協議的最終到期日的同期利率進行計算所得。

3.2 資本風險管理

本集團的資本管理政策是保障集團能繼續經營，以為股東提供回報和為其他利益關係者提供利益，同時維持最佳的資本結構以減低資本成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股利數額、向股東退還資本、發行新股或出售資產以減低債務。

與業內其他公司一樣，本集團利用資產負債比監察其資本。此比率按照債務淨額除以總資本計算。債務淨額為總借款減去現金及現金等價物及受限制資金。總資本為「權益」(如合併財務資料所列)加債務淨額。

於2022年及2021年12月31日，淨資產負債比率如下：

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Total borrowings *(Note 30)*	總借款*(附註30)*	**5,869,087**	6,405,937
Less: Cash and bank balances *(Note 28)*	減：現金及銀行結餘*(附註28)*	**(131,494)**	(1,504,346)
Restricted funds *(Note 28)*	受限制資金*(附註28)*	**(181,194)**	(49,650)
Net debt	債務淨額	**5,556,399**	4,851,941
Total equity			

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation of financial instruments

The following presents the liabilities measured at fair value or required to disclose their fair value in these financial statements on a recurring basis across the three levels of the fair value hierarchy defined in IFRS 13 Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation of financial instruments *(continued)*

***Financial liabilities measured at fair value** (continued)*

During the years ended 31 December 2022 and 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. The Group's policy is to recognise transfers between levels as at the end of the reporting period.

Fair value of financial assets and liabilities measured at cost or amortised cost

The fair value of non-current receivables under service concession arrangements, non-current amounts due from customers for construction contracts, non-current contract assets and non-current borrowings is estimated by discounting the future cash flows at the current market rate available to the Group for similar financial instruments.

4. SEGMENT INFORMATION

The directors of the Company have been identified as the chief operating decision-maker of the Company. Management has determined the operating segments based on reports reviewed by the

4. SEGMENT INFORMATION *(continued)* 4. 分部信息*(續)*

(a) Segment information *(continued)* (a) 分部信息*(續)*

Segment assets and liabilities as at 31 December 2022 are presented below:

截至2022年12月31日的分部資產和負債如下：

		Wastewater treatment 污水處理 *RMB'000 人民幣千元*	Water supply 水供給 *RMB'000 人民幣千元*	Others 其他 *RMB'000 人民幣千元*	Total 合計 *RMB'000 人民幣千元*
Segment assets	**分部資產**	**7,481,253**	**1,176,093**	**2,957,304**	**11,614,650**
Unallocated:	**未分配的：**				
Deferred tax assets	遞延稅項資產				**81,028**
Investments in associates	聯營投資				**6,526**
Total assets	**資產總額**				**11,702,204**
Segment liabilities	**分部負債**	**4,384,230**	**731,065**	**1,797,984**	**6,913,279**
Unallocated:	**未分配的：**				
Deferred tax liabilities	遞延稅項負債				**51,903**
Tax payables	應付稅項				**79,431**

4. SEGMENT INFORMATION *(continued)*

(a) Segment information *(continued)*

Segment revenue and result (i.e. the operating profit) and other
information for the year ende/C00 1 Tf0H:1nde/C00 1 December (he)14.1 (1 2nde/0 (he)142f0H:1nde/C00 1 ar5 (he)14.1 ( )0p.7 Se

4. SEGMENT INFORMATION *(continued)* 4. 分部信息*(續)*

(a) Segment information *(continued)* (a) 分部信息*(續)*

Segment assets and liabilities as at 31 December 2021 are presented below:

截至2021年12月31日的分部資產和負債如下：

		Wastewater treatment 污水處理 *RMB'000 人民幣千元*	Water supply 水供給 *RMB'000 人民幣千元*	Others 其他 *RMB'000 人民幣千元*	Total 合計 *RMB'000 人民幣千元*
Segment assets	**分部資產**	8,641,125	1,211,764	2,117,766	11,970,655
Unallocated:	**未分配的：**				
Deferred tax assets	遞延稅項資產				84,490
Investments in associates	聯營投資				12,793
Total assets	**資產總額**				12,067,938
Segment liabilities	**分部負債**	5,910,426	546,681	880,584	7,337,691
Unallocated:	**未分配的：**				
Financial liabilities at FVPL	按公允價值計入損益的金融負債				110,450
Deferred tax liabilities	遞延稅項負債				86,492
Tax payables	應付稅項				97,494
Total liabilities	**負債總額**				7,632,127

4. SEGMENT INFORMATION *(continued)*

(b) Geographical information

The Group's operations are principally located in the PRC, hence, geographical segment information is not considered necessary.

4. 分部信息*(續)*

(b) 地理信息

本集團的業務主要位於中國。因此不需要地理區域信息。

(c) Information about major customers

The major customers whose revenue amounted to 10% or more of the Group's total revenue were as below:

(c) 主要客戶信息

本集團的主要客戶的收入佔本集團收入總額的10%或以上如下：

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Revenue from wastewater treatment segment	**來自污水處理分部的收入**		
Customer A	客戶A	**905,130**	573,760
Customer B	客戶B	**N/A不適用***	273,056
Revenue from the others segment	**來自其他分部的收入**		
Customer C	客戶C	**309,530**	N/A不適用*

* The corresponding revenue did not contribute 10% or more of the Group's revenue.

* 相應收益並無佔本集團收益10%或以上。

6. 按性質分類的費用

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Depreciation of property, plant and equipment *(Note 17)*	不動產、工廠及設備的折舊 *(附註17)*	**198,237**	238,570
Utilities, electricity and office expenditures	公用事業、電力及辦公室支出	**56,252**	120,798
Employee benefit expenses *(Note 10)*	僱員福利開支*(附註10)*	**215,499**	185,214
Costs of wastewater and water supply services	污水處理和水供給服務的成本	**301,129**	201,176
Cost of construction services	建造服務成本	**222,100**	587,501
Taxes and levies	稅金及附加	**25,393**	33,396
Repair and maintenance costs	維修及維護成本	**42,620**	27,313
Commission charge	手續費	**2,791**	9,733
Depreciation of right-of-use assets *(Note 16)*	使用權資產折舊*(附註16)*	**13,491**	11,291
Subcontracting costs	分包費用	**26,126**	90,921
Professional expenses	專業服務費	**36,306**	16,006
Research and development expenses	研發費用	**542**	7,299
Amortisation of intangible assets *(Note 21)*	無形資產攤銷*(附註21)*		

7. 其他收益 – 淨額

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Government grants:	政府補助：	**13,333**	27,740
– relating to purchase of property plant and equipment *(Note 31)*	–與購買不動產、工廠和設備有關*(附註31)*	**12,339**	13,162
– relating to tax refund *(Note)*	–與稅費返還有關*(附註)*	**994**	14,578
Gain on disposal of a subsidiary *(Note 40)*	出售一間附屬公司之收益*(附註40)*	**19,886**	–
Interest income from bank deposits	銀行存款之利息收入	**4,691**	3,988
Fair value change of investment properties *(Note 15)*	投資物業之公允價值變動*(附註15)*	**1,085**	2,622
Fair value gain (loss) of financial liabilities at FVPL	按公允價值計入損益的金融負債的公允價值收益(虧損		

9. FINANCE COSTS – NET

9. 財務成本－淨額



10. 僱員福利開支

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Staff costs, including directors' emoluments	**員工成本(包括董事酬金)**		
Salaries, wages and bonuses	工資、獎金和津貼	**163,920**	140,575
Contributions to pension plans *(Note (a))*	退休金計劃供款*(附註(a))*	**24,964**	21,176
Housing funds, medical insurance and other social insurance *(Note (b))*	住房公積金、醫療保險和其他社會保險*(附註(b))*	**26,615**	23,463
		215,499	185,214

附註：

(a) 根據中國規章制度的規定，本集團為其中國全職員工向國家資助的退休金計劃供款。本集團全職員工按其相關收入包括工資、薪金、津貼及獎金(不超過一定上限)的8%左右每月向該計劃供款。本集團沒有義務承擔作出供款以外的退休後福利。國家資助的退休金計劃包含所有應付退休職工的退休後福利義務。

除上述政府資助的設定提存退休金計劃外，於2014年1月1日起，本集團設有一‿』磭喑胹褻幻酡 1 膕盒틱

10. EMPLOYEE BENEFIT EXPENSES *(continued)*

Notes: (continued)

(c) Five highest paid individuals

The five highest paid individuals during the year included 2 directors and 1 supervisor (2021: 2 directors, 1 supervisor and 1 chief executive), details of whose remuneration are set out in Note 12.The aggregate of the emoluments in respect of the other two individuals (2021: one individual) (for the years ended 31 December 2021 and 2022, the emoluments of all the highest paid individuals who were not directors, supervisors or chief executives did not involve any discretionary or performance-based bonuses, amounts paid or payable to induce them to join or at the time when they joined the Group, or any compensation for loss of any managerial position) are as follows:

10. 僱員福利開支*(續)*

附註：(續)

(c) 五位最高薪酬人士

年內五位最高薪酬人士包括兩位董事和一位監事(2021年：兩位董事、一位監事和一位最高行政人員)，其薪酬載於附註12。其餘兩名個人(2021年：一名個人)的薪酬總額(於截至2022年及2021年12月31日止年度，所有並非董事、監事或最高行政人員的最高薪酬人士的薪酬均無涉及任何自行酌定的或按業績計算的花紅、促使其加入或在其加入本集團時已支付或應付予的款項，或任何因其失去任何管理人員職位的補償款項)如下：

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Salaries	工資	**771**	525
Contributions to pension plans	退休計劃供款	**155**	63
Others	其他	**136**	67
		1,062	655

(d) The emoluments of remaining two individuals (2021: one individual) fell within the following band:

(d) 其餘兩名個人(2021年：一名個人)的薪酬範圍如下：

Range of remuneration *(HKD)*	薪酬範圍*(港幣)*	2022 2022年 *Number of individuals* *人數*	2021 2021年 *Number of individuals* *人數*
Nil to 500,000	零至500,000	**1**	–
500,001 to 1,000,000	500,001至1,000,000	**1**	1

11. INCOME TAX EXPENSE

11. 所得稅費用

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Current tax – Hong Kong Profits Tax	當期稅項—香港利得稅		
Provision for the year	年內撥備	–	3,308
Current tax – the PRC Corporate Income Tax	當期稅項—中國企業所得稅		
Provision for the year	年內撥備	75,442	61,078
Over provision in respect of prior years	以往年度超額撥備	(3,035)	(606)
		72,407	60,472
Deferred tax	遞延稅項	(29,077)	(6,638)
Income tax	所得稅	43,330	57,142

For the only Hong Kong incorporated subsidiary, Hong Kong Profits Tax is calculated at 8.25% (2021:8.25%) of the first HKD2 million of estimated assessable profit and at 16.5% (2021: 16.5%) on the remaining estimated assessable profit. No provision for Hong Kong profits Tax has been made for the subsidiary as it has no assessable profits or obtained tax losses for taxation purpose for the year.

對於唯一在香港註冊成立的附屬公司，其首2百萬港元估計應課稅溢利按8.25%(2021年：8.25%)的稅率及餘下估計應課稅溢利按16.5%(2021年：16.5%)的稅率計算香港利得稅。由於附屬公司於年內並無應課稅溢利或出現持續稅務虧損，因此並無就其作出香港利得稅撥備。

Under the Law of the PRC on Corporate Income Tax (the "**CIT Law**") and implementation Regulations of the CIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008. The income tax rate of 25% is applicable to all of the Group's PRC subsidiaries during the year ended 31 December 2022 and 2021, except for certain subsidiaries that enjoy tax exemption or a preferential income tax

根據中華人民共和國企業所得稅法(「**企業所得稅法**」)及企業所得稅法實施條例，自2008年1月1日起，中國附屬公司的稅率為25%。於截至2022年和2021年12月31日止年度期間，除經各自的地方稅務部門批准享受稅務減免或優惠所得稅率的部分附屬公司外，本集團在中國的所有附屬公司均適用25%的所得稅率。討論如下：

(a) 中國西部大開發政策是中國國稅總局對在中國西部省份開展業務的，其經營活動屬政策鼓勵類產業目錄規定產業的公司發佈的一項稅收優惠政策(「**西部大開發政策**」)。截至2022年和2021年12月31日止年度，本公司及部分附屬公司符合中國西部大開發政策的規定，享受15%的優惠所得稅稅率。

11. INCOME TAX EXPENSE *(continued)*

(b) In addition to the Western Region Development Policy, the Company also qualifies as a "High-tech Enterprise" and enjoys a 15% enterprise income tax rate during the years ended 31 December 2022 and 2021.

(c) Certain newly upgraded wastewater treatment facilities owned by certain PRC subsidiaries meet the criteria provided in the catalogue for public basic infrastructure projects qualified for CIT preferential tax rates. Such PRC subsidiaries are entitled to three years' exemption from CIT followed by three years of a 50% CIT reduction on relevant taxable income derived from such new projects.

(d) Certain PRC subsidiaries use the resources stipulated in the catalogue for comprehensive utilisation I(isati)-0.6 ((I6sourc (si)-0.ti)-0.6)14. (si)-0. (co)-06 (re)-0.tie2 TEMC /P <1Lang (en-US)/M

12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(continued)* 12. 董事及僱員酬金*(續)*

(a) Directors' and chief executives' emoluments *(continued)* (a) 董事及最高行政人員酬金*(續)*

	Fees 袍金 *RMB'000* *人民幣千元*	Salaries 工資 *RMB'000* *人民幣千元*	Discretionary bonus 酌情花紅 *RMB'000* *人民幣千元*	Employer's contribution to benefit scheme 僱主向福利計劃供款 *RMB'000* *人民幣千元*	Others 其他 *RMB'000* *人民幣千元*	Total 合計 *RMB'000* *人民幣千元*
Year ended 31 December 2021 截至2021年12月31日止年度						
Executive directors *執行董事*						
Mr. Zeng Feng (曾鋒) 曾鋒先生 *(Note (a)(vii)) (附註(a)(vii))*						

* Mr. Chan Changyong is the chief executive officer.

12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(continued)*

(a) Directors' and chief executives' emoluments *(continued)*

Note: The remuneration in the above table is pre-tax remuneration. Salaries include wages, bonuses and allowances, and employee benefits paid by the employer; contributions to benefit scheme include basic pension insurance and enterprise annuities paid by the employer; others include housing contributions, medical insurance and other social insurance paid by the employer.

Directors and chief executives' emoluments for the years ended 31 December 2022 and 2021 are set out as follows:

(i) Ms. Ren Na resigned as non-executive Director of the Company on 7 March 2023, her resignation will take effect on the day when the new non-executive Director to replace her is elected and appointed at the 2023 first extraordinary general meeting to be convened by the Company.

(ii) The Board resolved to propose the removal of Mr. Luo Yun as an executive Director and a deputy general manager of the Company on 7 February 2023. The removal of Mr. Luo Yun as a deputy general manager has been approved and agreed by the Board with effect from 7 February 2023, and the proposed removal of Mr. Luo Yun as an executive Director will become effective from the date of approval by the shareholders of the Company by way of an ordinary resolution at the first extraordinary general meeting in 2023.

(iii) Mr. Zhang Yang was appointed as a non-executive Director of the Company on 7 December 2022.

(iv) Ms. Wang Dongfang was appointed as an independent non-executive Director of the Company on 7 December 2022.

(v) Ms. Yu Yanbo ceased to serve as non-executive Director of the Company on 7 December 2022.

(vi) Mr. Yin Xiaobing ceased to serve as an independent non-executive Director of the Company on 7 December 2022.

12. 董事及僱員酬金*(續)*

(a) 董事及最高行政人員酬金*(續)*

附註： 上表薪酬為稅前薪酬，工資包括僱主支付的工資、獎金和津貼、職工福利；福利計劃供款包括僱主支付的基本養老保險和企業年金；其他包括僱主支付的住房供積金、醫療保險和其他社會保險。

截至2022年及2021年12月31日止年度董事及最高行政人員薪酬載列如下：

(i) 任娜女士於2023年3月7日辭任本公司非執行董事，其辭任將自於本公司將召開的2023年第一次臨時股東大會選舉出及委任替補非執行董事當日生效。

(ii) 羅雲先生於2023年2月7日由董事會決議建議免除其執行董事及副總經理職務。免除其副總經理職務已經董事會審批同意並於2023年2月7日起生效，而建議免除羅雲先生之執行董事職務將自本公司股東於2023年第一次臨時股東大會上以普通決議案方式批准之日起生效。

(iii) 張洋先生於2022年12月7日獲委任為本公司非執行董事。

(iv) 王東方女士於2022年12月7日獲委任為本公司獨立非執行董事。

(v) 余燕波女士於2022年12月7日不再擔任本公司非執行董事。

(vi) 尹曉冰先生於2022年12月7日不再擔任本公司獨立非執行董事。

13. DIVIDENDS 13. 股息

	2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
(a) Final dividends for the year ended 31 December 2021 of RMB0.10 per share (tax inclusive) (2020: RMB0.12 (tax inclusive)) *(Notes (i) and36 5E28 Tc 6.4 0 /P 4Lang (en-US)/MCID 23505 2BDC BT0 TETEMC /P 2022*		

Notes:

(i) As approved by the annual general meeting on 29 June 2022, the Company declared a dividend of approximately RMB102,911,000 (tax inclusive) in respect of the accumulated distributable profit as at 31 December 2021. The declaration of the dividend has been reflected as an appropriation of accumulated profits during the year ended 31 December 2022. The dividends were paid out during the year ended 31 December 2022.

(ii) The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2022.

(iii) As approved by the annual general meeting on 18 June 2021, the Company declared a dividend of approximately RMB123,493,000 (tax inclusive) in respect of the accumulated distributable profit as at 31 December 2020. The declaration of the dividend has been reflected as an appropriation of accumulated profits during the year ended 31 December 2021. The dividends were paid out during the year ended 31 December 2021.

(iv) As approved by the extraordinary general meeting on 12 November 2021, the Company declared an interim dividend of approximately RMB51,455,000 (tax inclusive) in respect of the accumulated distributable profit as at 30 June 2021. The declaration of the interim dividends has been reflected as an appropriation of accumulated profits during the six months ended 30 June 2021. The interim dividends were paid out during the year ended 31 December 2021.

14. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year:

14. 每股收益

基本每股收益根據歸屬於本公司權益股東的利潤，除以年內已發行普通股的加權平均數目計算。

		2022 2022年	2021 2021年
Profit attributable to equity holders of the Company *(RMB'000)*	歸屬於本公司權益持有人的利潤 *(人民幣千元)*	**322,250**	338,278
Weighted average number of ordinary shares in issue *(thousand)*	已發行普通股的加權平均數 *(千計)*	**1,029,111**	1,029,111
Basic earnings per share *(RMB)*	基本每股收益*(人民幣元)*	**0.31**	0.33

The diluted earnings per share are same as the basic earnings per share as there was no dilutive potential share during the years ended 31 December 2022 and 2021.

在截至2022年及2021年12月31日止年度內不存在潛在稀釋權利股，故稀釋每股收益與基本每股收益相同。

15. INVESTMENT PROPERTIES

15. 投資物業

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
At fair value	**按公允價值**		
At the beginning of the reporting period	於報告期初	**276,377**	273,755
Change in fair value	公允價值變動	**1,085**	2,622
At the end of the reporting period	於報告期末	**277,462**	276,377

All the Group's property interests held under operating leases to earn rental or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties. The investment properties are situated in the PRC and are held under a medium-term lease.

本集團為賺取租金或作資本增值用途而根據經營租賃持有的所有物業權益均採用公允價值模型進行計量，並歸類為投資物業入賬。投資物業位於中國並根據中期租賃持有。

15. 投資物業*(續)*

15. 投資物業(續)

估值技術(續)

直接比較法將估值之物業與其他可資比較且近期有交易之物業直接作出比較。然而，考慮到房地產的異質性，估值時通常需要考慮任何質量差異對物業價格之影響而作出適當調整。

於2022年及2021年12月31日，所有投資物業已歸入公允價值層級第三級。

年內公允價值層級之間並無轉撥。

有關使用重大無法觀察輸入數據進行公允價值計

15. INVESTMENT PROPERTIES *(continued)* 15. 投資物業*(續)*

Valuation techniques *(continued)* **估值技術***(續)*

	2021 Fair value 2021年公允價值 *RMB'000 人民幣千元*	Valuation techniques 估值技術	Range of significant unobservable inputs 重大無法觀察輸入數據之範圍 Prevailing market rent per month 現行市值月租	Adjusted unit price 經調整單價	Capitalisation rate 資本化率
Investment properties 投資物業					
Entire buildings No. 1, No. 2 and No.3 (including basement) of the Kunming No. 2 Water Purification Plant	251,594	Income capitalisation	RMB39.30 to RMB42.67 per square meter	N/A	6.77%
昆明第二水質淨化廠1號、2號及3號建築物整棟(含地下室)		收入資本化	每平方米人民幣39.30元至人民幣42.67元	不適用	6.77%
Six management buildings of the Kunming No. 3 Water Purification Plant	11,531	Income capitalisation	RMB39.30 to RMB42.67 per square meter	N/A	6.77%
昆明第三水質淨化廠六幢管理樓		收入資本化	每平方米人民幣39.30元至人民幣42.67元	不適用	6.77%
Two pieces of lands located at the Paper Making Industry Base in Dayao Town, Liuyang City	13,252	Income capitalisation	RMB2.47 to 2.60 per square meter	N/A	8.19%
位於瀏陽市大瑤鎮造紙工業基地的兩塊土地		收入資本化	每平方米人民幣2.47元至人民幣2.60元	不適用	8.19%
	276,377				

Note: There were changes to the valuation technique during the year from income capitalisation method to direct comparison method because the market for comparable properties was inactive and there was no relevant comparable transaction last year. The directors of the Company consider that such changes would be more effectively reflect the fair value of the Group's investment properties.

附註： 本年度的估值技術從收入資本化法改為直接比較法，原因為去年可資比較物業的市場不活躍且並無相關可資比較交易。本公司董事認為，該變動將更有效地反映本集團投資物業的公允價值。

17. PROPERTY, PLANT AND EQUIPMENT (continued)

17. 不動產、工廠及設備(續)

Notes:

附註：

(a) The net book value of property, plant and equipment pledged as collateral for the Group's borrowings as at the end of the reporting period were as follows:

(a) 作為本集團借款質押擔保物的不動產、工廠及設備在報告期末的賬面淨值如下：

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Buildings and facilities	樓宇及設施	**351,163**	324,140
Machinery and equipment	機器及設備	**357,567**	431,044
Office and electronic equipment	辦公設備及電子設備	**7,275**	–
Motor vehicles	車輛	**211**	–
		716,216	755,184

(b) Depreciation of property, plant and equipment has been charged to the consolidated statement of profit or loss and other comprehensive income as follows:

(b) 不動產、工廠和設備的折舊於合併損益及其他全面收益表支銷，如下：

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Cost of sales	銷售成本	**186,784**	226,971
Administrative expense	行政費用	**11,453**	11,599

(c) As at 31 December 2022, the Group is still in the process of applying for the building ownership certificates of certain of its buildings and the aggregated carrying amounts of these buildings amounted to approximately RMB131,964,000 (2021: approximately RMB24,625,000).

(d) During the year ended 31 December 2022, the Group has capitalised borrowing costs amounting to approximately RMB31,064,000 (2021: approximately RMB6,017,000) on qualifying assets. Borrowing costs were capitalised at the weighted average rate of its general borrowings of 4.05% p.a. during the year ended 31 December 2022 (2021: 5.34% p.a.).

18. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

The Group has entered into certain arrangements with governmental authorities in the PRC under TOT or BOT models in respect of its T

18. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS *(continued)*

18. 特許經營權協議下的應收款項*(續)*

Summarised information of the financial assets component (receivables under service concession arrangements) with respect to the Group's service concession arrangements is as follows.

就本集團的特許經營權協議而言，金融資產部分(特許經營權協議下的應收款項)的匯總信息如下。

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Receivables under service concession arrangements	**特許經營權協議下的應收款項**		
Current portion:	流動部分：		
Receivables under service concession arrangements	特許經營權協議下的應收款項	**45,029**	5,495
Loss allowance	虧損撥備	**(901)**	(32)
		44,128	5,463
Non-current portion:	非流動部分：		
Receivables under service concession arrangements	特許經營權協議下的應收款項	**2,600,616**	2,761,353
Loss allowance	虧損撥備	**(54,195)**	(29,002)
		2,546,421	2,732,351
		2,590,549	2,737,814

As at 31 December 2022 and 2021, the carrying amounts of receivables under services concession arrangements are principally denominated in RMB.

於2022年及2021年12月31日，特許經營權協議下的應收款項的賬面值主要以人民幣計值。

The receivables under service concession arrangements, in which the Group has an unconditional right to receive cash were mainly due from governmental authorities and quasi-government organisations in the PRC, as grantors in respect of the Group's service concession arrangements.

特許經營權協議下的應收款項主要為應收中國政府部門及準政府組織(本集團特許經營權協議的授予方)的款項，其中本集團有無條件收取現金的權利。

Information regarding the Group's credit policy are set out in Note 3.1(b).

有關本集團信貸政策的資料載於附註3.1(b)。

19. AMOUNTS DUE FROM CUSTOMERS FOR CONSTRUCTION CONTRACTS

19. 應收客戶建造合同款

The amounts due from customers for construction contracts represent contract assets under BT arrangements:

應收客戶建造合同款代表BT合同下的合約資產：

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Current portion:	流動部分：		
Amounts due from customers for construction contracts	應收客戶建造合同款	**36,329**	23,340
Loss allowance	虧損撥備	**(727)**	(555)
		35,602	22,785
Non-current portion:	非流動部分：		
Amounts due from customers for construction contracts	應收客戶建造合同款	**689,505**	580,496
Loss allowance	虧損撥備	**(13,790)**	(20,782)
		675,715	559,714
		711,317	582,499

As at 31 December 2022 and 2021, the carrying amounts of amounts due from customer for construction contracts are principally denominated in RMB.

於2022年及2021年12月31日，應收客戶建造合同款的賬面值主要以人民幣計值。

Information regarding the Group's credit policy are set out in Note 3.1(b).

有關本集團信貸政策的資料載於附註3.1(b)。

20. CONTRACT ASSETS

Note:

21. INTANGIBLE ASSETS 21. 無形資產

		Computer software 計算機軟件 *RMB'000 人民幣千元*	Operating concession 特許經營權 *RMB'000 人民幣千元*	Total 合計 *RMB'000 人民幣千元*
Year ended 31 December 2021	**截至2021年12月31日止年度**			
At the beginning of the reporting period	報告期初	9,592	319,697	329,289
Additions	增加	1,847	–	1,847
Amortisation	攤銷	(3,167)	(14,475)	(17,642)
At the end of the reporting period	報告期末	8,272	305,222	313,494
At 31 December 2021	**於2021年12月31日**			
Cost	成本	36,065	344,720	380,785
Accumulated amortisation	累計攤銷	(27,793)	(39,498)	(67,291)
Net book value	賬面淨值	8,272	305,222	313,494



22. INVESTMENTS IN ASSOCIATES *(continued)*

Relationship with associates

Yunnan Dianchi Information Construction Management Co., Ltd.*
("**Dianchi Information**") (雲南滇池信息建設管理有限公司) i InfiBrEB/BLraEAESdEBPXd/EBeAT/(EBsvBBd projects.iates) i*jBE

22. 聯營投資*(續)*

聯營公司之財務資料*(續)*

報告期末聯營公司的詳情如下。

Name of entities 實體名稱	Country/place and date of establishment 註冊成立的國家／地點及日期	Paid-up capital 實繳資本 *RMB'000*	Proportion of ownership interest held by the Group 本集團持有的所有者權益比例		Principal activities 主營業務
			2022 2022年	2021 2021年	

22. 聯營投資(續)

聯營公司之財務資料(續)

本集團於2022及2021年12月31日並無重大聯營公司。歸屬於本集團的聯營公司關鍵財務資料如下：

	Year 年度	Assets 資產 *RMB'000* *人民幣千元*	Liabilities 負債 *RMB'000* *人民幣千元*	Revenue 收入 *RMB'000* *人民幣千元*	Loss 虧損 *RMB'000* *人民幣千元*	Net assets 淨資產 *RMB'000* *人民幣千元*
2022	**2022年**	**4,506**	**1,746**	**192**	**(691)**	**2,760**
2021	2021年	4,601	1,150	279	(1,728)	3,451

由於其中一間聯營公司權益已減至零，故本集團於期內並無確認其應佔虧損，因其確認只限於零，而年內未確認應佔虧損及截至及於2022年12月31

23. DEFERRED TAX ASSETS AND LIABILITIES 23. 遞延稅項資產和負債

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Deferred tax assets	遞延稅項資產	81,028	84,490

Movements in deferred tax assets and liabilities during the year ended 31 December 2022, without taking into consideration the offsetting of balance within the same tax jurisdiction, are as follows:

23. DEFERRED TAX ASSETS AND LIABILITIES *(continued)*

(a) Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of related tax benefits through future taxable profits is probable. Carrying forward of these tax losses will expire, if unused, in the years ending 31 December 2023 to 31 December 2027.

As at 31 December 2022, the Group has cumulative tax losses of approximately RMB25,843,000 (2021: approximately RMB29,765,000). Of which, the Group has recognised deferred tax assets in respect of these tax losses to the extent of approximately RMB20,127,000 (2021: approximately RMB22,380,000). The Group has not recognised deferred tax assets in respect of the remaining tax losses of approximately RMB5,716,000 (2021: approximately RMB7,385,000) due to the unpredictability of future profit streams, which will be expired within 5 years.

(b) Certain wastewater treatment facilities and land use rights were recorded at the carrying amounts from KDI's perspective in the consolidated financial statements, which are different from tax bases of these assets. The deferred income tax assets arising from such differences were initially recognised as a credit to reserve.

Except for the amounts recognised and disclosed above, the Group does not have any other material temporary differences at the end of the reporting period.

23. 遞延稅項資產和負債*(續)*

(a) 對以稅務虧損確認的遞延稅項資產，在未來很可能產生應課稅利潤而實現相關稅務利益時方可確認。這些稅務虧損的結轉，如未使用，將於截至2023年12月31日至2027年12月31日止年度到期。

於2022年12月31日，本集團的累計稅項損失為約人民幣25,843,000元(2021年：約人民幣29,765,000元)。其中，本集團已確認與該等稅項損失有關的遞延稅項資產約人民幣20,127,000元(2021年：約人民幣22,380,000元)。由於無法預測未來溢利流，本集團並無就餘下稅項損失約人民幣5,716,000元(2021年：約人民幣7,385,000元)確認遞延稅項資產，該等損失將於5年內到期。

(b) 在合併財務報表中從昆明滇池投資的角度按賬面價值將污水處理設施和土地使用權入賬，與該等資產的稅基存在差異。該等差異產生的遞延所得稅資產在初始確認時計入其他儲備的貸方。

除已確認及於上文披露的金額外，本集團於報告期末並無任何其他重大暫時性差異。

23. 遞延稅項資產和負債*(續)*

26. FINANCIAL ASSETS AT AMORTISED COST 26. 以攤銷成本計量的金融資產

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Unlisted investment *(Note)*	非上市投資*(附註)*	**300,000**	300,000
Loss allowance	虧損撥備	**(60,000)**	(6,000)
		240,000	294,000

Note: On 29 September 2021, the Company (as the asset entrustor) entered into the Mutual Trust No. 5 Asset Management Agreement with Bosera Capital Management Co., Ltd. (as the asset manager) and China Merchants Bank (as the asset entrustee) in relation to the investment and management of the entrusted assets. Pursuant to the Mutual Trust No. 5 Asset Management Agreement, the Company agreed to entrust an amount of RMB300,000,000 as the entrusted assets, which will be funded by the internal resources of the Company. The entrusted assets will be used to invest in the credits of accounts receivable held by Kunming Agricultural Development Investment Co., Ltd. (昆明農業發展投資有限公司, "**KADI**"). Corporate guarantee has given by KDI to KADI on the principal and interest of such investments.

The carrying value of financial assets at amortised cost was RMB300,000,000 and stated at the amortised cost less impairment loss. The assets were originally due to be recovered on 28 December 2021 but were extended to 10 April 2022 by an extension agreement entered into on 31 December 2021. The asset manager allocated the assets under the asset management plan to the Company in their current status as at the maturity Date in accordance with the terms of the Mutual Trust No. 5 Asset Management Agreement. On 29 October 2022, the Company and KADI entered into a settlement agreement and mutually agreed that certain assets held by the subsidiaries of KADI and KADI were pledged to the Company for the outstanding principal and interest.

As at 31 December 2022, provision of loss amounted to RMB60,000,000 (2021: RMB6,000,000) was made. Information regarding the Group's credit policy are set out in Note 3.1(b).

Such investments carried an interest rate at 8% p.a., and the principal is repayable on demand. As the directors of the Company intends solely for collection of payments of principal and interest, it is classified as financial assets at amortised cost.

附註： 於2021年9月29日，本公司(作為資產委託人)與博時資本管理有限公司(作為資產管理人)及招商銀行(作為資產託管人)就委託資產之投資及管理訂立互信5號資產管理合同。根據互信5號資產管理合同，本公司同意委託人民幣300,000,000元為委託資產，其將以本公司的內部資源撥付。委託資產將用於受讓昆明農業發展投資有限公司(「**昆明農業發展投資**」)持有的應收賬款債權。昆明滇池投資就有關投資的本金及利息向昆明農業發展投資提供公司擔保。

以攤銷成本計量的金融資產的賬面值為人民幣300,000,000元，並按攤銷成本減值虧損列賬。該項資產本應於2021年12月28日收回，但於2021年12月31日簽訂展期協議，延長至2022年4月10日。資產管理人根據互信5號資產管理合同的約定，以截至到期日該資產管理計劃項下資產現狀向本公司進行分配。於2022年10月29日，本公司與昆明農業發展投資簽訂展期協議解決方案合同及雙方同意昆明農業發展投資及其附屬公司持有的若干資產已就未收回的本金及利息抵押予本公司。

在2022年12月31日，計提壞賬人民幣60,000,000元(2021年：人民幣6,000,000元)。有關本集團信貸政策的資料載於附註3.1(b)。

該等投資的年利率為8%，本金須按要求償還。由於本公司董事擬僅收取本金及利息付款，故將其分類為以攤銷成本計量的金融資產。

27. TRADE AND OTHER RECEIVABLES 27. 應收賬款及其他應收款

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Trade receivables *(Note):*	**應收賬款***(附註)*：		
– Third parties	－第三方	**202,799**	107,999
– Related parties *(Note 37(d)(i))*	－關聯方*(附註37(d)(i))*	**551,514**	277,462
– Local government	－地方政府	**2,200,998**	1,381,406
– Loss allowance	－虧損撥備	**(81,712)**	(56,898)
Trade receivables – net	**應收賬款－淨額**	**2,873,599**	1,709,969
Other receivables:	**其他應收款：**		
– Third parties	－第三方	**99,155**	149,949
– Related parties *(Note 37(d)(i))*	－關聯方*(附註37(d)(i))*	**584,390**	865,438
– Local government	－地方政府	**70,666**	53,891
– Loss allowance	－虧損撥備	**(23,671)**	(7,447)
Other receivables – net	**其他應收款－淨額**	**730,540**	1,061,831
Prepayments:	**預付款：**		
– Others	－其他	**72,204**	112,224
– Loss allowance	－虧損撥備	**(4)**	(4)
Prepayments – net	**預付款－淨額**	**72,200**	112,220
Trade and other receivables – net	**應收賬款及其他應收款－淨額**	**3,676,339**	2,884,020

27. TRADE AND OTHER RECEIVABLES *(continued)*

27. 應收賬款及其他應收款*(續)*

As at 31 December 2022 and 2021, the carrying amounts of trade and other receivables are principally denominated in RMB. The trade receivables are due for payment upon presentation of invoices.

於2022年及2021年12月31日，應收賬款及其他應收款的賬面價值主要以人民幣為單位。應收賬款應在發出發票時支付。

Information regarding the Group's credit policy are set out in Note 3.1(b).

有關本集團信貸政策的資料載於附註3.1(b)。

Note:

附註：

Ageing analysis of gross trade receivables at the end of the reporting period, based on the invoice dates, is as follows:

於報告期末，根據發票日期的應收賬款總額之賬齡分析如下

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
– Within one year	– 1年以內	**1,771,954**	1,238,288
– Over one year and within two years	– 1至2年	**1,041,909**	467,025
– Over two years	– 超過2年	**141,448**	61,554
		2,955,311	1,766,867

The Group does not hold any collateral as security over these debtors.

本集團並無持有任何抵押品作為擔保。

The Group rebutted the presumption of default under ECL model for trade receivables over 90 days past due and set the default criterion as 1 year past due based on good repayment records for those customers having a continuous business with the Group. They are assessed based on their probability of default and exposure of default with reference to historical debt collection experience, adjusted by current and forward-looking factors.

對於逾期90天以上的貿易應收款項，本集團駁回預期信貸虧損模型下的違約假設，並基於與本集團有持續業務往來的客戶的良好還款記錄，將違約標準設定為逾期1年。對這些客戶的評估是基於他們的違約概率和違約風險，並參考過往債務回收經驗，且根據當前和前瞻性因素進行調整。

29. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES 29. 應付賬款及其他應付款／合同負債

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Trade payables to third parties *(Note a and c)*	應付第三方賬款*(附註a及c)*	**295,842**	317,188
Other payables due to:	其他應付款，應付：	**172,989**	183,428
– related parties *(Note 37(d)(ii))*	－關聯方*(附註37(d)(ii))*	**12,104**	11,513
– local government	－地方政府	**840**	500
– third parties	－第三方		

29. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES *(continued)*

Notes:

(a) As at 31 December 2022 and 2021, the trade payables are normally granted with credit terms ranging from 30 to 90 days.

(b) As at 31 December 2022 and 2021, the Group's trade and other payables13.5cwD492ipally denominated in RMB.

(c) Ageing analysis of trade payables to third parties based on the invoice dates13t the end of thereporting period is13s follows:

(d) The movements (excluding those13.ising from 492reases13nd de2reases1 both occurred within the same year) of receipt in advance from contracts with customer within the scope of IFRS 15 during each of the reporting period

29. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES *(continued)*

Notes: (continued)

(e) Performance obligations

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2022 and 2021 are as follows:

Amounts expected to be recognised as revenue:

The amounts of transaction prices of approximately RMB19,343,987,000 (2021: RMB19,819,743,000) allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to operation services and construction services, of which the performance obligations are to be satisfied within 30 years. All the other amounts of transaction prices of approximately RMB892,262,000 (2021: RMB886,568,000) allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

(f) The amounts are due to independent third parties relating to the acquisition of equity interests in certain subsidiaries in prior years.

30. BORROWINGS 30. 借款

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Non-current portion:	**非流動：**		
Unsecured long-term borrowings	未擔保的長期借款	**989,400**	1,492,600
Secured long-term borrowings *(Note (b))*	擔保的長期借款*(附註(b))*	**1,533,293**	700,423
		2,522,693	2,193,023
Current portion:	**流動：**		
Unsecured short-term borrowings	未擔保的短期借款	**2,687,428**	2,129,226
Secured short-term borrowings *(Note (b))*	擔保的短期借款*(附註(b))*	**658,966**	2,044,877
Corporate bonds *(Note (c))*	公司債券*(附註(c))*	**–**	38,811
		3,346,394	4,212,914
		5,869,087	6,405,937

Notes: *附註：*

(a) All the borrowings were denominated in

(a) 所有借款以下列貨幣計值

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
RMB	人民幣	**5,147,685**	4,298,824
HKD	港元	**649,318**	958,227
USD	美元	**72,084**	1,148,886
		5,869,087	6,405,937

30. BORROWINGS *(continued)*

(b) As at 31 December 2022 and 2021, analysis of the secured borrowings are as follows:

30. 借款*(續)*

(b) 於2022年及

(c) As approved by the National Development and Reform Commission on 25 November 2015, the Company issued corporate bonds of RMB700,000,000 for a term of 7 years, bearing interest at 4.35% per annum. At the end of the fifth year, the Company can adjust the interest rate within a range of 0.00% to 3.00% for the remaining 2-year period, and the investors have an option to request early redemption at par value of the outstanding corporate bond.

The corporate bonds were fully settled during the year.

(d) The maturities of borrowings are as follows:

30. BORROWINGS *(continued)*

(e) The exposure of the Group's borrowings are as follows:

As at 31 December 2022, the Group's variable rate bank borrowings are carrying interest at PRC Loan Prime Rate, and Secured Overnight Financing Rate, London Interbank Offered Rate and Hong Kong Inter-bank Offered Rate plus a premium. Interest is reset each month.

The ranges of effective interests (which are also equal to contractual interest rates) on the Group's borrowings are as follows:

(f) The fair values of current borrowings equal their carrying amount as the discounting impact is not significant. The fair values of non-current borrowings are estimated based on discounted cash flow using the

31. DEFERRED REVENUE

Deferred revenue of the Group included government grants in respect of the Group's or the Ca3ihSy's construction of various facilities , wastewater treatment facilities, water supply facilities, thermal production, and the performance of research and development activities.

Government grants relating to property, plant and equipment are recognised to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the estimated lives of the related assets. The government grants are subject to reimbursement basis approved by the government.

Government grants relating to research and development activities are recognised in the consolidated statement of profit or loss and comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

31. 遞延收益

本集團的遞延收益包括就本集團或本公司建造各項設施、污水處理設施、供水設施、熱力生產以及研發工作表現而獲得的政府補助。項釣灪

The movements of government grants are set out as follows:

Note:

The Group repaid the surplus of approximately RMB1,985,000 relating to a reclaimed water project subsided by government grants to the local government authority during the year.

32. 股本



33. OTHER RESERVES

Note:

(a) Statutory reserve

In accordance with the PRC Company Law and the constitutions of the PRC companies of the Group (the "**PRC Companies**"), the PRC Companies are required to allocate 10% of their profits attributable to the respective owners of the PRC Companies as set out in their statutory financial statements, to the statutory surplus reserve until such reserve reaches 50% of the registered capital of the respective PRC Companies. The appropriation to the reserve must be made before any distribution of dividends to the respective owners of the PRC Companies. The statutory surplus reserve can be used to offset previous year's losses, if any, and part of the statutory surplus reserve can be capitalised as the share capital of the respective PRC Companies provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of the share capital of the respective PRC Companies.

Pursuant to relevant PRC regulations, wastewater treatment and water supply companies are required to set aside an amount to a fund for future development and work safety which they transferred certain amounts from accumulated profits to statutory reserve. The fund can then be used for future development and work safety of the wastewater treatment and water supply operations, and is not available for distribution to shareholders. When qualifying development

33. OTHER RESERVES *(continued)*

(b) Capital reserve

Capital reserve mainly represented the existing book value from KDI's prospective of certain acquired wastewater treatment facilities and land use rights transferred to the Group from KDI, which did not form part of the capital contribution in the form of share capital in 2010, netting of the consideration of these assets and the deferred tax impact. These wastewater treatment facilities and land use rights were included in the consolidated financial statements as if they had been consolidated from the date when KDI came under the control of the then ultimate controlling party.

33. 其他儲備*(續)*

(b) 資本儲備

資本儲備主要是指本集團從昆明滇池投資收購的部分污水處理設施及土地使用權從昆明滇池投資角度計算的現有賬面值(不構成2010年以股本形式出資的一部分)扣除該等資產的收購對價及遞延稅項影響。此等污水處理設施及土地使用權已包含在合併財務報表中,猶如其已在昆明滇池投資受當時的最終控制方控制的日期納入合併範圍。

34. FINANCIAL GUARANTEES ISSUED

At 31 December 2022, the Company had issued corporate guarantees amounting to approximately RMB721,402,000 (2021: approximately RMB2,233,647,000) in connection with facilities granted to certain subsidiaries within the Group. The directors of the Company consider the fair value of these guarantees at the date of inception is insignificant.

At 31 December 2022, the directors of the Company considered it is not probable that a claim will be made against the Company under any of the guarantees. The maximum liability of the Company at the end of the reporting period under the guarantees issued was the facilities drawn down by certain subsidiaries of approximately RMB721,402,000 (2021: approximately RMB1,825,322,000).

34. 已發出財務擔保

於2022年12月31日,本公司已就授予本集團內若干附屬公司的融資發出約人民幣721,402,000元(2021年:約人民幣2,233,647,000元)的公司擔保。本公司董事認為該等擔保於開始日期的公允價值不大。

於2022年12月31日,本公司董事認為不太可能根據任何擔保向本公司提出索賠。於報告期末,本公司於已發出擔保下的最大負債為若干附屬公司提取的融資約人民幣721,402,000元(2021年:約人民幣1,825,322,000元)。

35. CASH FLOW INFORMATION

(a) Cash used in operations

35. 現金流信息

(a) 經營使用的現金

35. CASH FLOW INFORMATION *(continued)* 35. 現金流信息*(續)*

(b) Changes in liabilities arising from financing activities *(continued)* **(b) 融資活動產生的負債變化*(續)***

2021 **2021年**

		Financial liabilities at FVPL *(Note 25)* 按公允價值計入損益的金融負債 *(附註25)* *RMB'000* *人民幣千元*	Borrowings *(Note 30)* 借款 *(附註30)* *RMB'000* *人民幣千元*	Lease liabilities 租賃負債 *RMB'000* *人民幣千元*	Total 合計 *RMB'000* *人民幣千元*
At the beginning of the reporting period	報告期初	84,613	4,966,929	1,168	5,052,710
Net cash flows	淨現金流量	–	1,461,142	(410)	1,460,732
Interest expenses	利息支出	–	11,977	–	11,977
Disposal of lease	出售租賃	–	–	(758)	(758)
Exchange differences	匯兌差額	–	(34,111)	–	(34,111)
Fair value loss of financial liabilities at FVPL	按公允價值計入損益的金融負債的公允價值虧損	25,837	–	–	25,837
At the end of the reporting period	報告期末	110,450	6,405,937	–	6,516,387

37. RELATED PARTY TRANSACTIONS *(continued)*

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the year ended 31 December 2022, and balances as at 31 December 2022 arising from those related party transactions.

37. 關聯方交易*(續)*

以下為截至2022年12月31日止年度本集團與其關聯方於一般業務過程中所進行重大交易的概要，以及於2022年12月31日該等關聯方交易產生的餘額。

(a) Name and relationship with related parties

(a) 名稱和與關聯方關係

Name of related party	Nature of relationship	關聯方名稱	關係性質
KDI	Controlling shareholder of the Company	昆明滇池投資	本公司的控股股東
Kunming DIG	Controlled by Kunming SASAC and a minority shareholder of the Company	昆明發展投資集團	受昆明市國資委控制、本公司少數股東
IDI	Controlled by Kunming SASAC and a minority shareholder of the Company	產業開發投資	受昆明市國資委控制、

37. RELATED PARTY TRANSACTIONS *(continued)*

(b) Transactions with related parties

Save as disclosed elsewhere in this report, during the years ended 31 December 2022 and 2021, the Group had the following significant transactions with related parties.

(i)

37. RELATED PARTY TRANSACTIONS *(continued)*

37. 關聯方交易(續)

(d) 與關聯方交易的餘額(續)

上述應收關聯方的餘額包括以下與有利息條款且須按要求償還的貸款有關的餘額(附註37(b)(ii)):

		2022 2022年 *RMB'000* *人民幣千元*	2021 2021年 *RMB'000* *人民幣千元*
Xindu Investment	新都投資	–	350,000
Kunming Bus	昆明公交	–	300,000
Kunming DIG	昆明發展投資集團	200,000	–
Kunming Construction	昆明城投	310,000	–
		510,000	650,000

37. RELATED PARTY TRANSACTIONS *(continued)*

(d) Balances with related parties *(continued)*

(ii) Other payables due to related parties:

Other payables are unsecured, interest-free and will be settled upon demand by these related parties.

(iii) Contract liabilities dealt with a related party:

(iv) Financial assets at amortised cost

37. 關聯方交易*(續)*

(d) 與關聯方交易的餘額*(續)*

(ii) 應付關聯方的其他應付款：



38. SUBSIDIARIES

Particulars of the principal subsidiaries as at the date of this report and during the year ended 31 December 2022 are set out below.

38. 附屬公司

於本報告日期及截至2022年12月31日止年度，本集團主要附屬公司的詳情如下：

Name of subsidiary 附屬公司名稱	Place of operation/ incorporation and date of incorporation 營業/註冊成立地點及註冊成立日期	Issued ordinary share/registered share capital 已發行普通股/註冊資本 *RMB'000* *人民幣千元*	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有的已發行股本/註冊資本的面值比例				Principal activities 主營業務	Kind of legal entity registered under the law 根據法律註冊的法人種類
			2022 2022年		2021 2021年			
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接		
Yunnan Reclaimed Water Industry Co., Ltd. (雲南中水工業有限公司, "**Yunnan Reclaimed Water**") 雲南中水工業有限公司(「**雲南中水**」)	PRC, 28 March 2002 中國，2002年3月28日	10,000	100%	–	100%	–	Reclaimed water supply 再生水供給	Limited liability 有限責任
Kunming Wastewater Treatment and Operation Co., Ltd. (昆明城市污水處理運營有限責任公司, "City Operation") 昆明城市污水處理運營有限責任公司(「城市運營」)	PRC, 15 June 2005 中國，2005年6月15日	3,000	100%	–	100%	–	Operation of wastewater treatment facilities	Limited liability

38. SUBSIDIARIES *(continued)*

Name of subsidiary 附屬公司名稱	Place of operation/ incorporation and date of incorporation 營業／註冊成立地點及註冊成立日期	Issued ordinary share/registered share capital 已發行普通股／註冊資本 *RMB'000* *人民幣千元*	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有的已發行股本／註冊資本的面值比例				Principal activities 主營業務	Kind of legal entity registered under the law 根據法律註冊的法人種類
			2022 2022年		2021 2021年			
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接		
Kunming He'ertai Environmental industry and trade Co., Ltd. (昆明和而泰環保工貿有限責任公司, "**He'ertai Environmental**")	PRC, 7 February 2002	10,000	51%	–	51%	–	Manufacturing and sales of chemical products	Limited liability
昆明和而泰環保工貿有限責任公司(「**和而泰環保**」)	中國，2002年2月7日	10,000	51%	–	51%	–	化學產品生產及銷售	有限責任
Shuangjiang Dianchi Water Treatment Co., Ltd. (雙江滇池水務有限公司, "**Shuangjiang Water**")	PRC, 8 October 2016	10,000	100%	–	100%	–	Running water supply	Limited liability
雙江滇池水務有限公司(「**雙江水務**」)	中國，2016年10月8日	10,000	100%	–	100%	–	自來水供給	有限責任
Dian Chi Water Treatment (LAOS) Sole Co., Ltd. ("**Laos Water**")	LAOS, 22 August 2016	51,412	–	100%	–	100%	Wastewater treatment	Limited liability
滇池水務(老撾)獨資有限公司(「**老撾水務**」)	老撾，2016年8月22日	51,412	–	100%	–	100%	污水處理	有限責任
Haian Qutang Dianchi Water Treatment Co., Ltd. (海安曲塘滇池水務有限公司, "**Qutang Water**") (Formerly known as Haian Qutang Water Treatment Co., Ltd. 海安曲塘污水處理有限公司)	PRC, 6 July 2009	2,000	100%	–	100%	–	Wastewater treatment	Limited liability
海安曲塘滇池水務有限公司(「**曲塘水務**」) (前身為海安曲塘污水處理有限公司)	中國，2009年7月6日	2,000	100%	–	100%	–	污水處理	有限責任
Hongze Dianchi Water Treatment Co., Ltd. (洪澤滇池水務有限公司, "**Hongze Water**") (Formerly known as Hongzetianying Water Treatment Co., Ltd. 洪澤天楹污水處理有限責任公司)	PRC, 6 March 2006	30,000	100%	–	100%	–	Wastewater treatment	Limited liability
洪澤滇池水務有限公司(「**洪澤水務**」) (前身為洪澤天楹污水處理有限責任公司)	中國，2006年3月6日	30,000	100%	–	100%	–	污水處理	有限責任
Haian Libao Dianchi Water Treatment Co., Ltd. (海安李堡滇池水務有限公司, "**Libao Water**") (Formerly known as Haian Libao Water Treatment Co., Ltd. 海安李堡污水處理有限公司)[附]								

38. SUBSIDIARIES *(continued)*

None of the subsidiaries had issued any debts securities during the year.

The English names of the PRC companies are translated for identification purpose only.

38. 附屬公司*(續)*

年內概無附屬公司發行任何債務證券。

中國公司的英文名稱翻譯僅供識別之用。

39. COMMITMENTS UNDER OPERATING LEASE

The Group as lessor

The Group leases its investment properties to third parties under operating leases with a lease term of 1 to 10 years (2021: 5 to 8 years).

Below is a maturity analysis of undiscounted lease payments to be received from the investment properties subject to an operating lease. The future aggregate minimum rental receivables under non-cancellable operating leases are as follows:

39. 經營租賃承擔

本集團作為出租人

本集團根據經營租賃將其投資物業出租予第三方，租賃期介乎於1至10年(2021年：5至8年)。

以下為訂有經營租賃的投資物業將予收取的未貼本階經鑠梦祀

40. DISPOSAL OF A SUBSIDIARY

On 18 November 2022, the Group disposed of its entire interest in Fanchang Dianchi Water to the local government at a consideration of approximately RMB56,247,000.

The assets and liabilities of Fanchang Dianchi Water disposed at completion date comprise of:

40. 出售一間附屬公司

於2022年11月18日，本集團向地方政府出售其於繁昌滇池水務的全部權益，股權交易對價約為人民幣56,247,000元。

繁昌滇池水務於處置日的資產及負債包括：

		RMB'000 *人民幣千元*
Property, plant and equipment	不動產、工廠及設備	5,919
Receivables under service concession arrangements	特許經營權協議下的應收款項	110,925
Intangible assets	無形資產	1,894
Deferred tax assets	遞延稅項資產	40
Trade and other receivables	應收賬款及其他應收款	14,796
Trade and other payables	應付賬款及其他應付款	(95,123)
Deferred tax liabilities	遞延稅項負債	(2,090)
Net assets disposed of	**已出售資產淨值**	36,361
Gain on disposal of a subsidiary	**出售一間附屬公司之收益**	
Cash consideration received	已收現金代價	53,950
Consideration receivables	應收代價	2,297
Net assets disposed of	已出售資產淨值	(36,361)
		19,886
Net cash inflow from disposal of a subsidiary:	**出售附屬公司產生之現金流入淨額**	
Cash consideration received	年內已收現金代價	53,950

41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(continued)*

41. 本公司財務狀況表*(續)*

Note:

附註：

Reserves movements of the Company

本公司儲備變動

		Other reserves 其他儲備				
		Share premium	Statutory reserve	Property reserve	Total	Accumulated profits
		股本溢價	法定儲備	物業重估盈餘	合計	留存收益
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		人民幣千元	*人民幣千元*	*人民幣千元*	*人民幣千元*	*人民幣千元*
At 1 January 2021	**於2021年1月1日**	1,283,440	252,356	9,658	1,545,454	1,389,915
Profit for the year	年度利潤	–	–	–	–	214,146
Transfer to statutory reserves	提取法定儲備	–	21,415	–	21,415	(21,415)
Dividends	分派股息	–	–	–	–	(174,948)
At 31 December 2021 and 1 January 2022	**於2021年12月31日及2022年1月1日**	1,283,440	273,771	9,658	1,566,869	1,407,698
Profit for the year	年度利潤	**–**	**–**	**–**	**–**	**292,881**
Transfer to statutory reserves	提取法定儲備	**–**	**29,289**	**–**	**29,289**	**(29,289)**
Dividends	分派股息	**–**	**–**	**–**	**–**	**(102,911)**
At 31 December 2022	**於2022年12月31日**	**1,283,440**	**303,060**	**9,658**	**1,596,158**	**1,568,379**

42. EVENTS AFTER THE REPORTING PERIOD

There was no significant events affecting the Group after the year end up to the date of this report.

於年末之後直至本報告日期，概無影響本集團的重大事項。

報告期內，本公司已遵守有關《環境、社會及管治報告指引》載列的「不遵守就解釋」條文。

本公司為各利益相關方(包括股東與投資者、監管機構、客戶、員工、合作夥伴、社區)了解本集團的環境、社會及管治(「**ESG**」)報告指引(「**ESG指引**」)編製了本報告，公司希望通過這份報告，讓廣大投資者進一步了解有關公司環境、社會和管治方面的信息，以完善可持續發展管理體系，實踐可持續發展體制。本報告涵蓋期限為2022年1月1日至2022年12月31日(「**報告期**」)。本報告的匯報範圍涵蓋本公司及其附屬公司的核心業務。

在編備環境、社會及管治報告時，就重要性原則方面，我們結合本集團業務性質和發展，考量本集團對經濟、環境及社會的重大影響，同時通過與持份者的溝通，識別當前的重大可持續發展議題；在關鍵績效指標量化原則方面，在可行的情況下，我們採用量化的方式披露本集團的環境和社會關鍵績效指標；本報告的彙報方法與2021年度保持一致。



The Company equips itself with equipment and facilities in strict compliance with relevant laws and regulations and industry standards to formulate and continuously revise and improve the Company's "Environmental Protection Work Management Measures (Trial)"(《環境保護工作管理辦法(試行)》)by taking into account the actual production of each business segment of the Company. The Company has adopted new technology, new processes and new materials, and strictly abided by the "three simultaneous principles" that safety, occupational health, environmental protection and fire safety facilities of construction projects should be designed, constructed, put into production and used at the same time as the main project to improved the working environment, reduces the risk of environment pollution through technology advancement and strengthened management of environmental protection. The Company has established sound environmental risk inspection system and operation regulations, defined management responsibilities, strengthened hazard detection and governance and other management measures, strengthened daily identification and management and control of risk sources. The Company has established a special agency and arranged staff responsible for safety and environmental works, established daily checking system to ensure record-keeping with integrity and achieve safety production purposes through timely rectification. Employees in various categories are able to familiarise with the requirements of environmental management and operation of their posts through strengthened education and training for employees of various levels and categories. We enhanced the environmental awareness and skills of the employees, ensured normal operation of production and management to give full play to the role of sewage treatment facilities in intercepting and treating pollution, avoided and reduced the destruction and losses of natural environment and social environment brought by sudden environmental events, guaranteed the safety of lives and properties of the Company, the society and the employees.

公司嚴格依據相關法律法規及行業標準，結合公司各業務板塊生產實際，制定並持續修訂、完善公司《環境保護工作管理辦法(試行)》，配備符合環保要求的設備、設施，採用新技術、新工藝、新材料，嚴格遵守建設項目安全、職業健康、環境保護、消防設施嚴格與主體工程同時設計、施工、投入生產和使用的「三同時原則」以改善作業環境，通過技術進步加強環境管理，降低發生環境污染事故的風險。建立健全環境風險隱患排查制度、操作規程，明確管理責任，加強隱患排查及治理等管理措施，加強危險源的日常識別管理及控制；公司設立了專門的機構和人員負責安全、環境工作，建立日常檢查制度，確保檢查有記錄，記錄有整改，通

A1. Emissions

As an enterprise that engages in pollution control and environmental protection, the Company takes sustainable development as its guiding principle and takes the impact of projects on the environment into consideration in its business decision-making, instead of solely pursuing economic efficiency. The Company pays attention to the harmonious coexistence of human and nature.

Within the scope of the Company's business, all the emissions are processed in strict accordance with the "Environmental Protection Law of the PRC" (《中華人民共和國環境保護法》), the "Pollutants Discharge Standard of Urban Sewage Treatment Plants" (《城鎮污水處理廠污染物排放標準》) (GB18918-2002), the "Evaluation Standard of the Operating Performance of Urban Sewage Treatment Plants" (《城鎮污水處理廠運營質量評價標準》) (CJJ/T228-2014) and other relevant laws, regulations, and standards. Our sewage treatment plant in Dianchi Lake Basin has completed upgrading and reconstruction in 2011 and its effluent quality has reached Class I Standard A standard. In particular, the main effluents such as Chemical Oxygen Demand (COD), Total nitrogen (T-N), Total phosphorus (T-P) and Ammonia nitrogen (NH3-N) were 72%, 48%, 86% and 95% lower than the emission limits of national Class I Standard A standard in 2022, respectively.

在公司業務範圍內，所有的排放物嚴格按照《中華人民共和國環境保護法》、《城鎮污水處理廠污染物排放標準》(GB18918-2002)、《城鎮污水處理廠運營質量評價標準》(CJJ/T228-2014)等相關法律法規、標準執行。公司在滇池流域的污水處理廠已於2011年完成提標改造工作，出水水質穩定達一級A排放標準，其中2022年化學需氧量(COD)、總氮(T–N)、總磷(T-P)和氨氮(NH3-N)等主要出水指標分別比國家一級A (COD) (COD)

1. Exhaust gas

During our production and operation, exhaust gas is mainly generated from sewage treatment. In the process of transportation and purification of wastewater, odor, methane and other gases generated by water flow turbulence, microbial reaction, sludge treatment and other activities are small in quantity, instead of main emissions of the Company. Our exhaust gas is targeted to meet the Class II standard set out in the "Ambient Air Quality Standards" (《環境質量空氣標準》)(GB3095-2012). The Company collected and treated exhaust gas generated during operation through process technologies such as ion deodorisation and biological deodorisation and monitored the concentration of exhaust gases. During the Reporting Period, the emission concentration of hydrogen sulfide, ammonia, methane and odor were 0.009mg/m^3, 0.09mg/m^3, 0.0005% and 11 (dimensionless) respectively, all of which were below the emission limit and met the national emission requirements.

The greenhouse gas directly generated in the production and operation process of our main business was limited, mainly from the fuel consumed by sludge transportation and a small part from the fuel consumed by production and office, while indirect greenhouse gas emissions mainly came from consumption of purchased electricity and energy. During the Reporting Period, direct greenhouse gas emissions were calculated as CO_2 equivalents of 3,215 tons and indirect greenhouse gas emissions were calculated as CO_2 equivalents of 233,740 tons. Gases such as nitrogen oxides, sulfur oxides and carbon dioxide, etc. are not characteristic pollution factors of our industry and their emissions are extremely limited, making them difficult to measure.

Although the exhaust gas is not the main and direct emissions of sewage treatment, the Company has continuously optimised treatment technology, standardised production process and minimised generation of exhaust gas in order to reduce the impact of exhaust gas. The Company strengthens greening arrangement of the plant area through plant greening of isolation around the source of odor gas to ensure normal operation of biological and ion processing facilities by collecting and treating exhaust gas. The Company also expands the scope of monitoring by adopting quarterly monitoring to monitor the concentration of hydrogen sulfide, ammonia, methane and odor in the plant area. As regards indirect greenhouse gas emissions resulting from the use of fuel oil for sludge transportation, we are constantly optimising our sludge disposal and transportation solutions for each production area during the production process in order to reduce the use of fuel oil and thus reduce greenhouse gas emissions.

Electricity is the main energy for our production and operation. While continuously improving the quality of operation and management, we encourage support for innovations of improvement in energy conservation and consumption reduction, and prioritise the use of energy-saving and environmentally friendly equipment in production management by setting up special project awards to reward units and individuals who have made outstanding contributions in energy conservation and consumption reduction. The Company is currently working on a distributed photovoltaic power generation project at the wastewater treatment plant to reduce indirect greenhouse gas emissions by using clean energy. At the same time, the Company actively responds to the national energy conservation and emission reduction publicity work, formulates work plans and programs and publicises and cultivates employees' energy conservation habits.

雖然廢氣不是污水處理主要的直接排放物，但公司為減少廢氣影響，不斷優化處理技術、規範生產流程，盡量減少廢氣產生；加強廠區綠化佈置，在臭氣產生源周圍種植綠化隔離；保障生物和離子處理設施正常運行，將廢氣進行收集處理；擴大監測範圍，採取季度監控方式對廠區硫化氫、氨、甲烷、臭氣濃度進行監測。對於因污泥運輸使用燃油

2. Wastewater

The Company's main business is sewage treatment, operation of water supply facilities, reclaimed water utilisation, etc. We receive wastewater and reduce the waste in it by way of treatment and purification, in order to minimise the impact of wastewater on the environment and protect the ecological environment of rivers and lakes. According to the "Implementation Plan for the Key Tasks of Protection and Treatment of Dianchi Lake in 2022" (《滇池保護治理2022年主要工作任務實施方案》), the pollutant reduction targets for the Company's main operating and production areas (the operating wastewater treatment plants in the watersheds of Dianchi Lake) during the Reporting Period were to reduce a total of 145,000 tons of chemical oxygen demand, 3,600 tons of phosphorus and 14,400 tons of nitrogen. The reduction targets for other production areas of the Company are subject to the requirements of the discharge permits issued by governmental departments for each wastewater treatment plant. We strictly control the effluent quality through measures such as optimisation of each process section, real-time data monitoring and enhanced monitoring of influent and effluent water quality. In 2022, the total chemical oxygen demand reduction of all operating wastewater treatment plants of the Company was 166,000 tons, ammonia nitrogen reduction was 16,200 tons, the total phosphorus reduction was 4,000 tons and the total nitrogen reduction was 16,700 tons.

Wastewater generated in our operation includes domestic sewage, backwash water of equipment and some water for forestation in our plants. All the wastewater will be transferred to sewage treatment plants collected either by circulation networks or by municipal pipe network and then discharged if they meet discharge standard after treatment.

During the Reporting Period, the emission of Chemical Oxygen Demand (COD), ammonia nitrogen (NH3-N) and total phosphorus (TP) of our main business of wastewater treatment was 11,528 tons, 239 tons and 75 tons, respectively.

2. 廢水

我們的主營業務為污水處理、供水設施運營、再生水利用等。我們接納污水並進行處理、淨化，削減污水中的污染物，盡量減少污水對環境的影響，保護河湖的生態環境。根據《滇池保護治理2022年主要工作任務實施方案》，報告期內，公司主要經營生產區域(滇池流域在運的污水處理廠)的污染物削減目標為化學需氧量14.5萬噸，總磷0.36萬噸，總氮1.44萬噸。公司其他生產區域的目標削減以政府部門核發的各污水處理廠排污許可證規定為準。我們通過對各工藝段工藝優化、實時數據監控、加強對進出水水質監測等措施，嚴格控制出水水質。2022年，公司在運所有污水處理廠總化學需氧量削減量為16.6萬噸，氨氮削減量為1.62萬噸，總磷削減量為0.4萬噸，總氮削減量為1.67萬噸。

我們在運營中產生的廢水有生活污水、設備反衝洗水及部分廠區綠化用水，這些廢水由廠區內循環管網收集後，經廠區污水處理設施達標處理後排放，或經市政管網收集後匯入污水處理廠達標處理後排放。

於本報告期間，我們主業污水處理的化學需氧量(COD)、氨氮(NH3-N)及總磷(TP)排放量分別為11,528噸、239噸和75噸。

3. Sludge

In 2022, we produced dry sludge of 89,000 tons in aggregate during the production and operation, and the dry sludge produced in the treatment of every 10,000 tons of wastewater was 1.1 tons.

We strictly adhere to the relevant laws and regulations and required standards such as the "Solid Waste Pollution Prevention and Control Law" (as amended in 2020) (《固體廢物污染環境防治法》(2020年修訂)), the "Quality of Sludge for Municipal Wastewater Treatment Plant" (GB 24188-2009) (《城鎮污水處理廠污泥泥質》(GB24188-2009)), the "Control Standard for Agricultural Sludge Pollutants" (GB4284-2018) (《農用污泥污染物控制標準》(GB4284-2018)) and the "Sludge Disposal Criteria for Municipal Wastewater Treatment Plant" (DB5301/T48-2020) (《城鎮污水處理廠污泥處理處置規範》(DB5301/T48-2020)) and conduct inspection on the quality of sludge at least quarterly. Subject to the requirements under the management system on measurement, transportation and disposal, we ensure the sludge treatment process to be in compliance with the national standards and criteria. With the goal of meeting the requirements set out in the Pollutants Discharge Standard of Urban Sewage Treatment Plants 《(城鎮污水處理廠污染物排放標準》) (GB18918-2002) that the sludge of urban wastewater treatment plants shall be dehydrated and the moisture content of the sludge after dehydration shall be less than 80%, we are committed to reducing the impact of sludge on the environment. The moisture content of sludge is tested and monitored every day and sludge dewatering process parameters are adjusted in time so that the moisture content of sludge can be steadily reduced and sludge production can be decreased. The construction of sludge source reduction facilities has helped us achieve 33,000 tons of sludge reduction. Meanwhile, we aimed to achieve a 90% or higher rate of harmless disposal of sludge as set out in the National Action Plan for Water Pollution Prevention and Control, continued on harmless disposal of sludge and resource utilisation, and reduced the environmental impact of sludge treatment and disposal through a combination of technical approaches such as dehydration, intensive dehydration, anaerobic digestion + drying and aerobic composting as well as disposal approaches of sludge land utilisation and recycling as building material. During the Reporting Period, the rate of harmless disposal of sludge in our main production areas reached 99%. In addition, by implementing the forestry substrate soil resource utilisation project, we transform sludge into usable nutritional soil resources used in mine ecological restoration, seedling cultivation, gardening and landscaping. This brings considerable ecological benefits to soil erosion, water conservation and other aspects, thereby achieving simultaneous improvement in economic, environmental and social benefits and contributing to sustainable development of the city, the society and the economy.

3. 污泥

2022年，我們在生產運營過程中產生的乾污泥總量為8.9萬噸，處理每萬噸污水產生乾污泥量為1.1噸。

我們嚴格按照國家《固體廢物污染環境防治法》(2020年修訂)、《城鎮污水處理廠污泥泥質》(GB24188-2009)、《農用污泥污染物控制標準》(GB4284-2018)、《城鎮污水處理廠污泥處理處置規範》(DB5301/T48-2020)等相關法律法規標準要求，至少每季度對污泥泥質進行檢測；在計量、運輸和處置管理制度要求下，確保污泥處置過程符合國家標準及規範。我們致力於降低污泥對環境影響的風險，以《城鎮污水處理廠污染物排放標準》(GB18918-2002)中規定的城鎮污水處理廠的污泥應進行污泥脫水處理，脫水後污泥含水率應小於80%的要求為目標，每天對污泥含水率進行檢測和監控，及時調整污泥脫水工藝參數，穩定降低污泥含水率，減少污泥產生量，建設的污泥源頭減量設施幫助我們實現污泥減量3.3萬噸；與此同時，我們以國家《水污染防治行動計劃》中關於污泥無害化處置率達90%以上的要求為目標，持續做好污泥無害化處置和資源化利用工作，通過脫水、深度脫水、厭氧消化+乾化、好氧堆肥等技術路線，污泥土地利用、建材化利用的處置路徑相結合的方式，降低污泥處理處置對環境造成的影響。報告期內，我們主要生產區域的污泥無害化處置率達到99%。同時，通過林業基質土資源化利用項目，把污泥變為可利用的營養土資源，用於礦山生態修復、苗木栽培、花卉園林，對減少水土流失、涵養水源等方面帶來可觀的生態效益，最終實現經濟效益、環境效益、社會效益同步提升，助力城市社會經濟可持續發展。

4. Other wastes

The non-hazardous waste generated by the Company in the production and operation process is mainly wastepaper. Due to the small amount of production, there is no target and statistical data on the production amount of non-hazardous waste generated. We reduce generation of non-hazardous waste through source control. In 2022, we purchased 10.78 tons of paper according to schedule. At the same time, we adopted highly efficient and environmentally friendly printing and scanning equipment to promote paperless office and reduce paper use. We encouraged paper to be printed on both sides to reduce paper waste. As for the hazardous waste oil produced during the operation of machinery and equipment and the hazardous waste liquids generated in the process of examination, they are the main sources of hazardous waste. The Company sets up waste holding areas according to the relevant national regulations and the measures to prevent wind dispersal, leakage and runoff, and commissions the qualified third parties to dispose the waste by batch. The total amount of hazardous waste in 2022 was 74.38 tons which was entrusted to a third-party compliance unit for unified disposal.

The Company will continuously strengthen maintenance and management of mechanical equipment and inspection instrument, use equipment oil and inspection liquids on a reasonable basis and update

The Company fully implements budgetary management in respect of energy, water resources and other raw materials by formulating budgetary indicators, decomposing them at various levels and conducting daily monitoring as well as arranging monthly statistical analysis on their consumption. The Company formulated a target evaluation mechanism and strived to improve its resource utilisation rate through process supervision.

1. Energy consumption

Electricity costs account for a relatively large part of the production costs of water enterprises. Kunming Power Supply Bureau of Yunnan Power Grid Company Limited is our main power supplier. In 2022, all the factories operated by the Company consumed electricity of approximately 290,000 thousand kWh in aggregate.

Based on the actual loading rate of each sewage treatment plant and the different characteristics of the treatment process, we have formulated the control targets for energy consumption rate of each wastewater treatment plant respectively per tonne of wastewater treated. In 2022, we set an average energy consumption target of approximately 0.32 kWh per tonne of wastewater treated for the Class 1A process at each water purification plant in the main urban area of Kunming and around the lake (based on the weighted water treatment volume of each plant in the main city and around the lake, combined with the weighted average of the control target value of each plant). In order to increase energy utilisation rate and effectively reduce energy consumption, the Company actively organised all plants to explore and implement energy-saving and efficiency-enhancing technologies.

The Company encourages all its staff to save energy during work hours. The Company also encourages its staff to use electric vehicles fueled by clean energy and public transport. We have completed the installation of new energy vehicle charging piles in certain plants and will give priority to new energy vehicles when purchasing new company vehicles.

2. Water consumption

The Company's daily water supply is mainly provided by the local water supply company. During the Reporting Period, it had effective access to suitable water sources to ensure that the water quality meets the water requirements. In 2022, all the factories operated by the Company consumed running water of approximately 279,000 tons in aggregate and water consumption per ton of sewage treatment is 0.35 kg. Our running water consumption is mainly for daily office use

A3. Environment and Natural Resources

The Company performs environmental impact assessment on all the projects constructed according to the relevant laws and regulations of the PRC. The Company applies "simultaneous design, construction and operation" acceptance check as required after a project has been put into operation to ensure that the construction and operation of the project meet the requirements of the relevant laws, regulations and policies. For wastewater treatment, the principal business of the Company, with the support of research and development, the Company improved its waste removal efficiency and reduced resource consumption by adopting measures such as technical innovation and process and operation optimisation. For example, after applying its proprietary technologies and over the limit phosphorus removal technology, Kunming No. 1 Water Purification Plant's effluent BOD (Biochemical Oxygen Demand) level decreased by 56%, COD level decreased by 47%, TN level decreased by 29%, TP level decreased by 86% and NH3-N (Ammonia nitrogen in the form of Water with free ammonia (NH3) and Ammonia ion (NH4+)) level decreased by 90% from 2012 to 2022. Kunming No. 2 Water Purification Plant's energy consumption decreased by 40%, effluent BOD level decreased by 58%, COD level decreased by 51%, TN level decreased by 23%, TP level decreased by 58% and NH3-N level decreased by 66% from 2012 to 2022.

Driven by technological research and development, the overall effluent quality of our water purification plants in Kunming main city area improved significantly: BOD decreased by 52%, COD by 46%, TN by 34%, TP by 81% and NH3-N by 81% from 2012 to 2022, which greatly reduced the pollution load brought by the tail water from wastewater

A4. Climate Change

Addressing climate change has become a global public issue, and climate change will have an impact on all industries. Addressing climate change has become a global public issue, and climate change will have an impact on all industries. The Group has incorporated climate change governance into its ESG management framework, identifies the risks posed by climate change and formulates corresponding countermeasures. In addition, it also conducts self-inspection on the compliance of its business under the carbon peaking and carbon neutrality policies and conducts research and planning on the opportunities of green development brought by carbon trading in the future.

The Company owns or operates wastewater treatment plants, reclaimed water plants and running water plants in various regions of the PRC and Laos. Based on the nature of our business and the conditions of the water plants we operate and manage as well as the local climate, we identify the impact of climate on our day-to-day operations and management, and formulate corresponding emergency plans with clear emergency measures to deal with the adverse impact of extreme weather on production and operations.

In our day-to-day operations, we recognise that urban flooding caused by short periods of heavy or prolonged rainfall can have a significant impact on our wastewater treatment plants. Urban flooding can cause a rapid increase in the volume of water flowing into our plants over a short period of time, which may exceed the operating capacity of our plants, thus causing damage to our plants or increasing the risk of failing to meet the effluent quality standard. To address this risk source, we have developed relevant emergency plans. In particular,

In addition, we have conducted research on the fluctuation of water temperature in various operating wastewater treatment plants due to climate changes throughout the year. We have, in particular, assessed the change in efficiency of each treatment unit under the influence of low temperature in winter, formulated corresponding measures to address the relevant risks, conducted staff training in advance and activated corresponding countermeasures to ensure that the effluent disposal meets the discharge standards.

In response to the national policies related to carbon emission reduction and carbon compliance, we have also accelerated the development of the distributed photovoltaic power generation project at the wastewater treatment plant to increase the use of clean energy. In terms of supplier selection, factors related to low carbon operation and environmental protection are also taken into account in the selection process. Through energy conservation and consumption reduction and the use of clean energy, we reduces carbon emissions and promotes green corporate development.

B. SOCIAL

The Company strictly complies with applicable laws and regulations on labour protection such as the “Labor Law of the People’s Republic of China” (《中華人民共和國勞動法》), the “Labor Contract Law of the People’s Republic of China” (

The Company provides training to promote ethical standard and provides complaint channels to allow our staff to make a confidential complaint. Through staff participation, training, reward and other promotion activities of safety awareness, we provide our staff with a healthy and safe working environment. We also provide safety equipment to staff and organise regular physical examinations for our staff in order to prevent them from occupational harm and occupational diseases.

公司為員工提供培訓以提升道德標準，並設立申訴渠道，讓員工在保密的情況下提出申訴。透過員工參與、培訓、獎勵及其他安全意識宣傳活動，為員工提供健康和安全的工作環境。此外，提供員工勞保用品，每年定期組織員工進行健康體檢，避免員工在日常工作過程中受到職業性危害及職業病的發生。

B1. Employment

B1. 僱傭

We have comprehensive human resources policies covering recruitment, remuneration, staff benefits, and performance etc. and strictly abide by applicable laws and regulations on labour protection to guarantee equal employment. The Company is against any recruitment discrimination concerning age, marital status, race, social status, religious belief, disability, gender, sexual orientation or political background etc. The Company guarantees equal opportunity and fair treatment for all levels of staff and job applicants in recruitment, internal transfer, dismissal, training, promotion, performance evaluation and remuneration. Besides, we have the same remuneration structure for both male and female staff.

公司建立了完善的人力資源制度，包括招聘、薪酬福利、績效等模塊，並嚴格遵守勞動保障相關法律法規，保障平等僱傭，公司反對任何基於年齡、婚姻狀況、種族、社會階層、宗教信仰、殘疾、性別、性取向或政治背景等的招聘歧視。公司所有僱員的安排，如聘用、調職、解聘、培訓、晉升、績效考核、薪酬福利水平等，確保所有員工及職位申請者均享有平等機會及獲得公平待遇，男女員工在薪酬架構上是一致的。

1. Recruitment

1. 招聘

In terms of personnel recruitment, the Company strictly follows the regulatory requirements of higher authorities and relevant internal rules and regulations, employs talents based on the principles of openness, fairness, competition and selection, and publicly recruits in the society. The Company also strictly enters into labour employment contracts with employees in accordance with labour laws and regulations to effectively protect the rights and interests of employees.

2. Remuneration

The Company has established a competitive salary system based on the importance of an employee's position and by reference to the operating strategy of the Company and the industry and the region's salary level. Besides, the Company strictly follows relevant national laws and regulations and continuously improves the staff benefits, pays various statutory social insurances according to the laws and regulations. The Company strictly complies with the working hours specified by China, safeguards the rights of rest and vocation of the employees according to the national provisions, and ensures the statutory holidays and guarantees employees' rights for paid leaves. In terms of performance assessment, the Company has built a result and goal-oriented employee performance appraisal system covering various aspects, such as the performance, ability and attitude etc. of the staff. The promotion and salary review of staff is determined by the result of that appraisal appropriately. The Company has also formulated standardised conditions and procedures for dismissing employees and arbitrary dismissal is not allowed. In order to create a healthy, diversified and harmonious working environment, all the matters concerning promotion, remuneration and rewards and post transfer will be considered in an objective way according to staff performance and the business condition of the Company. During the Reporting Period, the Company was not aware of any material non-compliance cases in relation to human resources laws and regulations.

3. Retirement Schemes

The Company participates in a social pension scheme established by the PRC government, and contributes a certain percentage of the relevant employees' salaries to the social pension scheme. In addition to the aforementioned government-sponsored defined contribution pension scheme, effective from 1 January 2014, the Group operates an additional employee pension plan (a corporate annuity system for purchase of supplementary retirement insurance for our staff). Pursuant to such additional scheme, the full-time employees of the Group in the PRC are entitled to an additional pension aggregating to 8% of previous year's salaries. The Company calculates the interest so attributed under the agreed percentage of annuity plan based on staff's service years upon their retirement. Save as disclosed above, the Company is not required to operate any other retirement benefits for its employees during the year.

2. 薪酬

公司視乎員工崗位的重要程度，並參考本公司經營戰略，以及行業水平和地區水平，建立了具有競爭力的薪酬體系。同時，公司嚴格遵守國家相關法律法規，不斷完善員工福利待遇，根據法律法規繳納了各項法定社會保險。本公司嚴格遵守國家工時規定，保障員工享受國家規定的各項休息、休假的權利，並確保員工享有法定假期和帶薪休假。績效考核方面，公司以目標結果為導向，建立了員工績效考核體系，覆蓋員工績效、能力態度等多個方面，並恰當地將考核結果運用於員工職務晉升和

The Company's employer contributions to the abovementioned pension schemes vest fully and immediately with the employees when contributed into the schemes. Accordingly, (i) for each of the two years ended 31 December 2022, there was no forfeiture of contributions under such pension schemes; and (ii) there were no forfeited contributions available for the Company to reduce its existing level of contributions to such pension schemes as at 31 December 2022.

公司向上述退休金計劃作出的僱主供款在向該計劃供款時全數及即時歸屬於僱員。因此，(i)截至2022年12月31日止兩個年度各年，概無於該等退休金計劃項下沒收任何供款；及(ii)於2022年12月31日，概無已沒收供款致使公司得以減少其對該等退休金計劃的現有供款水準。

4. Staff Benefits

4. 員工福利

In addition to statutory employee benefits for full time staff including social security scheme, marriage leave, maternity leave, paternity leave and funeral leave, the Company offers different fringe benefits, for instance, festival bonus, work allowance under special conditions, labour protection, working meal and commuter allowance. The Company also purchases accident insurance and provides supplementary medical insurance for employees.

公司為全職員工提供法定的固定福利(包括社會保障計劃、婚假、產假、陪產假、喪假等)外，還為員工提供其他的附加福利，例如：節日慰問、特殊條件的工作津貼、勞動防護、工作餐及上下班通勤等，亦為員工提供補充醫療保險。

(1) As of the end of the Reporting Period, the total number of employees of the Company by gender, employment type, age group and geographical region is detailed in the table below:

(1) 截至報告期末，本公司按性別、僱傭類型、年齡組別及地區劃分的僱員總數詳見下表：

	Male to female ratio 男女比例		Employment type 僱傭類型		Age distribution 年齡分佈				
Region 區域	Male 男	Female 女	Contract system 合同制	Labor dispatch system 勞務派遣制	Under 25 25歲以下	26-35 26-35歲	36-45 36-45歲	46-55 46-55歲	Over 55 55歲以上
Southwest region (Yunnan, Guizhou, Sichuan) 西南地區(雲南、貴州、四川)	844	440	924	360	98	603	308	215	60
Eastern China region (Anhui, Jiangsu, Zhejiang) 華東地區(安徽、江蘇、浙江)	50	43	62	31	5	20	25	28	15
Central China region (Hunan) 華中地區(湖南)	85	30	115	0	1	33	33	40	8

(2) Details of employee turnover of the Company by gender, age group and geographical region during the Reporting Period and the proportion thereof are set out in the table below:

(2) 於報告期內，本公司按性別、年齡組別及地區劃分的僱員流失情況及比例詳見下表：

		Male to female ratio 男女比例		Age distribution 年齡分佈					
	Total turnover 流失總數	Male 男	Female 女	Under 25 25歲以下	26-35 26-35歲	36-45 36-45歲	46-55 46-55歲	Over 55 55歲以上	Turnover rate 離職率
Southwest region (Yunnan, Guizhou, Sichuan) 西南地區(雲南、貴州、四川)	113	83	30	14	73	16	8	2	8.80%
Eastern China region (Anhui, Jiangsu, Zhejiang) 華東地區(安徽、江蘇、浙江)	4	4	0	0	0	3	0	1	4.30%
Central China region (Hunan) 華中地區(湖南)	4	4	0	0	2	2	0	0	3.48%

B2. Health and Safety

The Company has been certified to quality, environmental and occupational health management system standards in 2013, and sets up a safety management system in accordance with national and local laws and regulations including the "Production Safety Law of the People's Republic of China" (《中華人民共和國安全生產法》), the "Fire Protection Law of the People's Republic of China" (《中華人民共和國消防法》) and "Yunnan Province Safety Production Regulations" (《雲南省安全生產條例》)to establish a safety management system, construct a dual prevention mechanism for safety risk classification and control as well as investigation and governance, revise emergency plans related to safety production in a timely manner, conduct safety review and assessment of the current situation and comprehensively research, deploy and address issues arising in the course of production safety management. Throughout the year, the Company organised training on traffic safety, network safety, laws and regulations, fire safety and safety management business knowledge, etc. for more than 500 people, conducted more than 70 on-site inspections on safety production, actively carried out timely management of hidden danger investigation, held comprehensive emergency drills for safety production and organised publicity activities, such as "Ankang Cup", "Safety Production Month" and "Fire Safety Month". The Company

During the operation and management process of the Company, the Company attaches great importance to occupational health and safety protection and takes various measures to provide a healthy and safe production environment for all employees mainly through: firstly, all staff member enter into a letter of responsibility for safety objectives and implement safety production responsibilities at all levels. Secondly, the Company convenes office meetings of general managers and regular lectures on production safety, study the current production safety situation, arrange production safety works. Thirdly, the Company conducts production safety checks and pandemic prevention and control checks on a regular basis, eliminate any hidden danger at work site promptly, eliminate occurrence of safety production accidents and supervise the implementation of various measures on pandemic prevention and control. Fourthly, the Company organises promotional trainings such as occupational health, safety management, traffic safety and fire safety to improve employees' safety awareness and skills. Fifthly, the Company organises health check-ups for employees every year, distributes labor protection supplies and inspects their wearing regularly. There have been no production safety accidents in the past three years. The number of deaths and disability due to work was nil and there were no workdays lost due to work-related injuries.

B3. Development and Training

The Company attaches great importance to the future development and training of employees. In order to meet the needs of the Company's operation and management and effectively enhance the effectiveness of training, in 2022, the front-line work method was used to conduct a survey on training needs through interviews and questionnaires. A series of training courses has been formulated to cover five major areas including management effectiveness, compliance management, vocational skills, competency enhancement and new employees' cultivation. The contents of the training courses are of concern to managers and employees, comprising management skills, tendering

In terms of vocational skills enhancement, basic training on wastewater treatment was provided for technical novices, with emphasis on process fundamentals and hands-on training on job knowledge; for safety and environmental protection learning needs, courses on environmental protection inspectors and safety-first aid for plant emergencies were provided to fill the knowledge gap in production and operation management and ensure smooth operation of the Company's business. In terms of professional skills enhancement, by focusing on cohesion and efficiency enhancement, training on professional mentality, official document writing, file management and office software skills was launched. Through the training, a group of compound and highly skilled talents who are proficient in the main business and understand monitoring and analysis are cultivated for the Company.

In terms of specialised training, specialised trainings were conducted on occupational planning and preparation, the "Rules for the Management of Running Water Pipeline Networks (Trial)" (《自來水管網管理細則(試行)》), occupational health and safety of employees, safety production and emergency drills for environmental incidents. In terms of production practices, various trainings were provided on corporate culture, rules and regulations, warning education, safety education, process operation, flood prevention and emergency-1˜ ase Companyffurnd rtynhan 0 8 70.6 (h0 8 70.6 flexibili

During the Reporting Period, the Company's training statistics classified by employee gender are as follows:

After years of accumulation, the Company formed a team of part-time lecturers with technical and management skills. Through internal and external links, the Company continuously maintained, improved and enriched the teaching staff and joined China Eco-Environmental Industry and Education Alliance to strengthen exchanges with industry associations and internationally renowned institutions.

B4. Labor Rules

Prohibition of Employing Child Labor or Forced Labor

The Company strictly follows state and local regulations regarding recruitment and hire of employees such as the Labor Law of the suchtf(such)1 stKÑR(@*@qD¦ÈZUÍp 522.84.2 (as)14tf(su.2 (522

Except for utility service providers, the Company has established a clear procurement policy for selected suppliers. The Company has internally established the "Intermediary Agency Selection and Employment Management Measures" (《中介機構選聘管理辦法》), the "Contract Management Measures" (《合同管理辦法》), the "Production Operation Procurement Management Measures (Trial)" (《生產運行採購工作管理辦法(暫行)》) and other systems to standardise management of various activities of the entire procurement process of the Company. During the Reporting Period, all purchases from our partnering suppliers were subject to the Company's procurement policy and conducted in accordance with relevant rules and regulations of the Company. Under such policy, subsidiaries of the Company are required to solicit bids from different suppliers. The Company adopts the principle of fairness, impartiality and openness to select qualified suppliers in the form of public bidding where the project is located. The discipline inspection and supervision department performs supervision duties during the bidding process. The Company selects suppliers based on product price, product environmental protection requirements, quality, and timely delivery of products. We encourage and prioritise our cooperation with suppliers who have environmental protection and safety certifications. Green development concepts, such as construction safety and environmental protection, have been included in our construction contracts and performance evaluation. Meanwhile, we learn about the supplier's reputation from the Internet, bid evaluation experts, using enterprises and other channels, including whether there are environmental and social complaints and lawsuits related reports, and take the investigation results as one of the

During the Reporting Period, the Company and its subsidiaries had a total of 1,259 suppliers, of which the headquarters of the Company had 222 suppliers. Major suppliers of the Company and its subsidiaries were independent third parties based in China, most of which were based in Southwest China. 788 suppliers were mainly in Southwest China, 323 suppliers were in East China, 93 suppliers were in South Central China, 55 suppliers were in other regions. Our major suppliers include Kunming Power Supply Bureau of Yunnan Power Grid Company Limited which provides electricity for our operation, construction contractors such as China Europe International Construction Group Limited and Hunan No.4 Engineering Co., Ltd. which undertake the construction portions of our projects and raw materials providers such as Hunan Yuze Energy Trading Co., Ltd. and Shaanxi Guoyafangfang Energy Technology Co., Ltd. which provide water treatment chemicals and others materials for the operation and maintenance of our facilities.

本報告期內，本公司及其附屬公司供應商共計有1,259家，其中公司總部涉及222家。本公司及其附屬公司主要供應商均為位於中國的獨立第三方，大部分集中在中國西南區域，主要為西南地區為788家，華東地區323家，中南地區93家，其他地區55家。我們的主要供應商包括為我們提供運營用電的雲南電網有限責任公司昆明供電局，承接我們項目施工部分的中歐國際建工集團有限公司等，為我們提供水處理藥劑的湖南裕澤能源貿易有限公司及陝西國華綠源科技有限公司等。

B6. Product Responsibilities

The Company attaches great importance to product quality and strictly complies with relevant laws and regulations such as the "Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant" (《城鎮污水處理廠污染物排放標準》), the "Management Regulations for Checking and Accepting Completed Installations of Environmental Protection of Construction Projects" (《建設項目竣工環境保護驗收管理辦法》) and "Domestic Drinking Water Sanitation Standards" (《生活飲用水衛生標準》), etc. With reference to its own conditions, it sets up and implements an internal standardisation management system on basis of GB/T24001-2016 "Environmental Management System – General Guidelines on Implementation" (GB/T24001-2016《環境管理體系要求及使用指南》), GB/T19001-2016 "Quality Management System – Requirements" (GB/T19001-2016《質量管理體系要求》) and GB/T45001-2020 "Occupational Health and Safety Management Systems – Requirements with Guidance for Use" (GB/T45001-2020《職業健康安全管理體系要求及使用指南》).

The Company puts much emphasis on product quality by executing and implementing the Company's internal standardised management system to ensure that the quality of effluent water is stable and up to standards. During the Reporting Period, there was no return of products sold or for safety and health reasons without receiving customer complaints concerning products and services. Each key process in the course of production is under real-time data monitoring, and relevant data a retransferred directly to the central monitoring system of each plant and to the monitoring platform of the Company. Operators strictly execute the Standardised Operation Manual (標準化運行手冊) which has been adapted under the "one manual for one

The Company attaches great importance to intellectual property work and incorporates intellectual property into the Company's strategy of "self-invigoration through science and technology". Through establishment of an intellectual property management system oriented to transformation and application of results, the Company implements normative management of intellectual property. The Company also formulates corresponding project approval documents for project approval, clarifying that a patent search is necessary to be performed before project approval by issuing an intellectual property search report on whether patent protection has been or will be obtained or whether there is any patent infringement. An intellectual property protection and early warning mechanism is established to better protect the Company's intellectual property without infringing the intellectual property rights of others.

公司高度重視知識產權工作，將知識產權納入公司「科技興司」戰略，通過建立知識產權管理體系，以成果轉化應用為導向，開展知識產權規範性管理。對於立項項目，制定了相應的立項文件，明確了立項前必須進行專利檢索，就是否已獲得、將獲得專利保護或者是否存在專利侵權出具知識產權檢索報告。建立知識產權保護和預警機制，能夠較好地保護自身知識產權，無侵犯他人知識產權的行為。

B7. Anti-corruption Efforts

While developing the business, the Company insists on planning, implementing and assessing the anti-bribery and anti-corruption effort together with the reform development of the Company, as well as adopting the combination of external administrative supervision and internal supervision of discipline commt insists on26sBDC BT0.05 Tc 0 Tw ( )Tj /中華人民共和國招標投標法)/MCID 32409 BDC BT0.07

B7. 反腐敗

公司在業務發展的同時，堅持把反貪污、反腐敗工作與公司改革發展同謀劃、同實施、同考核，採用外部行政監管、內部紀委監督相結合的方式，嚴格遵守《中華人民共和國公司法》、《中華人民共和國監察法》、《中華人民共和國招標投標法》、《中華人民共和國反不正當競爭法》、《中華人民共和國反洗錢法》及《關於禁止商業賄賂行為的暫行規定》等法律法規及監管要求，以確保公司、僱員、投資者、債權人等利益相關方合法權益受到有效保護。

公司將廉潔行事列入全體員工及管理層的行為準則，通過培訓、會議等方式樹立、樹牢全體管理層及員工反貪污、自律廉潔意識，通過案例培訓，讓管理層及員工了解應如何行事。同時公司設立有監事會、紀檢監察部門及內部審計部門，相關部門就員工及管理層遵守廉潔情況進行監督、審查，特別是對於權利集中、資金密集、資源富集的部門和崗位，加強關注，與相關管理層簽風娶驥阜部門和

The Company has formulated the "Administrative Rules for Complaints and Whistleblowing" (《投訴舉報管理辦法》), which sets out clear provisions on whistleblowing channels, scope of application, verification of reported leads and handling departments and processes. Employees and other contacts can anonymously submit questions and clues about inappropriate matters to the Company's discipline and inspection department, the Board of Supervisors and the Audit Committee of the Board through these channels.Meanwhile, the Company provides special provisions for the protection of privacy of the whistleblower. The Company has formulated the "Implementation Measures for Accountability for Losses of Investment Assets Arising from Non-compliance with the Regulations" (《違規經營投資資產損失責任追究實施辦法》) and the Accountability Management Measures (《問責管理辦法》), etc. For those who violate the relevant rules, they will be held accountable according to relevant systems, and where violations of laws and regulations are involved, litigation will be instituted and referred to the judicial departments in accordance with relevant laws.

公司制定有《投訴舉報管理辦法》，就舉報渠道、適用範圍、舉報線索查實及處理部門、流程等做了明確規定，僱員及其他有往來者可通過該等渠道匿名向公司紀檢部門、監事會、董事會審計委員會提交不當事宜的問題及線索，同時對於舉報人的隱私保護設有專門條款。公司制定有《違規經營投資資產損失責任追究實施辦法》、《問責管理辦法》等，對於違反相關制度的人員，按制度進行問責，涉及違反法律法規的，依法提起訴訟、移交司法部門處理。

1. Perform the Main Responsibility of the Party Committee and promote strict Party governance

1. 落實黨委主體責任，推動全面從嚴治黨

In 2022, the Party Committee of the Company focused on the requirements of corporate Party building in the new era, thoroughly implementing the spirit of the 19th National Congress of the Communist Party of China, the previous Plenary Sessions of the 19th National Congress of the Communist Party of China and the 20th National Congress of the Communist Party of China to promote a comprehensive and strict governance of the Party. During the year, 26 Party Committee meetings were held, of which a total of 496 "Three Important and One Large Matters" were considered and approved. The Company will continue to carry out related work to strengthen ideological, party discipline and clean government construction, etc.

2022年，公司黨委會圍繞新時期企業黨建要求，深入貫徹落實黨的十九大、十九屆歷次全會、黨的二十大精神，推動全面從嚴治黨。全年共召開黨委會會議26次，審議決策「三重一大」事項共496項。持續加強思想建設、黨風廉政建設等相關工作。

2. Perform the supervision responsibilities of the Commission for Discipline Inspection and build a strong anti-corruption fortress

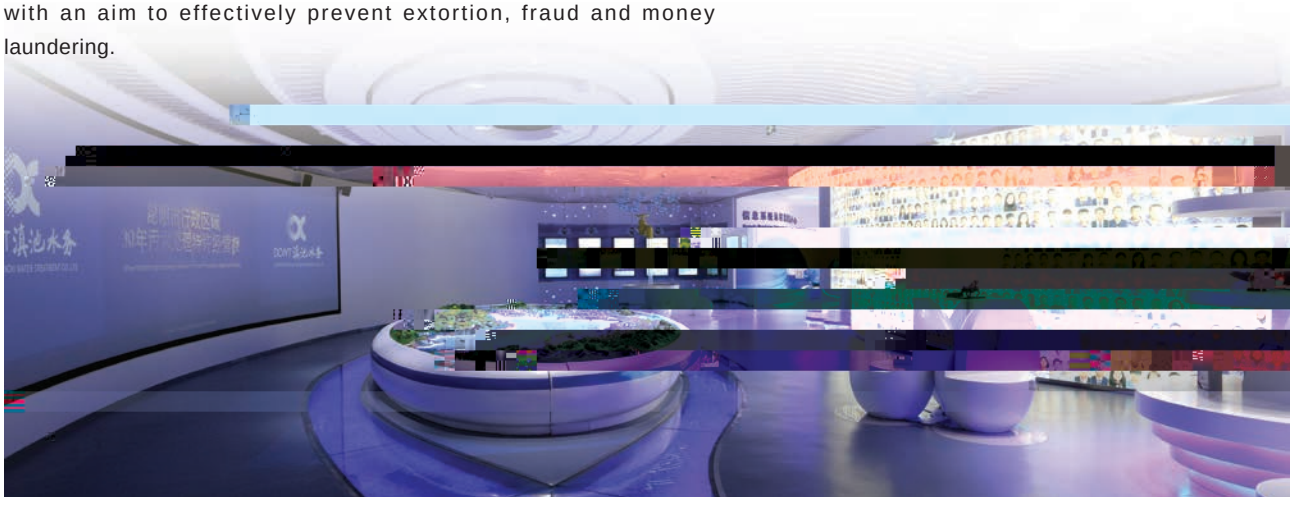
The Commission for Discipline Inspection of the Company firmly grasps job positioning and strives to improve the effectiveness of supervision and discipline. The Company delegated the missions of the establishment of the Party's discipline, integrity and anti-corruption works to various subsidiaries and various departments to supervise the implementation. During the Reporting Period, the Company signed the Responsibility Documents for Construction of "single position with dual duties" of Incorrupt Party with 4 team members. The Company despatched the annual party discipline construction and clean government work target assessment task list to 10 grassroots Party organizations to strengthen integrity system construction and formulated systems such as the Company's "Disciplinary Accountability Treatment and Interim Measures for Salary Deduction of Personnel Suspected of Violation of Discipline and Law During Review and Investigation (Revised)" (《受到處分問責處理和涉嫌違紀違法被審查調查期間人員薪酬扣減暫行辦法(修訂)》)and "Measures for Interviews on Party Discipline and Clean Government Construction" (《黨風廉政建設約談辦法》),etc. The Company conducted 16 pre-appointment interviews and 2 collective integrity interviews with high-risk departments. The Company issued 12 copies of measures for integrity and self-discipline of selection and employment of candidates and carried out 6 special work inspections.

The Company has established an effective linkage mechanism to prevent extortion, fraud and money laundering. In particular, the Company regularly popularized the study on risk knowledge and strengthened the risk awareness; further improved the procedures of the review and execution of contracts; and established an effective linkage mechanism to prevent extortion, fraud and money laundering, with an aim to effectively prevent extortion, fraud and money laundering.

2. 履行紀委監督責任，築牢反腐倡廉堡壘

公司紀委牢牢把握工作定位，著力提升監督執紀成效，將黨風廉政建設和反腐敗工作任務分解到各子公司和各部門督促落實。報告期內與4位班子成員簽訂黨風廉政建設「一崗雙責」目標責任書；向10家基層黨組織印發年度黨風廉政建設工作目標考核任務清單；加強廉政制度建設，制定了公司《受到處分問責處理和涉嫌違紀違法被審查調查期間人員薪酬扣減暫行辦發(修訂)》、《黨風廉政建設約談辦法》等制度；開展任前談話16人次，對高危風險部門進行2次集體廉政談話。對選人用人出具廉潔自律情況12份，開展專項工作檢查6次。

本公司建立了有效的防止勒索、欺詐及洗錢的聯動機制。日常加強風險知識學習，強化風險意識；同時進一步加強合同審查會簽程序；建立有效的防止勒索、欺詐及洗錢的聯動機制，有效防止勒索、欺詐及洗錢現象的發生。



B8. Community Investment

As an environmental protection enterprise, the Company continuously promotes the concepts of green environmental protection, ecological civilisation and sustainable development. Dianchi Water also takes a part in contributing to the change of the community. In 2022, the Company actively relied on the work of "double registration, double service and double reporting" for the Party members, organising 237 Party members and employees to participate in community voluntary service activities in the community of permanent residence to provide voluntary services to the community and residents in relation to six aspects of environmental protection, epidemic prevention and control, safety production, policy promotion, convenience services as well as transportation and travel.

In terms of poverty alleviation work, the Company continued to consolidate the results of poverty alleviation for the original poverty-stricken households that have already been lifted out of poverty, carry out tasks to prevent returning to poverty, actively implement consumption assistance work, organise and encourage employees to purchase consumer poverty alleviation products to help revitalise the villages with purchase assistance.

At the same time, in the course of epidemic prevention and control, the Company mobilised retired employees aged 60 or above, as well as in-service employees and their family members, to receive vaccinations. We launched mass spiritual civilisation creation activities thoroughly by taking part in activities such as "Seven Specialised Actions for Patriotic Health", "Health Skills Publicity and Education", "Ecological and Environmental Protection Promotion" and "Heart Reunion and Solidarity", etc.

In the future, the Company will continue to fulfill its social responsibilities enthusiastically, adhere to the values of "enthusiastic about charitable causes and giving back to the society" sustainably and actively participate in community activities to become an outstanding corporate citizenship.

B8. 社區投資

公司作為一家環保企業，持續宣導綠色環保、生態文明、可持續發展的理念。滇池水務人也身體力行，為社區改變貢獻力量。2022年，公司積極依託黨員「雙報到雙服務雙報告」工作，組織237名黨員職工到常住地社區參加社區志願服務活動，從環境保護、疫情防控、安全生產、政策宣傳、便民服務、交通出行6個方面為社區、居民群眾提供志願服務。

在幫扶脫貧工作方面，持續鞏固對已脫貧的原掛鈎幫扶貧困戶的脫貧成果，開展防止返貧工作的同時，積極開展消費幫扶工作，組織、鼓勵職工購買消費扶貧產品，以購代扶助力鄉村振興工作。

同時，在疫情防控工作中，動員60歲或以上退休職工及在職職工、家屬接種疫苗。深化開展群眾精神文明創建活動，參加「愛國衛生七個專項行動」、「健康技能宣教」、「生態環保宣傳」、「心裡團輔」等活動。

未來，公司將繼續積極履行社會責任，持續秉持「熱心公益、回饋社會」的價值觀，積極參與投入社區活動，成為優秀的企業公民。