DCWT 滇池水务
KUNMING DIANCHI WATER TREATMENT CO.,LTD

昆明滇池水務股份有限公司
Kunming Dianchi Water Treatment Co., Ltd.

（於中華人民共和國註冊成立的股份有限公司）
(A joint stock company incorporated in the People's Republic of China with limited liability)

股份代號Stock Code：3768

2024 年度報告 ANNUAL REPORT

臻於至善　源遠流長
CONSUMMATION & SUSTAINABILITY

CONTENTS
目錄

2	CHAPTER ONE 第一章	CORPORATE INFORMATION 公司資料
5	CHAPTER TWO 第二章	LETTER FROM THE CHAIRPERSON 董事長致辭
10	CHAPTER THREE 第三章	DEFINITIONS 釋義
17	CHAPTER FOUR 第四章	GLOSSARY OF TECHNICAL TERMS 技術詞彙
20	CHAPTER FIVE 第五章	SUMMARY OF OPERATING AND FINANCIAL DATA 經營及財務資料摘要
23	CHAPTER SIX 第六章	MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析
64	CHAPTER SEVEN 第七章	PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理層簡歷
79	CHAPTER EIGHT 第八章	REPORT OF THE BOARD OF DIRECTORS 董事會報告
120	CHAPTER NINE 第九章	CORPORATE GOVERNANCE REPORT 企業管治報告
155	CHAPTER TEN 第十章	REPORT OF THE BOARD OF SUPERVISORS 監事會報告
160	CHAPTER ELEVEN 第十一章	INDEPENDENT AUDITOR'S REPORT 獨立核數師報告
169	CHAPTER TWELVE 第十二章	CONSOLIDATED FINANCIAL STATEMENTS 合併財務報表
319	CHAPTER THIRTEEN 第十三章	ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

CHAPTER ONE CORPORATE INFORMATION
第一章 公司資料

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**	Wastewater Treatment Plant No. 7 Kunming Dianchi Tourist Resort Kunming City, Yunnan Province PRC	中國雲南省昆明市 滇池旅遊度假區 第七污水廠
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* Mr. Chen Changyong	趙明璟先生*FCG, HKFCG* 陳昌勇先生
COMPANY SECRETARY **公司秘書**	Mr. Chiu Ming King *FCG, HKFCG*	趙明璟先生*FCG, HKFCG*
INDEPENDENT AUDITOR **獨立審計師**	Forvis Mazars CPA Limited (formerly known as Mazars CPA Limited) 42/F, Central Plaza Wanchai Hong Kong	富睿瑪澤會計師事務所有限公司 (原稱：中審眾環(香港)會計師事務所有限公司) 香港灣仔中環廣場42樓
HONG KONG LEGAL ADVISER TO THE COMPANY **公司香港法律顧問**	Jingtian & Gongcheng LLP Suites 3203-3207, 32/F Edinburgh Tower The Landmark 15 Queen's Road Central Central Hong Kong	競天公誠律師事務所 有限法律責任合夥 香港中環皇后大道中15號 置地廣場公爵大廈 32樓3203至3207室

PRC LEGAL ADVISER TO THE COMPANY **公司中國法律顧問**	Yunnan Jianguang Law Firm 14th Floor, Block 2, Nanyuecheng Guangfu Road Xishan District Kunming, Yunnan Province PRC	雲南建廣律師事務所 中國雲南省昆明市 西山區廣福路 南悅城2棟14樓
H SHARE REGISTRAR **H股股份登記處**	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong	卓佳證券登記有限公司 香港夏慤道16號 遠東金融中心17樓
BOARD OF DIRECTORS **董事會**		
Executive Directors **執行董事**	Mr. Zeng Feng *(Chairperson)* Mr. Chen Changyong *(General Manager)* Mr. Miao Xianjun *(resigned on 20 December 2024)*	曾鋒先生*(董事長)* 陳昌勇先生*(總經理)* 苗獻軍先生 *(已於2024年12月20日辭任)*
Non-executive Directors **非執行董事**	Mr. Xu Jingdong Mr. Zhou Jianbo *(resigned on 21 August 2024)* Mr. Zhang Yang Ms. Cheng Yijing *(appointed on 21 August 2024)*	徐景東先生 周建波先生 *(已於2024年8月21日辭任)* 張洋先生 成怡靜女士 *(已於2024年8月21日獲委任)*
Independent Non-executive Directors **獨立非執行董事**	Mr. Zha Guiliang Ms. Zheng Dongyu Mr. Ong King Keung	查貴良先生 鄭冬渝女士 王競強先生
BOARD COMMITTEES **董事會轄下委員會**		
Audit Committee **審計委員會**	Mr. Zha Guiliang *(Chairperson)* Ms. Zheng Dongyu Mr. Ong King Keung	查貴良先生*(主任委員)* 鄭冬渝女士 王競強先生
Remuneration and Appraisal Committee **薪酬與考核委員會**	Mr. Ong King Keung *(Chairperson)* Mr. Zeng Feng Mr. Zha Guiliang	王競強先生*(主任委員)* 曾鋒先生 查貴良先生
Nomination Committee **提名委員會**	Ms. Zheng Dongyu *(Chairperson)* Mr. Zeng Feng Mr. Ong King Keung	鄭冬渝女士*(主任委員)* 曾鋒先生 王競強先生

Strategy and Investment Decision Committee **戰略與投資決策委員會**	Mr. Zeng Feng *(Chairperson)* Mr. Chen Changyong Mr. Zha Guiliang	曾鋒先生*(主任委員)* 陳昌勇先生 查貴良先生
BOARD OF SUPERVISORS **監事會**	Mr. Na Zhiqiang *(Chairperson, resigned on 8 January 2025)* Ms. Wang Shu *(Chairperson, appointed on 8 January 2025)* Mr. Yao Jianhua Mr. Shao Wei	那志強先生 *(主席，已於2025年1月8日辭任)* 王姝女士 *(主席，已於2025年1月8日獲委任)* 姚建華先生 邵偉先生

PRINCIPAL BANKS
主要往來銀行

China Construction Bank **中國建設銀行**	Kunming Chengnan Sub-branch	昆明城南支行
China Everbright Bank **中國光大銀行**	Kunming Beijing Road Sub-branch	昆明北京路支行
Industrial Bank **興業銀行**	Kunming Branch	昆明分行
China Minsheng Bank **中國民生銀行**	Kunming Dianchi Road Sub-branch	昆明滇池路支行
Agricultural Bank of China **中國農業銀行**	Kunming Resort Sub-branch	昆明度假區支行
Bank of Communications **交通銀行**	Yunnan Branch	雲南省分行
Bank of China **中國銀行**	Kunming Guandu Sub-branch	昆明官渡支行
China Merchants Bank **招商銀行**	Kunming Shijicheng Sub-branch	昆明世紀城支行
CITIC Bank **中信銀行**	Kunming Ankang Road Sub-branch	昆明安康路支行
Shanghai Pudong Development Bank **上海浦東發展銀行**	Kunming Branch	昆明分行
HengFeng Bank **恒豐銀行**	Kunming Nanya Sub-branch	昆明南亞支行
HuaXia Bank **華夏銀行**	Kunming Jinjiang Sub-branch	昆明金江支行

Dear Shareholders,

The year 2024 was a year for making solid progress in building a beautiful China. The construction of ecological civilisation was a fundamental plan related to the sustainable development of the Chinese nation. A good ecological environment was the fairest public product and the most inclusive welfare for people's livelihood. Kunming Dianchi Water Treatment Co., Ltd. (the "Company") always insisted on national strategic tasks such as the "dual carbon" goals as guideline, unwaveringly practiced the development idea of "lucid waters and lush mountains are invaluable assets". The Company maintained the strategic focus for ecological civilization construction, focused on main responsibilities and main business, actively carried out reforms and innovations, and promoted high-quality sustainable development of the Company.

PERFORMANCE REVIEW:

Over the past year, in the face of complex international and domestic environment and severe economic situation, the Board and the management of the Company adhered to the general keynote of "making progress while maintaining stability", strengthened work style construction, and focused on reform and innovation. Based on the work philosophy of "promoting development through stable production, and ensuring operations through increasing income and reducing expenditure", we maintained the stable development of core businesses, prevented and resolved material risks, continued to reduce costs and increase efficiency, so as to ensure that the production and operation of the Company operated in a smooth manner. In 2024, the Company recorded total operating revenue of RMB1,594.2 million, representing a decrease of 11.8% over 2023. The net profit attributable to the Shareholders was approximately RMB263.2 million, representing a decrease of 16.8% over 2023, and basic earning per share was approximately RMB0.26.

尊敬的各位股東：

2024年是美麗中國建設邁出堅實步伐的一年。生態文明建設是關係中華民族永續發展的根本大計，良好的生態環境是最公平的公共產品、是最普惠的民生福祉。昆明滇池水務股份有限公司(「公司」)始終堅持以「雙碳」等國家戰略任務為指引，堅定不移踐行綠水青山就是金山銀山的發展理念，保持生態文明建設的戰略定力，聚焦主責主業、積極改革創新，推動公司高質量可持續發展。

業績回顧：

過去一年，面對錯綜複雜的國際國內環境和嚴峻的經濟形勢，公司董事會和管理層堅持「穩中求進」的總基調，強抓作風建設，聚力改革創新，以「平穩生產促發展、開源節流保運轉」的工作理念，保持核心業務穩固發展，防範化解重大風險，持續降本增效，努力確保公司生產經營等各項工作的平穩運行。2024年，公司營業總收入為人民幣1,594.2百萬元，較2023年下降11.8%；股東應佔淨利潤約為人民幣263.2百萬元，較2023年下降16.8%，基本每股收益約為人民幣0.26元。

In terms of main business, the Company persisted in prioritising quality, with emphasis on the operational aspect as the core of projects. The Company maintained the wastewater treatment business as the basic foundation of its operation and development, promoted the concentration of resources on main businesses and advantageous areas, optimized industrial structure, strengthened the coordinated management, improved operational efficiency and helped reduce costs and increase efficiency. In 2024, the wastewater treatment plants operated by the Company processed 669.3 million cubic meters of wastewater, and supplied 103.8 million cubic meters of water (including running water and reclaimed water). The overall passing rate of the quality of water supplied met relevant standards, treated water was steadily discharged in compliance with wastewater treatment standards, energy consumption indicators were controlled within reasonable ranges, and 100% of the designed capacity of wastewater treatment met the national standard. After years of operation, the Company has developed systematic business concepts and models, and has an operation team that has been engaged in the management of businesses related to water services, environmental protection and solid waste for a long time, as well as a professional team with strong technical strength, which has laid a solid foundation for improvement of asset quality and the stability of operating results of the Company.

主營業務方面，公司始終堅持質量第一，強調把運營環節作為項目核心，以污水處理業務為公司經營發展的基本盤，推動資源向主業集中、向優勢領域集中，優化產業結構，加強統籌管理，提升運營效率，助力降本增效。2024年公司自營污水處理廠實現污水處理量669.3百萬立方米，實現供水量（含自來水和再生水）103.8百萬立方米，供水水質綜合合格率全面達標，污水處理持續穩定達標排放，各項能耗指標均控制在合理範圍內，設計污水處理能力均達到國家排放標準。公司經過多年的運營經驗已形成系統性的經營理念和模式，擁有長期從事水務、環保和固廢相關業務管理的運營團隊，以及技術成熟的專業化團隊，為公司資產質量的改善、經營業績的穩定奠定了堅實的基礎。

In terms of operation and management, the Company continuously optimized the construction of its operation management system, establishing a group control system of “strategy + operation”. The Company has enhanced production and operational efficiency as well as the quality and performance of its existing assets through facility and equipment upgrading, energy conservation and consumption reduction, and compression of company management levels. Meanwhile, the Company strengthened the accounting and analysis of various operating costs, and reasonably controlled expenses to achieve the purpose of reducing costs and increasing efficiency.

運營管理方面，公司不斷優化運營管理體系建設，建立「戰略+運營」的集團化管控體系，通過設施設備更新改造、節能降耗、壓縮公司管理層級等方式，提升了公司生產經營效能以及存量資產的質量和創效能力，同時加強對各項運營成本的核算分析，合理控制成本費用，達到降本增效目的。

In terms of internal governance, the Company further optimized its internal control system, established a linkage mechanism for regular internal audits, dynamic rectification, and the utilization of audit results, and clarified the responsibilities of the "Three Lines of Defense" in compliance management. The Company also established a compliance management system and promoted an integrated model of internal control, risk management, and compliance management. Meanwhile, the Company promptly revised its internal regulations in accordance with national policies. By focusing on corporate strategy, the Company developed scientific internal control, risk control, and compliance management processes and standards, aiming to ensure the continuous and healthy development of the Company.

內部治理方面，公司進一步優化內控制度，建立內審常態化、整改動態化及審計成果運用化的聯動機制，明確合規管理「三道防線」職責，建立合規管理體系，推進內部控制、風險管理、合規管理三位一體模式。同時，及時根據國家制度修訂公司內部制度，以企業戰略為核心建立科學內控風控合規管理流程和規範，保障公司持續健康發展。

In terms of talent team building, the Company continuously optimized the management system, implemented a larger department system and flat management, and deepened the reform of human resources management through further optimizing labor employment, adjusting the Company's organizational setup and functional configuration. At the same time, the Company continuously improved training mechanism and selection mechanism to enhance employees' professional qualities and focused on the cultivation and appointment of talents. The Company combined control and drive, clarified and detailed target responsibilities, comprehensively signed target responsibility letters, deepened the reform of the performance management system, established a mechanism linking remuneration and profitability, implemented a scientific compensation allocation system, and stimulated the organic momentum and vitality for corporate reform and development.

人才隊伍建設方面，公司不斷優化管理體系，推行大部門制和扁平化管理，通過進一步優化勞動用工、調整公司機構設置及職能配置，深化人力資源管理改革。同時，不斷完善培訓機制和選拔機制，提升員工專業素質，注重人才培養和任用；將管控與驅動相結合，明確並細化目標責任，全面簽訂目標責任書，深化績效管理體系變革，建立薪酬與效益聯動機制，實施科學的薪酬分配制度，激發企業改革發展內生動力與活力。

In terms of asset management, the Company completed the transfer of the Zhaotong Project and the termination of the Laos Project during the year. With the disposal of certain investment projects outside the administrative region of a city and the revitalization of existing asset resources, the Company aimed to enhance capital vitality and optimize the industrial structure. Moreover, the Company actively responded to the "dual carbon" goals through launching the "Wastewater Treatment + Photovoltaic" Project to revitalize land and building rooftops resources that were available for distributed photovoltaic development, thus effectively reducing carbon emissions while achieving cost reduction and efficiency enhancement in wastewater treatment, realizing efficient energy utilization and environmentally friendly protection, as well as promoting the high-quality development of the Company.

資產管理方面，公司年內已完成昭通項目的轉讓及老撾項目的終止，通過處置部分市域外投資項目、盤活存量資產資源，以增強公司資金活力，優化產業結構。同時，公司積極響應「雙碳」目標，啟動「污水治理+光伏」項目建設，盤活可用於分佈式光伏開發的土地及建築物屋頂資源，有效減少碳排放的同時達到污水治理降本增效目的，實現能源的高效利用和環境的友好保護，推動公司高質量發展。

In terms of financial resources, the Company continued to put great efforts in the follow-up and collection of receivables, enhanced management and control of capital, and enhanced the efficiency of capital utilization. In the future, the Company will continue to diversify financing paths, expand financing channels and reduce financing costs. In addition, the Company will also continue to strengthen the ability to collect receivables, focus on capital protection, and ensure the smooth operation of the Company.

財務資源方面，持續加強對應收賬款跟進及催收力度，加強資金管控，提升資金使用效益。未來，公司將繼續豐富融資路徑，拓展融資渠道，降低融資成本，同時，繼續加強應收賬款回款能力，聚力資金保障，確保公司平穩運行。

PROSPECTS:

未來展望：

In the future, the Company will continue to uphold the general keynote of "seeking progress while maintaining stability and promoting stability through progress", actively respond to the national green development strategies, consolidate the foundation of development, and coordinate risk and safety, maintain a steady operation and explore and cultivate new quality productivity. With "establishing rules, preventing risks, building mechanisms, seeking development, and strengthening the workforce" as the main line of work, the Company aims to enhance governance capabilities, implement multiple measures to enhance quality and efficiency, strengthen organic momentum of development, prevent and mitigate significant risks and external shocks, achieve effective improvement in economic benefits, ensure stable development of the Company while advancing in-depth reform and high-quality development, and calmly respond to increasingly complicated economic environment and the significant challenges of development uncertainties.

未來，公司將繼續秉持「穩中求進、以進促穩」的工作總基調，積極響應國家的綠色發展戰略，夯實發展根基，統籌風險和安全，穩抓經營，探索培育新質生產力；以「立規矩、防風險、建機制、謀發展、強隊伍」為工作主線，提升公司治理能力，多措並舉提質增效，增強發展內生動力，防範化解重大風險和外部沖擊，實現經濟效益的有效提升，確保公司平穩發展的同時，推進深層次改革和高質量發展，沉著應對愈發複雜的經濟環境和發展不確定性的巨大挑戰。

Meanwhile, the Company will strive to grasp the benefits of policy, focus on its core business, and continuously deepen its efforts in the business of wastewater treatment. It will concentrate on production management, enhance the efficiency of wastewater treatment and reuse, deepen energy conservation and consumption reduction, and improve operational quality and efficiency. The Company will also accelerate the integration of digitalization, intelligence, and greening with traditional industries to promote the digital economy and build intelligent water plants. It will strengthen the promotion and application of technological innovation in "distributed photovoltaic" project, enhance asset utilization efficiency, promote green development of the enterprise, thereby making greater contribution to economy, society and environmental protection.

同時，公司將努力把握住政策紅利，聚焦主業，持續深耕污水處理業務，聚焦生產管理，提升污水處理和再利用效率，深化節能降耗，提高經營質效；並加快以數字化、智能化、綠色化與傳統產業相融合的新業態，推動數字經濟、打造智慧水廠；加強「分佈式光伏」項目技術創新的推廣與應用，提升資產利用效益、促進企業綠色發展，為經濟社會和環境保護做出更大貢獻。

Last but not least, on behalf of the Board of Directors, I would like to express my sincere gratitude to the management and staff of the Company for their hard work and outstanding contributions, and to all Shareholders, investors, customers, partners and friends from various sectors of the society for their long-term understanding, support, trust and companionship to the Company.

最後，本人僅代表董事會向公司管理層及全體員工的辛勤努力和卓越貢獻致以誠摯謝意，向長期以來給予公司理解支持和信任陪伴的全體股東、投資人、客戶、合作夥伴和社會各界朋友表示衷心感謝。

Zeng Feng
Chairperson

曾鋒
董事長

"Anju Group"		Kunming Anju Group Co., Ltd.* (昆明市安居集團有限公司) (formerly known as Kunming Public Rental Housing Development & Construction Management Co., Ltd.* (昆明市公共租住房開發建設管理有限公司)), a limited liability company incorporated in the PRC in February 2011, which is directly held as to 65.05% by Kunming SASAC and is not a connected person as defined under the Listing Rules
「安居集團」	指	昆明市安居集團有限公司(前稱昆明市公共租住房開發建設管理有限公司),一家於2011年2月在中國註冊成立的有限責任公司,由昆明市國資委直接持股65.05%,非上市規則中所定義的關連人士
"Articles of Association"		the articles of association of the Company
「公司章程」	指	本公司公司章程
"Audit Committee"		the Audit Committee of the Company
「審計委員會」	指	本公司的審計委員會
"Board" or "Board of Directors"		the Board of Directors of the Company
「董事會」	指	本公司董事會
"Board of Supervisors"		the board of Supervisors of the Company
「監事會」	指	本公司的監事會
"Chairperson"		the chairperson of the Board of Directors
「董事長」	指	董事會之董事長
"China" or "PRC"		the People's Republic of China
「中國」	指	中華人民共和國
"Company"		Kunming Dianchi Water Treatment Co., Ltd.* (昆明滇池水務股份有限公司), a joint stock company established in Yunnan Province, the PRC with limited liability on 23 December 2010 in accordance with PRC laws, and, if the context requires, including its predecessors and subsidiaries
「本公司」或「公司」	指	昆明滇池水務股份有限公司,一家根據中國法律於2010年12月23日在中國雲南省成立的股份有限公司,如文義所需,包括其前身及附屬公司

* *For identification purpose only*
* *僅供識別*

"Company Law"		the Company Law of the People's Republic of China, as amended from time to time
「《公司法》」	指	中華人民共和國公司法，以不時修訂的內容為準
"Controlling Shareholder"		has the meaning ascribed thereto in the Listing Rules and refers to Kunming Dianchi Investment Co. Ltd.* (昆明滇池投資有限責任公司), a company established in Yunnan Province, the PRC with limited liability on 13 October 2004
「控股股東」	指	具有上市規則所賦予之涵義，指昆明滇池投資有限責任公司，一家於2004年10月13日在中國雲南省成立的有限責任公司
"Corporate Governance Code" or "CG Code"		the Corporate Governance Code as set out in Appendix C1 of the Listing Rules
「企業管治守則」	指	上市規則附錄C1所載的《企業管治守則》
"Director(s)"		director(s) of the Company
「董事」	指	本公司董事
"Domestic Shares"		ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi by PRC nationals and/or PRC incorporated entities
「內資股」	指	本公司股本中每股面值人民幣1.00元的普通股，由中國公民及／或於中國註冊成立之實體以人民幣認購並繳足
"Group", "we", "us" or "our" or "our Group"		the Company and its subsidiaries
「本集團」或「我們」	指	本公司及其附屬公司
"H Share(s)"		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
"Hongyu Thermal Power"		Liuyang Hongyu Thermal Power Co., Ltd.* (瀏陽市宏宇熱電有限公司), a limited liability company incorporated in the PRC and a former wholly-owned subsidiary of the Company. On 20 December 2023, the Company entered into the Equity Transfer Agreements with an independent third party to sell its 100% equity interest. As at the Latest Practicable Date, it is a third party independent of the Company and its connected persons
「宏宇熱電」	指	瀏陽市宏宇熱電有限公司，於中國註冊成立之有限責任公司，原為本公司之全資附屬公司，於2023年12月20日本公司與獨立第三方簽署產權交易合同出售了其100%的股權，於最後實際可行日期，為獨立於本公司及其關連人士的第三方
"KADI"		Kunming Agricultural Development Investment Co., Ltd.* (昆明農業發展投資有限公司), a limited liability company incorporated in the PRC on 29 June 2009, which is owned as to approximately 90% by Kunming SASAC, and is not a connected person as defined in the Listing Rules
「昆明農業發展投資」	指	昆明農業發展投資有限公司，一家於2009年6月29日在中國註冊成立的有限責任公司，並由昆明市國資委持股約90%，非上市規則中所定義的關連人士
"KDI" or "Kunming Dianchi Investment"		Kunming Dianchi Investment Co., Ltd.* (昆明滇池投資有限責任公司), a company established in Yunnan Province, the PRC with limited liability on 13 October 2004, which is the Controlling Shareholder
「昆明滇池投資」	指	昆明滇池投資有限責任公司，一家於2004年10月13日在中國雲南省成立的有限責任公司，為控股股東

"Kunming Construction"		Kunming Municipal Urban Construction Investment & Development Co., Ltd.* (昆明市城建投資開發有限責任公司), a limited liability company incorporated in the PRC on 15 May 1997, which is directly owned as to approximately 84% by Kunming SASAC, and is not a connected person as defined in the Listing Rules
「昆明城投」	指	昆明市城建投資開發有限責任公司，一家於1997年5月15日在中國註冊成立之有限責任公司，由昆明市國資委直接持股約84%，非上市規則中所定義的關連人士
"Kunming DIG"		Kunming Development Investment Group Co., Ltd.* (昆明發展投資集團有限公司), a wholly-state-owned company with limited liability incorporated in the PRC on 27 January 2010, which is wholly owned by Kunming SASAC, held 20,959,760 Domestic Shares as at the Latest Practicable Date, representing 2.04% of the total share capital of the Company, and is not a connected person as defined in the Listing Rules
「昆明發展投資集團」	指	昆明發展投資集團有限公司，一家於2010年1月27日在中國註冊成立的國有獨資有限責任公司，並由昆明市國資委持有100%股權，於最後實際可行日期持有20,959,760股內資股，佔本公司總股本的2.04%，非上市規則中所定義的關連人士
"Kunming SASAC"		the State-owned Assets Supervision and Administration Commission of the Kunming People's Government (昆明市人民政府國有資產監督管理委員會), a government agency that performs investor's responsibilities, supervises and manages the state-owned assets of the enterprises under the supervision of the Kunming municipal government (excluding financial enterprises), shoulders the responsibility of supervising the preservation and increment of the value of the state-owned assets of the supervised enterprises, and is responsible for drafting local regulations, rules and normative documents on the management of the state-owned assets
「昆明市國資委」	指	昆明市人民政府國有資產監督管理委員會，政府機構，負責履行投資者責任，監管昆明市政府監督下企業(不包括金融企業)的國有資產，肩負受監督企業國有資產保值增值的責任及負責起草有關國有資產管理的地方法規、規章及規範性文件等
"Latest Practicable Date"		15 April 2025, being the latest practicable date for the inclusion of certain information and data in this annual report prior to its publication
「最後實際可行日期」	指	2025年4月15日，即本年報付印前於其中納入若干資料及數據的最後實際可行日期

"Listing"		Listing of the H Shares on the Hong Kong Stock Exchange
「上市」	指	H股於香港聯交所上市
"Listing Rules" or "Hong Kong Listing Rules"		the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
「上市規則」或「香港上市規則」	指	香港聯交所證券上市規則(經不時修訂、補充或以其他方式修改)
"Nomination Committee"		the Nomination Committee of the Company
「提名委員會」	指	本公司的提名委員會
"Non-competition Agreement"		the non-competition agreement entered into between the Controlling Shareholder and the Company dated 25 April 2016
「避免同業競爭協議」	指	控股股東與本公司訂立的日期為2016年4月25日的避免同業競爭協議
"Prospectus"		the prospectus of the Company dated 24 March 2017 in relation to the initial public offering and the Listing of H Shares on the Stock Exchange
「招股説明書」	指	日期為2017年3月24日有關首次公開發售及H股於聯交所上市的本公司招股章程
"Qujing Zeyuan Water"		Qujing Zeyuan Water Treatment Co., Ltd.* (曲靖澤源水務有限公司) (formerly known as Qujing Dianchi Water Treatment Co., Ltd.* (曲靖滇池水務有限公司)), a limited liability company incorporated in the PRC and a former wholly-owned subsidiary of the Company. On 15 September 2023, the Company entered into the Equity Transfer Agreements with an independent third party to sell its 100% equity interest. As at the Latest Practicable Date, it is a third party independent of the Company and its connected persons
「曲靖澤源水務」	指	曲靖澤源水務有限公司(原稱曲靖滇池水務有限公司),於中國註冊成立之有限責任公司,原本公司之全資附屬公司,於2023年9月15日本公司與獨立第三方簽署股權轉讓協議出售了其100%的股權,於最後實際可行日期,為獨立於本公司及其關連人士的第三方
"Remuneration and Appraisal Committee"		the Remuneration and Appraisal Committee of the Company
「薪酬與考核委員會」	指	本公司的薪酬與考核委員會

"Reporting Period"		the year of 2024 (1 January 2024 to 31 December 2024)
「報告期」	指	2024年度(2024年1月1日至2024年12月31日)
"RMB" or "Renminbi"		the lawful currency of the PRC
「人民幣」	指	中國法定貨幣
"Share(s)"		H Shares and Domestic Shares
「股份」	指	H股及內資股
"Shareholder(s)"		holder(s) of the Shares
「股東」	指	本公司股份持有人
"Strategy and Investment Decision Committee"		the Strategy and Investment Decision Committee of the Company
「戰略與投資決策委員會」	指	本公司的戰略與投資決策委員會
"Suijiang Guorun Water"		Suijiang Guorun Water Treatment Co., Ltd.* (綏江國潤水務有限公司) (formerly known as Suijiang Dianchi Water Treatment Co., Ltd.* (綏江滇池水務有限公司)), a former wholly-owned subsidiary of the Company. On 29 December 2023, the Company entered into the Equity Transfer Agreements with an independent third party to sell its 80% equity interest, which was completed during the Reporting Period, and it is currently an associate in which the Company holds 20% shares
「綏江國潤水務」	指	綏江國潤水務有限公司(原稱綏江滇池水務有限公司),原為本公司之全資附屬公司,於2023年12月29日,本公司與獨立第三方簽署產權交易合同,出售了持有的其80%的股權,相關股權已於報告期內完成交割,現為本公司持股20%之聯營公司
"Supervisor(s)"		supervisor(s) of the Company
「監事」	指	本公司的監事

"Xindu Investment"		Kunming Xindu Investment Co., Ltd.* (昆明新都投資有限公司), a limited liability company incorporated in the PRC on 27 May 2005, which is directly owned as to 84% by Kunming SASAC, and is not a connected person as defined in the Listing Rules
「新都投資」	指	昆明新都投資有限公司，一家於2005年5月27日在中國註冊成立的有限責任公司，由昆明市國資委直接持股約84%，非上市規則中所定義的關連人士
"Yiliang Guorun Water"		Yiliang Guorun Water Treatment Co., Ltd.* (彝良國潤水務有限公司) (formerly known as Yiliang Dianchi Water Treatment Co., Ltd.* (彝良滇池水務有限公司)), a former wholly-owned subsidiary of the Company. On 29 December 2023, the Company entered into the Equity Transfer Agreements with an independent third party to sell its 80% equity interest, which was completed during the Reporting Period, and it is currently an associate in which the Company holds 20% shares
「彝良國潤水務」	指	彝良國潤水務有限公司(原稱彝良滇池水務有限公司)，原為本公司之全資附屬公司，於2023年12月29日，本公司與獨立第三方簽署產權交易合同，出售了持有的其80%的股權，相關股權已於報告期內完成交割，現為本公司持股20%之聯營公司
"Zhaotong Guorun Water"		Zhaotong Guorun Water Treatment Co., Ltd.* (昭通國潤水務有限公司) (formerly known as Zhaotong Dianchi Water Treatment Co., Ltd.* (昭通滇池水務有限公司)),,a former wholly-owned subsidiary of the Company. On 29 December 2023, the Company entered into the Equity Transfer Agreements with an independent third party to sell its 80% equity interest, which was completed during the Reporting Period, and it is currently an associate in which the Company holds 20% shares
「昭通國潤水務」	指	昭通國潤水務有限公司(原稱昭通滇池水務有限公司)，原為本公司之全資附屬公司，於2023年12月29日，本公司與獨立第三方簽署產權交易合同，出售了持有的其80%的股權，相關股權已於報告期內完成交割，現為本公司持股20%之聯營公司

"BOO"		Build-Own-Operate, a project model in which an enterprise undertakes the financing, design, construction of wastewater treatment or water supply facilities, which are owned by the enterprise, and has the right to operate such facilities in the concession period, during which the enterprise can charge service fees based on the supplied treated wastewater or tap water to cover its costs of investment, operation and maintenance and obtain reasonable returns, according to the concession agreement entered into by the enterprise and the government
「BOO」	指	建設－擁有－經營，一種項目模式，由一家企業承擔融資、設計、建設污水處理或供水設施，有關設施由該企業擁有，該企業有權在特許期間營運有關設施。在特許期間，該企業可根據其與政府所訂立的特許經營權協議按所供應已處理的污水或自來水收取服務費，以收回其投資、營運及維護成本並取得合理回報
"BOT"		Build-Operate-Transfer, a project model whereby, pursuant to a concession agreement entered into by an enterprise and the government, the government grants to the enterprise the rights to undertake the financing, design, construction, operation and maintenance of wastewater treatment or water supply facilities in a concession period, during which the enterprise can charge service fees based on the supplied treated wastewater or water to cover its costs of investment, operation and maintenance and obtain reasonable returns while, upon the expiration of the concession period, the relevant facilities will be transferred back to the government at nil consideration
「BOT」	指	建設－經營－移交，一種項目模式，據此，根據企業與政府訂立的特許經營權協議，政府授權一家企業於特許期間承擔污水處理或供水設施的融資、設計、建設、營運及維護，該企業可於特許期間按所供應已處理污水或水收取服務費以收回其投資、營運及維護成本並取得合理回報，而在特許期間屆滿後，相關設施將無償交回政府
"BT"		Build and Transfer, a project model whereby an enterprise undertakes the financing, design and construction of a facility for the proprietor for certain fees to be paid during and upon the completion of the construction
「BT」	指	建設及移交，一種項目模式，一家企業代所有人承擔某項設施的融資、設計及建設，相關費用會於建設時及完成時由所有人支付

"COD"		Chemical Oxygen Demand, the corresponding mass concentration of oxygen for the amount of oxidant consumed when strong oxidant is used to deal with a given water sample and is measured with mg/L. It has different ways according to the oxidising agent, such as potassium permanganate (expressed as COD, also known as CODmn) and potassium dichromate (expressed as CODcr)
「COD」	指	化學需氧量，採用強氧化劑處理水樣時所消耗的氧化劑對應的氧的質量濃度，以毫克／升表示。根據所用氧化劑的不同，分為高錳酸鉀法（以COD表示，又稱為CODmn）和重鉻酸鉀法（以CODcr表示）
"TOO"		Transfer-Own-Operate, a project model whereby an enterprise purchases completed wastewater treatment or water supply facilities from the government and undertakes the operation of such facilities owned by the enterprise in the concession period, during which the enterprise can charge service fees based on the supplied treated wastewater or tap water to cover its costs of investment, operation and maintenance and obtain reasonable returns according to the concession agreement entered into by the enterprise and the government
「TOO」	指	移交－擁有－經營，一種項目模式，據此，企業向政府購買已建成的污水處理或供水設施，並於特許期間承擔其所擁有的設施的營運。在特許期間，該企業可根據其與政府所訂立特許經營權協議按所供應已處理的污水或自來水收取服務費，以收回其投資、營運及維護成本並取得合理回報
"TOT"		Transfer-Operate-Transfer, a project model whereby, pursuant to a concession agreement entered into by an enterprise and the government, the government grants to the enterprise the property rights or operation rights of constructed wastewater treatment or water supply facilities in the concession period, during which the enterprise can charge service fees based on the supplied treated wastewater or tap water to cover its costs of investment, operation and maintenance and obtain reasonable returns while, upon the expiration of the concession period, the relevant facilities will be transferred back to the government at nil consideration
「TOT」	指	移交－經營－移交，一種項目模式，據此，根據企業與政府訂立的特許經營權協議，政府將已建成的污水處理或供水設施在特許期間的產權或經營權轉讓給企業。在特許期間，該企業可按所供應已處理的污水或自來水收取服務費，以收回其投資、營運及維護成本並取得合理回報，而在特許期間屆滿後，相關設施將無償交回有關政府

"utilisation rate"		the actual volume of water supplied, or wastewater treated divided by the designed volume of water supplied or wastewater treated for a given period
「利用率」	指	指定期間的實際供水或污水處理量除以設計供水或污水處理量
"wastewater treatment"		use of physical, chemical and biological methods to remove pollutants from wastewater or to turn pollutants into innoxious substances so that wastewater can reach the standards allowing for it to be discharged into a water body or reused
「污水處理」	指	為使污水達到排入某一水體或再次使用的水質要求，對其採用物理、化學及生物等方法去除污水中的污染物或將污染物化為無毒物質

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				
		2024	2023	2022	2021	2020
		2024年	2023年	2022年	2021年	2020年
Capacity *('000 m^3 per day)*	**產能**(*千立方米／日*)					
Wastewater treatment	污水處理	**1,865**	2,001	2,031	2,043	1,970
Reclaimed water supply	再生水供應	**334**	329	237	233	213
Running water supply	自來水供應	**75**	80	131	131	131

		For the year ended 31 December 截至12月31日止年度				
		2024	2023	2022	2021	2020
		2024年	2023年	2022年	2021年	2020年
Volume *('000 m^3 per period indicated)*	**產量**(*千立方米／所示期間*)					
Wastewater treatment	污水處理	**669,302**	719,890	718,924	706,078	657,499
Reclaimed water supply	再生水供應	**96,065**	100,529	56,588	54,422	31,177
Running water supply	自來水供應	**7,745**	16,462	17,231	17,116	14,863

		For the year ended 31 December 截至12月31日止年度				
		2024	2023	2022	2021	2020
		2024年	2023年	2022年	2021年	2020年
Utilisation Rate	**利用率**					
Wastewater treatment	污水處理	**98.1%**	98.6%	97.4%	96.3%	92.0%
Reclaimed water supply	再生水供應	**78.6%**	83.8%	65.5%	64.0%	53.4%
Running water supply	自來水供應	**38.5%**	42.0%	36.5%	35.8%	31.9%

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				
		2024	2023	2022	2021	2020
		2024年	2023年	2022年	2021年	2020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	–收入	**1,151,793**	1,233,095	1,298,089	1,370,283	1,276,466
– Gross profit	–毛利	**501,713**	580,581	627,062	610,365	558,256
– Gross profit margin	–毛利率	**43.6%**	47.1%	48.3%	44.5%	43.7%
Water supply	**水供給**					
– Revenue	–收入	**174,379**	129,440	101,234	191,534	260,986
– Gross profit	–毛利	**60,042**	63,841	40,997	49,812	53,420
– Gross profit margin	–毛利率	**34.4%**	49.3%	40.5%	26.0%	20.5%
Others	**其他**					
– Revenue	–收入	**267,992**	444,953	666,540	755,921	381,971
– Gross profit	–毛利	**151,896**	153,818	189,212	64,605	67,501
– Gross profit margin	–毛利率	**56.7%**	34.6%	28.4%	8.5%	17.7%

SUMMARY OF CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME 合併全面收益表概要

		Year ended 31 December 截至12月31日止年度				
		2024	2023	2022	2021	2020
		2024年	2023年	2022年	2021年	2020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*
Revenue	**收入**	**1,594,164**	1,807,488	2,065,863	2,317,738	1,919,423
Operating profit	**經營利潤**	**524,908**	615,595	678,302	528,368	429,524
Profit before taxation	**稅前利潤**	**314,354**	381,702	367,465	396,693	415,481
Income tax expense	所得稅費用	**(50,426)**	(63,975)	(43,330)	(57,142)	(65,053)
Profit for the year	**年度利潤**	**263,928**	317,727	324,135	339,551	350,428
Other comprehensive income/(loss)	**其他全面收益／（虧損）**	**1,116**	860	(1,049)	(1,219)	13,290
Total comprehensive income for the year	**年度全面收益總額**	**265,044**	318,587	323,086	338,332	363,718

SUMMARY OF CONSOLIDATED BALANCE SHEET 合併資產負債表概要

		As at 31 December 於12月31日				
		2024	2023	2022	2021	2020
		2024年	2023年	2022年	2021年	2020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*
Assets	**資產**					
Total assets	資產總額	**12,383,952**	12,063,850	11,702,204	12,067,938	10,496,492
Liabilities	**負債**					
Total liabilities	負債總額	**7,141,659**	7,086,546	7,044,613	7,632,127	6,224,065
Equity	**權益**					
Total equity	權益總額	**5,242,293**	4,977,304	4,657,591	4,435,811	4,272,427
Total equity and liabilities	**權益及負債總額**	**12,383,952**	12,063,850	11,702,204	12,067,938	10,496,492

A. OPERATING ENVIRONMENT

In 2024, the global economy continues to recover with overall robust economic growth. The consumption ability of residents in major economies is relatively strong, and the fixed asset investment presents certain resilience. Meanwhile, issues such as the slowdown in global demand, persistently high fiscal deficits, intensified geopolitical tensions, deepening supply chain reconstruction and tightening credit environment persist. The global economy has achieved a moderate recovery under multiple challenges, but the growth rate remains below pre-pandemic levels. Risk factors such as unbalanced development and increased uncertainty are prominent, and economic development still faces significant challenges.

The year 2024 is a crucial year for our country to implement the goals and tasks of the "14th Five-Year Plan", and is also a crucial year for our country to advance the Beautiful China Initiative. China's economic and social development has entered a green, low carbon and high-quality development stage, and the construction of a beautiful China has become an important goal of building a modern socialist country in an all-round way. An important deployment was made at the Third Plenary Session of the 20th Central Committee of the Communist Party of the PRC to further comprehensively deepen the reform and promote the Chinese path to modernization, among which, it is proposed to deepen the reform of ecological civilization system, improve the ecological civilization infrastructure, develop sound ecological governance system and enhance the green, low-carbon development mechanism. Along with the progress of related reforms and the introduction of the systems, not only the business model for water and environmental conservation area changed further, many segments and emerging areas would also unleash the room for growth in the future. In addition, the government work report of the National People's Congress and the Chinese People's Political Consultative Conference in 2024 listed "modernizing the industrial system and developing new quality productive forces at a faster pace" as the priority task of the annual government work, endowing high-quality development with new connotations. The water treatment industry has transitioned from an "incremental era" to a "quality era", where refinement, low-carbon, intelligence, and resource utilization have become the inevitable paths for high-quality development of the water treatment industry. In the planning, design, construction, operation and maintenance, renovation and transformation of facilities, it is essential to strengthen technological innovation, achieve technological iteration through new and high-quality productivity, and promote the adaptation of traditional municipal infrastructure to the high-quality development needs of urbanization in the new era, which will bring new development opportunities for the water treatment industry.

A. 經營環境

2024年，全球經濟持續復蘇，經濟增長總體穩健，主要經濟體居民消費能力相對強勁，固定資產投資有一定韌性。同時，全球需求放緩、財政赤字高居不下、地緣政治緊張加劇、供應鏈重構加深、信用環境收緊等問題依然存在。全球經濟在多重挑戰下實現了溫和復蘇，但增速仍低於疫情前水平，發展失衡和不確定性增加等風險因素突出，經濟發展仍然面臨較大挑戰。

2024年是實施「十四五」規劃目標任務的關鍵一年，是我國加速推動美麗中國建設的關鍵一年，我國經濟社會發展已進入加快綠色化、低碳化的高質量發展階段，建設美麗中國成為全面建設社會主義現代化國家的重要目標。黨的二十屆三中全會就進一步全面深化改革，推進中國式現代化做出重要部署，其中提出深化生態文明體制改革，完善生態文明基礎體制，健全生態環境治理體系，健全綠色低碳發展機制，伴隨著相關改革的推進與制度的出台，不僅水務環保領域的商業模式進一步發生變化，而且未來許多細分領域以及新興領域將釋放出增長空間。此外，2024年全國兩會的政府工作報告將「大力推進現代化產業體系建設，加快發展新質生產力」列在年度政府工作任務首位，為高質量發展賦予新內涵。水務行業已由「增量時代」變為「質量時代」，精細化、低碳化、智能化、資源化成為水務行業高質量發展的必然路徑，在設施的規劃、設計、建設、運行維護、更新改造中都必須強化科技創新，通過新質生產力實現技術疊代，推動傳統市政基礎設施適應新時期城鎮化高質量發展的需求，這將為水務行業帶來新的發展機遇。

1. Overview of Wastewater Treatment Industry

Wastewater treatment is an important component of the environmental protection sector and a crucial industry related to national livelihood projects. With the country's strong emphasis on energy conservation and emission reduction, relevant supporting policies and regulations have been actively introduced, market mechanisms have been introduced, and investment in wastewater treatment infrastructure construction has been increased. Policies help to promote the improvement of quality and efficiency in wastewater treatment, enhance the wastewater collection and treatment capacity in key areas, and gradually establish a wastewater treatment pattern of "integrated plant and network, treating water and soil concurrently, and recycling".

Currently, China's urban wastewater treatment is transitioning from incremental construction to a balanced focus on systematic of quality and efficiency improvement, and structural adjustment optimization, enhancing existing capacities and optimizing new capacities, and systematically advancing the high-quality construction and operation and maintenance transformation of urban wastewater treatment facilities. Driven by the dual forces of increased demand for high-quality development in wastewater treatment and the promotion of national environmental protection policies, the wastewater treatment industry is rapidly developing. The volume and capacity of wastewater treatment continue to improve, but the wastewater treatment industry still faces challenges such as incomplete drainage network construction and the need for upgrades and reforms in wastewater treatment plants, which is a gap between them and the requirements for high-quality development. To promote high-quality development and address the shortcomings in the development of the wastewater treatment industry, the government has successively issued relevant policies and regulations such as the "Development Plan for the Urban Wastewater Treatment and Resource Utilisation in the 14th Five-Year Plan" (《「十四五」城鎮污水處理及資源化利用發展規劃》), the "Notice on Strengthening the Construction and Operation Maintenance of Urban Domestic Wastewater Pipe Networks" (《關於加強城市生活污水管網建設和運行維護的通知》), and the "Guiding Opinions on Further Promoting the Treatment of Rural Domestic Sewage" (《關於進一步推進農村生活污水治理的指導意見》). These documents provide direction for the industry's development from aspects such as long-term development goals, key development tasks, and cost assurance mechanisms, thereby facilitating the high-quality development of the wastewater treatment industry.

1. 污水處理行業概況

污水處理是環保領域中的重要組成部分，也是關係到國家民生工程的重要行業。隨著國家對節能減排工作的高度重視，積極出台相關配套政策法規，引入市場機制，加大污水處理基礎設施建設投入，政策推動污水處理提質增效，完善重點區域污水收集處理能力，逐步建構「廠網一體、水泥並治、再生利用」的污水處理格局。

目前，中國城鎮污水處理正從增量建設為主向系統提質增效與結構調整優化並重，提升存量、做優增量，系統推進城鎮污水處理設施高質量建設和運維轉變。受污水處理高質量發展需求增加及國家環保政策推動的雙重驅動，污水處理行業快速發展，污水處理量和污水處理能力持續提升，但污水處理行業目前仍存在排水管網建設不完善、污水處理廠有待升級改造等與高質量發展要求存在差距的問題。為推進高質量發展，補齊污水處理行業發展短板，國家陸續發佈了《「十四五」城鎮污水處理及資源化利用發展規劃》、《關於加強城市生活污水管網建設和運行維護的通知》以及《關於進一步推進農村生活污水治理的指導意見》等相關制度政策，從行業遠景發展目標、重點發展任務、費用保障機制等方面對行業發展指明了方向，助力污水處理行業高質量發展。

In the future, with the acceleration of industrialisation and urbanisation, the market for sewage treatment services will continue to expand, and the sewage treatment industry has favorable prospects for development in metropolises, small and medium-sized cities, small towns and rural areas. Meanwhile, water management will no longer remain at the end level of sewage treatment and interception pipe networks, but will be transformed into a comprehensive management model that includes the whole process of source control, process interception and end-level treatment, involving multiple aspects such as treatment, restoration and ecological landscape. In recent years, the rules in various segments of water management have been introducing, setting specific requirements for sub-sectors such as wastewater treatment, black and stink water body treatment, and sponge city construction. This also signifies a deepening and solidification of water management towards integration and diversification, requiring related enterprises to gradually shift from single wastewater treatment to comprehensive water environment management. At the same time, in terms of industry standards, the upgrading and transformation of wastewater treatment plants bring new development opportunities for industry advancement.

未來，隨著工業化和城鎮化進程的加快，污水處理服務市場也將不斷向外延擴大，污水處理行業在大都市、中小城市、小城鎮及農村等均具備良好的發展前景。同時，水治理將不再停留在單純的污水治理和截污管網等末端層面，而將轉變為包含源頭控制、過程阻斷以及末端治理等全過程，涉及治理、修復以及生態景觀等多個環節的綜合治理模式。近年來水治理各個細分領域的細則逐步出台，對於污水治理、黑臭水體治理、海綿城市建設等細分領域提出具體要求，也標誌著水治理向綜合化和多元化的走深走實，相關企業也需要從單一的污水處理逐步走向水環境的綜合治理。同時，行業標準方面，污水處理廠的提標改造為行業進步帶來新的發展空間。

2. Overview of Reclaimed Water Industry

Against the backdrop of increasing water resource demand and worsening water scarcity issues in our country, the state has been paying increasing attention to the problem of water scarcity, leading to rapid development in the domestic reclaimed water industry. As the second source of water for cities, treated wastewater can be recycled for agricultural irrigation, urban landscaping irrigation and industrial cooling water, effectively alleviating the shortage of natural water resources. Regarding the market space for reclaimed water utilization during the "14th Five-Year Plan" period, the "Development Plan for the Urban Wastewater Treatment and Resource Utilisation in the 14th Five-Year Plan" (《「十四五」城鎮污水處理及資源化利用發展規劃》) requires that the newly built, renovated and expanded reclaimed water production capacity during this period should not be less than 15 million cubic meters per day. The "Opinions on Accelerating the Recycling System of Waste" (《關於加快廢棄物循環利用體系的意見》) proposes to accelerate the promotion of wastewater resource utilization, combining the upgrading and capacity expansion of existing wastewater treatment facilities, systematically planning and constructing wastewater recycling facilities, and implementing regional reclaimed water recycling projects according to local conditions. The "Implementation Opinions on Promoting Synergy and Efficiency of Pollution Reduction and Carbon Reduction in Wastewater Treatment" (《關於推進污水處理減污降碳協同增效的實施意見》) points out that by 2025, the reclaimed water utilization rate in water-scarce cities at the prefecture level and above should reach over 25%, and 100 green low-carbon benchmark plants for efficient energy resource recycling in wastewater treatment should be established. In the future, the utilization of reclaimed water has great development potential and market space in terms of economic, social and environmental benefits.

2. 再生水行業概況

在我國水資源需求不斷增大、水資源短缺問題愈發嚴重的背景下，國家對水資源短缺問題重視程度不斷提高，國內再生水行業得到了較快發展。作為城市的第二水源，經過處理後的廢水可再生利用於農業灌溉、城市綠化灌溉、工業循環冷卻水等領域，有效緩解自然水資源不足的問題。對於「十四五」期間再生水利用的市場空間，《「十四五」城鎮污水處理及資源化利用發展規劃》要求，該時期新建、改建和擴建再生水生產能力不少於1,500萬立方米／日。《關於加快廢棄物循環利用體系的意見》提出加快推進污水資源化利用，結合現有污水處理設施提標升級、擴能改造，系統規劃建設污水再生利用設施，因地制宜實施區域再生水循環利用工程。《關於推進污水處理減污降碳協同增效的實施意見》指出，到2025年地級及以上缺水城市再生水利用率達到25%以上，建成100座能源資源高效循環利用的污水處理綠色低碳標桿廠。未來再生水利用在經濟、社會、環境效益方面都有著巨大發展潛力和市場空間。

3. Overview of Municipal Water Supply Industry

Water supply services are a part of national public utilities. Water supply facilities play a crucial role in the development of urban modernization, serving as an important prerequisite for protecting the human living environment and improving the standard of material life, as well as being one of the key indicators for measuring the level of modern cities. With the progress of urban and rural water supply integration, the water supply industry is mainly concentrated in the field of municipal water supply. In recent years, China has introduced a series of policies to promote the market-oriented reform of the water supply industry. The separation of government and enterprises and the entry of private capital further activated the market vitality of the water supply industry.

At present, the issues of aging and severely damaged water supply networks in some cities in our country are quite prominent, affecting both the quality of water supply and leading to leakage problems. In rural areas, there are also issues such as inconsistent urban-rural standards, insufficient scale of projects and weak management and maintenance of project operations. Therefore, accelerating the large-scale development of urban and rural water supply and significantly enhancing the water supply security levels in both urban and rural areas will be beneficial in fully supporting urban economic and rural revitalization development, as well as improving the utilization of ecological environment and water resources. At the same time, it also provides space for the continuous advancement and development of the industry.

3. 市政供水行業概況

供水服務是國家公共事業的一部分，供水設施在城市現代化進程的發展中起著舉足輕重的作用，是保護人類生存環境，提高物質生活水平的重要前提，也是衡量現代化城市水平的重要指標之一。隨著城鄉供水一體化進程的推進，供水行業主要集中在市政供水領域。近年來，國家出台了一系列促進供水行業市場化改革的政策，政企分離和民間資本的進入，進一步激活供水行業的市場活力。

目前，我國部分城市供水管網老化、破損嚴重問題較為突出，既影響供水水質，又存在漏損問題，農村供水也存在城鄉標準不統一、工程規模化不足夠以及工程運行管護薄弱等問題。因此加快推進城鄉供水規模化發展，大力提升城市和農村供水保障水平將有利於全面支撐城市經濟和鄉村振興發展，有利於提升生態環境和水資源的利用。同時，也是行業持續推進發展的空間。

B. DEVELOPMENT STRATEGY AND FUTURE PROSPECTS

Looking ahead to 2025, the world has generally entered a cycle of interest rate cuts, leverage ratios have fallen to low levels, the credit environment is gradually turning loose, and the decline in inflation along with the continued implementation of monetary easing policies by economies may moderately boost global economic activities. The economy is expected to remain resilient in the future. However, the domestic transition between old and new growth drivers and the era of major geopolitical clashes have not changed, and the global economic environment will remain challenging, with uncertainties and potential obstacles still present across various industries.

The year 2025 marks the concluding year of the "14th Five-Year Plan" and the first critical milestone of the 2035 long-range objectives. Despite the complex and volatile internal and external economic environment, the Company will continue to uphold the general keynote of "seeking progress while maintaining stability, promoting stability with progress", focusing on its core business and maintaining steady operations. Firstly, we will strengthen and optimize the main business, steadily advance the expansion and extension of the industrial chain, enhance core functions, and improve core competitiveness. Secondly, we will optimize development strategies, and enhance management and investment efficiency. Thirdly, we will optimize industrial layout, develop new quality productivity, and continuously deepen the reform of state-owned assets and enterprises. Fourthly, we will focus on creating benefits from existing projects, deeply explore cost control potential, intensify efforts to recover debts, and use multiple means to broaden cash flow sources. At the same time, the Company will continuously explore new technologies and methods, optimize service processes, improve service quality, and realise the Company's high-quality and healthy development in a stable operation.

B. 發展策略及展望

展望2025年，全球已普遍進入降息周期，杠桿率降至低位，信用環境逐步轉向寬鬆，通脹下降和經濟體持續實施的貨幣寬鬆政策可能為全球經濟活動帶來適度提振，未來經濟預計將保持韌性。然而，國內新舊動能切換和地緣大沖撞的時代背景沒有改變，全球經濟環境仍將充滿挑戰，各行各業面臨的不確定性和潛在阻力仍然存在。

2025年是「十四五」收官之年，也是2035年遠景目標的第一個關鍵節點，面對複雜多變的內外部經濟環境，公司仍將秉持「穩中求進、以進促穩」的工作總基調，聚焦主業，穩抓經營。一是做強做優主業，穩步推進產業鏈拓展延伸，增強核心功能，提升核心競爭力；二是優化發展策略，提升管理和投資效益；三是優化產業佈局，發展新質生產力，持續深化國資國企改革；四是聚焦存量項目創效，深挖成本管控潛力，加大推進債權清收力度，多手段拓寬現金流來源。同時，公司將不斷探索新的技術和方法，優化服務流程，提高服務質量，實現公司在平穩運行中高質量健康發展。

C. BUSINESS REVIEW

The Group principally adopts the TOO, TOT and BOT project models, with a focus on the TOO model. For the year ended 31 December 2024, our TOO projects contributed to 58.1% of our total revenue. Our TOT and BOT projects contributed to 18.5% of our total revenue, and we also adopt the BOO and BT project models for some of our projects.

For the TOO and TOT models, we acquire concessions to operate existing facilities at agreed prices from the relevant local governments. For the BOT model, we finance, construct and operate relevant facilities. After the expiration of the relevant concessions, we either obtained new concessions from or transferred the relevant facilities back to the relevant local governments, depending on the project type. As of 31 December 2024, we had a total of 38 plants (34 wastewater treatment plants and 4 running water plants) under concession agreements. Among the 38 plants in operation, 14 were TOO projects, 2 were TOT projects, 20 were BOT projects and 2 were BOO projects.

During the Reporting Period, the utilisation rate of our facilities was maintained at a high level. For the year ended 31 December 2024, the total volume of wastewater treated was approximately 669.3 million m^3 with an average facility utilisation rate of approximately 98.1%.

Wastewater Treatment Projects

As of 31 December 2024, we had a total of 34 wastewater treatment plants in operation (including 14 in Kunming and 20 in other areas of the PRC), with a total wastewater treatment capacity of 1.9 million m^3 per day. With our technologically advanced facilities, independently developed patents and strong management skills, we have been able to maintain low costs while providing high quality wastewater treatment services. The Company's wastewater treatment plants in operation adopt a variety of processes such as oxidation ditch, A^2/O, ICEAS, MBR, CAST and SBR. The Company's core competitiveness in the wastewater treatment industry is its extensive and comprehensive operational management experience and technical management team.

During the Reporting Period, in order to reduce investment losses and mitigate operational risks, the Company entered into the Concession Termination Agreement with the Administrative Committee of Bokeo Special Economic Zone in Laos on 8 April 2024, terminating the Concession Contracts for the running water plants and the wastewater treatment plants signed by both parties on 16 October 2015 (for details, please refer to the announcement of the Company dated 8 April 2024).

C. 業務回顧

本集團的業務主要採用TOO、TOT及BOT等項目模式，以TOO模式為核心，截至2024年12月31日止年度，我們的TOO項目為我們的總收入貢獻58.1%，我們的TOT及BOT項目為我們的總收入貢獻18.5%。我們亦針對部分項目採用BOO及BT項目模式。

對於TOO及TOT模式，我們以協議價向當地政府購買現有設施的特許經營權。對於BOT模式，相關設施均由我們自行融資、建設及經營。在相關特許經營權屆滿後，我們根據項目類型自當地政府獲得新的特許經營權或將相關設施轉讓回當地政府。截至2024年12月31日，我們共有38間特許經營水廠(含34間污水廠，4間自來水廠)。該38間正在運營的水處理廠中，14間為TOO項目，2間為TOT項目，20間為BOT項目及2間為BOO項目。

於報告期內，我們的設施利用率保持了較高的水平。截至2024年12月31日止年度，污水處理總量約為669.3百萬立方米，平均設備利用率約為98.1%。

污水處理項目

截至2024年12月31日，我們總共有34間污水處理廠已投入運營(其中昆明14間，其他地區20間)，日總污水處理能力達1.9百萬立方米。憑藉技術先進的設施、獨立研發的專利及良好的管理能力，我們能夠維持較低的成本，提供高質量的污水處理服務。本公司在運營污水廠包含多種工藝類型，如：氧化溝、A^2/O、ICEAS、MBR、CAST、SBR等工藝類型，豐富而全面的運營管理經驗及技術管理團隊是我們公司立足污水處理行業的核心競爭力。

報告期內，為減少投資損失及降低經營風險，本公司與老撾波喬省經濟特區管委會於2024年4月8日訂立了特許經營權終止協議，終止了雙方於2015年10月16日簽訂的自來水廠、污水處理廠的特許經營合同(詳情請見本公司日期為2024年4月8日的公告)。

In addition, we were entrusted to provide operation management services to a total of 26 township wastewater treatment stations, with a total designed wastewater treatment capacity of 0.45 million m^3. We have been entrusted to operate and manage rural domestic sewage collection and treatment facilities in 887 villages, covering 11 towns.

此外，我們受託提供運營管理服務的集鎮污水處理站共計26座，總設計污水處理能力為0.45百萬立方米。我們受託運行及管理了887個村莊的農村生活污水收集處理設施，覆蓋11個縣區。

Reclaimed Water Business

We carried out the reclaimed water business by relying on our own sewage treatment plants that receive entrusted operation services. As of 31 December 2024, we had 12 reclaimed water stations and 2 second-stage booster pump stations. Meanwhile, we provided entrusted operation services for 5 reclaimed water stations/booster pump stations, with a total designed daily production capacity of reclaimed water facilities of 334,000 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 96.1 million m^3.

再生水業務

我們以自有及接受委託運行服務的污水處理廠為依託開展再生水業務，截至2024年12月31日，已投入運營12間再生水站及2個二級加壓泵站，同時，我們為5個再生水站點／加壓泵站提供委託運行服務，再生水設施日總設計產能達33.4萬立方米。我們的再生水客戶包括昆明市的工商業機構、企事業單位等。報告期內，再生水供應量為96.1百萬立方米。

Running Water Business

For our running water business, as of 31 December 2024, we had 4 running water plants in the PRC. During the Reporting Period, the supply of running water amounted to 7.745 million m^3, and the quality of water supplied met the requirements of the "Standards for Drinking Water Quality GB5749-2022"* (《生活飲用水衛生標準GB5749-2022》).

自來水業務

自來水業務方面，截至2024年12月31日，我們在中國有4間自來水廠已投入營運。報告期內自來水供應量為774.5萬立方米，供水水質均符合《生活飲用水衛生標準GB5749–2022》要求。

D. MAJOR RISKS

The operational risks facing the Group are mainly the capital-intensive characteristics of the industry, requirements of water quality standards and other force majeure events.

Capital-intensive characteristics of the industry

We are engaged in wastewater treatment, reclaimed water supply and running water supply projects, which typically require significant initial cash outlays and have long payback periods. On average, the investment payback periods for our projects range from five to ten years. If we fail to obtain financing or refinancing for such projects in the amounts required, we may need to finance these projects from our internal resources, which may strain our resources for other corporate purposes. Additionally, we may fail to properly perform our obligations in respect of these projects as a result of a funding shortage, which may lead to a reduction in our returns and may even lead to the loss of our initial capital investments.

We are required to make substantial capital investments during the initial phases of our projects. These investments are primarily dependent on the funds we raised from our global offering, bank loans, corporate bonds and other means of financing. For the year ended 31 December 2024, our total borrowings amounted to RMB4,589.2 million, representing a decrease of 13.0% from RMB5,272.1 million in 2023. As of 31 December 2024, our net gearing ratio, calculated as net debt divided by total capital, was 46.5%.

We expect to continue to utilise bank loans, corporate bonds and a diverse combination of financing facilities to finance a portion of our investments in our projects. The interest rate of bank loans is mainly affected by the quoted market rate of RMB loans issued by the National Interbank Funding Center each month. Increase in interest rates may increase our total interest expenses on RMB borrowings. The financing efficiency and financing cost of corporate bonds and other financing instruments are affected by factors such as the economic environment, financing market conditions and the Company's own operating conditions. Changes in relevant factors may affect the Company's financing efficiency and financing costs.

D. 主要風險

本集團面臨的運營風險主要為資本密集的行業特性、水質標準要求及其他不可抗力事件。

資本密集的行業特性

我們從事的污水處理、再生水供應及自來水供應項目，通常需要大量初始現金支出，投資回收期長，我們的項目平均投資回收週期為5-10年。若我們無法按該等項目所需的金額進行融資或再融資，我們或需透過內部資源為該等項目融資，從而可能會對我們現實其他業務發展造成負擔。此外，我們或因資金短缺而無法恰當履行我們有關該等項目的義務，這會導致我們收益減少，甚至會導致我們初始投資出現損失。

於項目初期階段，我們必須做出大量資本投資，而該等投資主要依賴於我們於全球發售所募集資金、銀行貸款及公司債券等撥付。截至2024年12月31日止年度，我們的借款總額為人民幣4,589.2百萬元，較2023年的人民幣5,272.1百萬元減少13.0%。於2024年12月31日，我們的淨資產負債比率(按負債淨額除以資本總額計算)為46.5%。

我們預期繼續利用銀行貸款、公司債券及多樣化結合的融資工具撥付項目的部分投資。而銀行貸款利率主要受全國銀行間同業拆借中心於每月發佈的人民幣貸款的貸款市場報價利率的影響。利率的提升可能增加我們人民幣借款利息支出總額。公司債券及其他融資工具的融資效率、融資成本則受經濟環境、融資市場行情及公司自身經營情況等因素影響。相關因素變化或會影響公司融資效率、融資成本。

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.

水質標準要求

我們所建的污水處理、再生水供應及自來水供應設施均需將污水及原水處理至符合指定規定的水質標準。污水處理、再生水供應及自來水供應的水質取決於進入設施的污水含污情況及我們設施是否能夠正常運行，任何未知或未發現的超過系統處置能力的污水進入設備或設備缺陷或兼容性問題亦會對我們構成風險。我們無法保證能夠永遠及時發現並及時維修故障設備，或解決處理工藝或設施的其他任何問題。在此類情況下，我們的設施可能無法按照相關規定及合同標準處理污水或原水，從而可能導致我們面臨客戶索賠或遭到政府處罰，亦可能導致暫停運營以及整改及聲譽受損。此外，待處理的污水或原水可能含有大量超過我們在設施設計及建設期間預測的污染物類型及數量，從而對我們的運營成本、設施磨損及出水水質排放造成不利影響。

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 our business and results of operations. These risks include damage to facilities, equipment and structures caused by natural disasters such as heavy rainfall, extremely high or low temperatures and lightning strikes, resulting in interruption of production operation and damage to facilities and equipment. The Company has formulated contingency plans to respond to unexpected force majeure events and conducts emergency drills in daily operation to enhance the ability of the Company and its employees to respond to such events, and procures relevant materials and conducts safety inspections before the onset of the rainy season in places where it operates to reduce the impact of such force majeure events on the Company.

不可抗力事件

未來發生任何不可抗力事件、自然災害或爆發疫情，或會限制受影響地區的業務，進而對我們業務及經營業績造成不利影響。該等風險包括暴雨、高溫、低寒、雷擊等氣象因素引發的自然災害對設施設備、構築物破壞導致生產運營中斷、設施設備損毀等。針對突發的不可抗力事件，本公司制定了相關的應急處理預案，並於日常工作中進行應急處理處置演練，以增強公司及僱員應對該等事件的能力，於經營所在地雨季來臨之前，做好相關物資採購及安全檢查，降低該等不可抗力事件對本公司的影響。

E. FINANCIAL REVIEW

1. Consolidated Results of Operations

Our revenue decreased by RMB213.3 million, or 11.8%, to RMB1,594.2 million for the year ended 31 December 2024, from RMB1,807.5 million for the year ended 31 December 2023. Gross profits decreased by RMB84.5 million, or 10.6%, to RMB713.7 million for the year ended 31 December 2024, from RMB798.2 million for the year ended 31 December 2023. During the Reporting Period, revenue from wastewater treatment services, reclaimed water and running water supply and other segments accounted for 72.3%, 10.9% and 16.8% of the total revenue, respectively.

E. 財務回顧

1. 合併經營業績

我們的收入從截至2023年12月31日止年度的人民幣1,807.5百萬元減少至截至2024年12月31日止年度的人民幣1,594.2百萬元，降幅為人民幣213.3百萬元或11.8%。截至2023年12月31日止年度之毛利為人民幣798.2百萬元，下降至截至2024年12月31日止年度之人民幣713.7百萬元，降幅為人民幣84.5百萬元或10.6%。報告期內，污水處理、再生水及自來水供應、其他分部的收入分別佔總收入的72.3%、10.9%、16.8%。

The following discussion addresses the principal trends that have affected our results of operations during the Reporting Period. The following table sets out our consolidated results of operations for the periods indicated:

下文論述於報告期影響我們經營業績的主要趨勢。下表載列所示期間我們的合併經營業績：

		For the year ended 31 December 截至12月31日止年度	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Revenue	**收入**	**1,594,164**	1,807,488
Cost of sales	銷售成本	**(880,513)**	(1,009,248)
Gross profit	**毛利**	**713,651**	798,240
Selling expenses	銷售費用	**(1,139)**	(2,326)
Administrative expenses	行政費用	**(76,135)**	(111,878)
Impairment loss on interests in associates	聯營投資減值損失	**–**	(55)
Net impairment losses on financial assets	金融資產減值損失淨額	**(129,040)**	(110,033)
Other income, net	其他收益淨額	**23,076**	45,508
Other losses	其他虧損	**(5,505)**	(3,861)
Operating profit	**經營利潤**	**524,908**	615,595
Finance income	財務收入	**48,038**	39,172
Finance costs	財務成本	**(263,627)**	(273,065)
Finance costs – net	財務成本－淨額	**(215,589)**	(233,893)
Share of results of associates	聯營公司經營成果份額	**5,035**	–
Profit before taxation	**稅前利潤**	**314,354**	381,702
Income tax	所得稅	**(50,426)**	(63,975)
Profit for the year	**年度利潤**	**263,928**	317,727
Other comprehensive income	其他全面收益	**1,116**	860
Total comprehensive income for the year	**年度全面收益總額**	**265,044**	318,587

a. Revenue

Our revenue decreased by RMB213.3 million, or 11.8%, to RMB1,594.2 million for the year ended 31 December 2024 from RMB1,807.5 million for the year ended 31 December 2023, primarily due to:

- Our revenue from wastewater treatment business decreased by RMB81.3 million or 6.6% from RMB1,233.1 million for the year ended 31 December 2023 to RMB1,151.8 million for the year ended 31 December 2024. In particular, wastewater treatment operating income decreased by RMB45.4 million, the finance income decreased by approximately RMB45.8 million, which was mainly due to the completion of the disposal of Zhaotong Guorun Water, Suijiang Guorun Water and Yiliang Guorun Water in 2024; the construction income increased by approximately RMB10.0 million, which was mainly due to the increase in investment in wastewater treatment construction projects in 2024 as compared to 2023.

- Our revenue from water supply segment increased by RMB45.0 million or 34.8% from RMB129.4 million for the year ended 31 December 2023 to RMB174.4 million for the year ended 31 December 2024. In particular, water supply operating income increased by approximately RMB23.4 million; the construction services income increased by approximately RMB25.5 million, which was mainly due to the increase in investment in reclaimed water supply and fresh water supply projects in 2024.

a. 收入

我們的收入從截至2023年12月31日止年度的人民幣1,807.5百萬元減少至截至2024年12月31日止年度的人民幣1,594.2百萬元，降幅為人民幣213.3百萬元或11.8%。主要原因為：

- 我們污水處理分部的收入從截至2023年12月31日止年度的人民幣1,233.1百萬元減少至截至2024年12月31日止年度的人民幣1,151.8百萬元，降幅為人民幣81.3百萬元或6.6%。其中，污水處理營運服務收入降低人民幣45.4百萬元，財務收入減少約人民幣45.8百萬元，主要由於昭通國潤水務、綏江國潤水務及彝良國潤水務在2024年完成出售；建造服務收入增加約人民幣10.0百萬元，主要由於2024年污水處理建造項目投入較2023年上升。

- 我們的水供給分部的收入從截至2023年12月31日止年度的人民幣129.4百萬元增加至截至2024年12月31日止年度的人民幣174.4百萬元，增幅為人民幣45.0百萬元或34.8%。其中，水供給營運服務收入增加約人民幣23.4百萬元；建造服務收入上升約人民幣25.5百萬元，主要由於2024年再生水供應及自來水供應項目投入上升。

- Our revenue from other segments decreased by RMB177.0 million or 39.8% from RMB445.0 million for the year ended 31 December 2023 to RMB268.0 million for the year ended 31 December 2024. The construction income decreased by approximately RMB46.4 million resulting from the decrease in investment in existing projects such as the Kunming Domestic Waste Sanitary Landfill Construction Project as compared to 2023. The thermal power income from the subsidiary, Hongyu Thermal Power, decreased by approximately RMB146.6 million resulting from the completion of its disposal in December 2023.

- 我們其他分部的收入從截至2023年12月31日止年度的人民幣445.0百萬元減少至截至2024年12月31日止年度的人民幣268.0百萬元，降幅為人民幣177.0百萬元或39.8%。由於昆明市生活垃圾衛生填埋場建設項目等原有項目投入較2023年有所下降，建造收入較2023年整體減少約人民幣46.4百萬元。由於子公司宏宇熱電在2023年12月完成出售，導致來源於該公司的熱力收入減少約人民幣146.6百萬元。

b. Cost of sales

b. 銷售成本

Our cost of sales decreased by RMB128.7 million, or 12.8%, to RMB880.5 million for the year ended 31 December 2024, from RMB1,009.2 million for the year ended 31 December 2023. Details are as follows:

我們的銷售成本從截至2023年12月31日止年度的人民幣1,009.2百萬元減少至截至2024年12月31日止年度的人民幣880.5百萬元，降幅為人民幣128.7百萬元或12.8%，具體如下：

- Our cost of sales for wastewater treatment segment decreased by RMB2.4 million, or 0.4%, to RMB650.1 million for the year ended 31 December 2024, from RMB652.5 million for the year ended 31 December 2023.

- 我們污水處理分部的銷售成本從截至2023年12月31日止年度的人民幣652.5百萬元減少至截至2024年12月31日止年度的人民幣650.1百萬元，降幅為人民幣2.4百萬元或0.4%。

- Our cost of sales for water supply segment increased by RMB48.7 million, or 74.2%, to RMB114.3 million for the year ended 31 December 2024, from RMB65.6 million for the year ended 31 December 2023.

- 我們水供給分部的銷售成本從截至2023年12月31日止年度的人民幣65.6百萬元增加至截至2024年12月31日止年度的人民幣114.3百萬元，增幅為人民幣48.7百萬元或74.2%。

- Our cost of sales for other segments decreased by RMB175.0 million, or 60.1%, to RMB116.1 million for the year ended 31 December 2024, from RMB291.1 million for the year ended 31 December 2023. In particular, due to the completion of disposal of the subsidiary, Hongyu Thermal Power, in December 2023, the heat costs from it decreased by approximately RMB140.3 million.

- 我們其他分部的銷售成本從截至2023年12月31日止年度的人民幣291.1百萬元減少至截至2024年12月31日止年度的人民幣116.1百萬元，降幅為人民幣175.0百萬元或60.1%。其中，由於子公司宏宇熱電在2023年12月完成出售，來源於該公司的熱力成本減少約人民幣140.3百萬元。

c. Gross margin

Our gross profit decreased by RMB84.5 million, or 10.6%, to RMB713.7 million for the year ended 31 December 2024, from RMB798.2 million for the year ended 31 December 2023, which was mainly due to the decrease in gross profit from wastewater treatment segment of RMB78.9 million, decrease in gross profit from water supply segment of RMB3.8 million and decrease in gross profit from other segments of RMB1.9 million.

Our gross margin increased by 0.6 percentage points from 44.2% for the year ended 31 December 2023 to 44.8% for the year ended 31 December 2024.

- Our gross profit from wastewater treatment segment decreased by RMB78.9 million, or 13.6%, to RMB501.7 million for the year ended 31 December 2024, from RMB580.6 million for the year ended 31 December 2023. Our segment gross margin decreased by 3.5 percentage points from 47.1% for the year ended 31 December 2023 to 43.6% for the year ended 31 December 2024.

- Our gross profit from water supply segment decreased by RMB3.8 million, or 6.0%, to RMB60.0 million for the year ended 31 December 2024, from RMB63.8 million for the year ended 31 December 2023. Our segment gross margin decreased by 14.9 percentage points from 49.3% for the year ended 31 December 2023 to 34.4% for the year ended 31 December 2024.

- Our gross profit from other segments decreased by RMB1.9 million, or 1.2%, to RMB151.9 million for the year ended 31 December 2024, from RMB153.8 million for the year ended 31 December 2023. Our segment gross margin increased by 22.1 percentage points from 34.6% for the year ended 31 December 2023 to 56.7% for the year ended 31 December 2024.

c. 毛利率

我們的毛利從截至2023年12月31日止年度的人民幣798.2百萬元減少至截至2024年12月31日止年度的人民幣713.7百萬元，降幅為人民幣84.5百萬元或10.6%。主要由於污水處理分部的毛利減少人民幣78.9百萬元、水供給分部的毛利減少人民幣3.8百萬元及其他分部的毛利減少人民幣1.9百萬元所致。

我們的毛利率從截至2023年12月31日止年度的44.2%增加至截至2024年12月31日止年度的44.8%，增加0.6個百分點。

- 我們污水處理分部的毛利從截至2023年12月31日止年度的人民幣580.6百萬元減少至截至2024年12月31日止年度的人民幣501.7百萬元，降幅為人民幣78.9百萬元或13.6%。我們的分部毛利率從截至2023年12月31日止年度的47.1%降低至截至2024年12月31日止年度的43.6%，降低3.5個百分點。

- 我們水供給分部的毛利從截至2023年12月31日止年度的人民幣63.8百萬元減少至截至2024年12月31日止年度的人民幣60.0百萬元，降幅為人民幣3.8百萬元或6.0%。我們的分部毛利率從截至2023年12月31日止年度的49.3%降低至截至2024年12月31日止年度的34.4%，降低了14.9個百分點。

- 我們其他分部的毛利從截至2023年12月31日止年度的人民幣153.8百萬元減少至截至2024年12月31日止年度的人民幣151.9百萬元，降幅為人民幣1.9百萬元或1.2%。我們的分部毛利率從截至2023年12月31日止年度的34.6%增加至截至2024年12月31日止年度的56.7%，增加22.1個百分點。

d. Selling expenses

Our selling expenses decreased by RMB1.2 million or 52.2% from RMB2.3 million for the year ended 31 December 2023 to RMB1.1 million for the year ended 31 December 2024, which was mainly due to the selling expenses were mainly derived from Qujing Zeyuan Water, which was disposed of in September 2023.

e. Administrative expenses

Administrative expenses decreased by RMB35.8 million, or 32.0%, to RMB76.1 million for the year ended 31 December 2024, from RMB111.9 million for the year ended 31 December 2023, which was mainly due to the decrease in the remuneration of employees, depreciation and amortisation charge during the Reporting Period.

f. Net impairment losses on financial assets

Impairment losses on financial assets increased by RMB19.0 million or 17.3% from RMB110.0 million for the year ended 31 December 2023 to RMB129.0 million for the year ended 31 December 2024.

g. Net other income

Our other income decreased from RMB45.5 million for the year ended 31 December 2023 to RMB23.1 million for the year ended 31 December 2024, representing a decrease of RMB22.4 million or 49.3%, which was mainly due to the receipt of default income of RMB9.8 million in 2023, and the decrease in the amortisation of government grants for the year compared to 2023.

h. Other losses

Our other losses increased to RMB5.5 million for the year ended 31 December 2024, from RMB3.9 million for the year ended 31 December 2023.

d. 銷售費用

銷售費用從截至2023年12月31日止年度的人民幣2.3百萬元減少至截至2024年12月31日止年度的人民幣1.1百萬元，降幅為人民幣1.2百萬元或52.2%，主要是由於銷售費用主要來源於曲靖澤源水務，該公司在2023年9月出售。

e. 行政費用

行政費用從截至2023年12月31日止年度的人民幣111.9百萬元減少至截至2024年12月31日止年度的人民幣76.1百萬元，降幅為人民幣35.8百萬元或32.0%，主要是由於報告期內職工薪酬、折舊及攤銷費用減少。

f. 金融資產減值損失淨額

金融資產減值損失從截至2023年12月31日止年度的人民幣110.0百萬元增加至截至2024年12月31日止年度的人民幣129.0百萬元，增幅為人民幣19.0百萬元或17.3%。

g. 其他收益淨額

我們的其他收益從截至2023年12月31日止年度的人民幣45.5百萬元降低至截至2024年12月31日止年度的人民幣23.1百萬元，降幅為人民幣22.4百萬元或49.3%。主要由於2023年度收到違約收入9.8百萬元，以及本年度政府補助攤銷金額較2023年減少。

h. 其他虧損

我們的其他虧損從截至2023年12月31日止年度的其他虧損人民幣3.9百萬元增加至截至2024年12月31日止年度的其他虧損人民幣5.5百萬元。

i. Operating profit

As a result of the foregoing factors, our operating profit decreased by RMB90.7 million, or 14.7%, to RMB524.9 million for the year ended 31 December 2024, from RMB615.6 million for the year ended 31 December 2023. Our operating margins for the years ended 31 December 2024 and 31 December 2023 were 32.9% and 34.1%, respectively.

j. Finance income

Our finance income increased by RMB8.8 million, or 22.4%, to RMB48.0 million for the year ended 31 December 2024, from RMB39.2 million for the year ended 31 December 2023.

k. Finance costs

Our finance costs decreased by RMB9.5 million, or 3.5%, to RMB263.6 million for the year ended 31 December 2024, from RMB273.1 million for the year ended 31 December 2023.

l. Profit before income tax

As a result of the foregoing factors, our profit before income tax decreased by RMB67.3 million, or 17.6%, to RMB314.4 million for the year ended 31 December 2024 from RMB381.7 million for the year ended 31 December 2023.

i. 經營利潤

由於上述原因，我們的經營利潤從截至2023年12月31日止年度的人民幣615.6百萬元降低至截至2024年12月31日止年度的人民幣524.9百萬元，降幅為人民幣90.7百萬元或14.7%。我們於截至2024年12月31日及2023年12月31日止年度的經營利潤率分別為32.9%及34.1%。

j. 財務收入

我們的財務收入從截至2023年12月31日止年度的人民幣39.2百萬元增加至截至2024年12月31日止年度的人民幣48.0百萬元，增幅為人民幣8.8百萬元或22.4%。

k. 財務成本

我們的財務成本從截至2023年12月31日止年度的人民幣273.1百萬元減少至截至2024年12月31日止年度的人民幣263.6百萬元，降幅為人民幣9.5百萬元或3.5%。

l. 所得稅前利潤

由於上述原因，我們的所得稅前利潤從截至2023年12月31日止年度的人民幣381.7百萬元減少至截至2024年12月31日止年度的人民幣314.4百萬元，降幅為人民幣67.3百萬元或17.6%。

m. Income tax expense

We incurred income tax expenses of RMB64.0 million for the year ended 31 December 2023 and RMB50.4 million for the year ended 31 December 2024 at effective tax rates of 16.8% and 16.0%, respectively. Certain subsidiaries were eligible for the preferential corporate income tax rate for small and micro-profit enterprises and certain subsidiaries were eligible for the preferential 15% corporate income tax rate under the "Western Development Policy" during the year. In addition, 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 corporate income tax preferential treatments and are entitled to three years' exemption from corporate income tax followed by three years of a 50% tax reduction on relevant taxable income derived from such new projects, and certain PRC subsidiaries used resources specified in the catalogue of resources comprehensive utilisation projects eligible for preferential corporate income tax rate and 10% of the income of such subsidiaries was not subject to corporate income tax.

m. 所得稅費用

我們於截至2023年12月31日止年度及截至2024年12月31日止年度的所得稅費用分別為人民幣64.0百萬元及人民幣50.4百萬元，實際稅率分別為16.8%及16.0%。由於我們於本年度部分子公司享小型微利企業優惠企業所得稅稅率及部分子公司享「西部大開發政策」15%的優惠企業所得稅稅率，此外，若干中國子公司擁有的部分新升級污水處理設施滿足合資格享受企業所得稅優惠稅率的公共基礎設施項目目錄中的標準，針對本集團從此類新項目產生的相關應稅收入，享「三免三減半」的企業所得稅稅收優惠，部分中國子公司使用合資格享受企業所得稅優惠稅率的資源綜合利用項目目錄中規定的資源，該子公司10%的收入無需繳納企業所得稅。

n. Total comprehensive income

As a result of the foregoing factors, our total comprehensive income decreased by RMB53.6 million, or 16.8%, to RMB265.0 million for the year ended 31 December 2024 from RMB318.6 million for the year ended 31 December 2023.

n. 全面收益總額

由於上述原因，我們的全面收益總額從截至2023年12月31日止年度的人民幣318.6百萬元減少至截至2024年12月31日止年度的人民幣265.0百萬元，降幅為人民幣53.6百萬元或16.8%。

2. Liquidity and Capital Resources

Our primary uses of cash are for investing in, constructing, operating and maintaining our wastewater treatment and water supply facilities. To date, we have funded our investments and operations principally with bank loans, cash generated from our operations, equity contributions and issuance of debt instruments.

The following table sets out our cash flows for the years indicated:

2. 流動資金及資本資源

我們的現金主要用於投資、建設、經營及維護我們的污水處理及供水設施。迄今為止，我們的投資及經營所需資金主要通過銀行貸款、經營產生的現金、股權出資及發行債務籌集。

下表載列我們於所示年度的現金流量：

		For the year ended 31 December 截至12月31日止年度	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Net cash from operating activities	經營活動產生的現金淨額	**293,820**	220,948
Net cash from investing activities	投資活動產生的現金淨額	**75,666**	303,830
Net cash used in financing activities	融資活動使用的現金淨額	**(532,835)**	(480,552)
Net (decrease) increase in cash and cash equivalents	現金及現金等價物淨(減少)增加	**(163,349)**	44,226
Effect of change in foreign exchange rates	匯率變化影響	**238**	(1,632)
Cash and cash equivalents at the beginning of the Reporting Period	報告期初的現金及現金等價物	**174,088**	131,494
Cash and cash equivalents at the end of the Reporting Period, presented by cash and bank balances	報告期末的現金及現金等價物，以現金及銀行結餘列示	**10,977**	174,088

a. Net cash from operating activities

Our net cash from operating activities primarily consists of cash received from our clients for services provided by us which net of used cash in our operations for the purchase of raw materials and other inventories, payments to suppliers and subcontractors, payments of expenses such as salaries and benefits, and payments of interest and income tax.

a. 經營活動產生的現金淨額

我們的經營活動產生的現金淨額主要包括就提供服務向客戶收取的現金。我們亦於經營中使用現金購買原材料及其他存貨、向供應商及分包商付款、支付工資及福利等費用以及支付利息及所得稅。

For the year ended 31 December 2024, our net cash from operating activities was RMB293.8 million, primarily comprising cash received in operations amounting to RMB535.7 million, income tax paid amounting to RMB21.8 million and interest paid amounting to RMB220.1 million. The net cash from operating activities in 2024 increased by RMB72.9 million compared with that of 2023, primarily due to the increase in receipt of cash due from enterprises in 2024 as compared to 2023.

截至2024年12月31日止年度，我們的經營活動產生的現金淨額為人民幣293.8百萬元，主要包括經營收到的現金人民幣535.7百萬元，已付所得稅人民幣21.8百萬元及已付利息人民幣220.1百萬元。2024年度經營活動產生的現金淨額較2023年增加人民幣72.9百萬元，主要由於2024年度收到企業往來款的現金相比2023年度增加。

b. Net cash from investing activities

b. 投資活動產生的現金淨額

Our net cash from investing activities primarily consisted of cash received from disposal of subsidiaries, repayments received from related parties and used for purchase of property, plant and equipment, loans to related parties and other investments.

我們的投資活動產生的現金淨額主要包括出售附屬公司收到現金、收到關聯方還款及用於購買不動產、工廠及設備、關聯方貸款及進行其他投資。

As of 31 December 2024, the net cash from investing activities amounted to RMB75.7 million, primarily comprising the payment for purchase of property, plant and equipment and additions of receivables under new concession agreements amounting to RMB104.4 million, net collection of loans granted to related parties amounting to RMB8.2 million, interests received amounting to RMB39.5 million, proceeds from disposal of subsidiaries of RMB76.2 million and proceeds from disposal of property, plant and equipment of RMB55.7 million. The net cash from investing activities in 2024 decreased by RMB228.2 million compared with that of 2023, primarily due to the decrease in proceeds from disposal of subsidiaries received and advance received from disposal of equity interests in subsidiaries as compared to last year.

截至2024年12月31日止的投資活動產生的現金淨額為人民幣75.7百萬元，主要包括：購買不動產、工廠及設備和新增特許經營權下的應收款支付的人民幣104.4百萬元，關聯方貸款淨收回人民幣8.2百萬元，已收回利息人民幣39.5百萬元，出售附屬公司所得款項人民幣76.2百萬元以及出售不動產、工廠和設備所得款項人民幣55.7百萬元。2024年度投資活動產生的現金淨額較2023年減少人民幣228.2百萬元，主要是出售附屬公司收到款項及預收附屬公司股權處置款等收入較上年減少。

c. Net cash used in financing activities

c. 融資活動使用的現金淨額

Our net cash used in financing activities primarily represents repaying and obtaining borrowings. Our net cash generated from financing activities increased from net outflow of RMB480.6 million for the year ended 31 December 2023 to net outflow of RMB532.8 million for the year ended 31 December 2024.

我們的融資活動使用的現金淨額主要為償還及取得借款。我們的融資活動的現金淨額由截至2023年12月31日止年度的淨流出人民幣480.6百萬元增加至截至2024年12月31日止年度的淨流出人民幣532.8百萬元。

3. Working Capital

The table below presents our current assets and current liabilities as of the dates indicated:

3. 營運資本

下表載列於所示日期我們的流動資產及流動負債的詳情：

		As at 31 December 於12月31日	
		2024 2024年 *RMB'000 人民幣千元*	2023 2023年 *RMB'000 人民幣千元*
Current assets	**流動資產**		
Receivables under service concession arrangements	特許經營權協議下的應收款項	19,496	30,682
Amounts due from customers for construction contracts	應收客戶建造合同款	24,581	27,116
Inventories	存貨	6,212	7,570
Financial assets at amortised cost	以攤銷成本計量的金融資產	119,600	179,800
Trade and other receivables	應收賬款及其他應收款	5,809,617	4,437,299
Restricted funds	受限制資金	25,965	54,865
Cash and bank balances	現金及銀行結餘	10,977	174,088
Total current assets	**流動資產總額**	6,016,448	4,911,420
Current liabilities	**流動負債**		
Trade and other payables	應付賬款及其他應付款	1,984,442	1,380,081
Contract liabilities	合同負債	30,127	7,163
Tax payables	應付稅項	190,597	142,462
Borrowings	借款	2,490,841	3,266,653
Total current liabilities	**流動負債總額**	4,696,007	4,796,359
Net current assets	**流動資產淨值**	1,320,441	115,061

We recorded net current assets of RMB1,320.4 million as at 31 December 2024 and net current assets of RMB115.1 million as at 31 December 2023.

於2024年12月31日及2023年12月31日，我們錄得流動資產淨額分別為人民幣1,320.4百萬元及人民幣115.1百萬元。

a. Receivables under service concession arrangements

Our receivables under service concession arrangements refer to the outstanding receivables arising from our construction services (for BOT projects) or acquisition considerations (for TOT projects) throughout a concession period. Under our BOT and TOT agreements, the amounts of receivables under service concession arrangements will be settled by tariff payments to be received during the operation phases of our BOT and TOT projects (adjusted by operation services and finance income). The portion of the receivables under service concession arrangements 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 receivables under service concession arrangements decreased by RMB11.2 million or 36.5% from RMB30.7 million on 31 December 2023 to RMB19.5 million on 31 December 2024, primarily due to the completion of disposal of Zhaotong Guorun Water, Suijiang Guorun Water and Yiliang Guorun Water in 2024.

a. 特許經營權協議下的應收款項

我們的特許經營權協議下應收款項指於整個特許期間內，因建造服務(就BOT項目而言)或收購對價(就TOT項目而言)所產生的未結算應收款項。根據我們的BOT及TOT協議，特許經營權協議下的應收款項將以我們於BOT及TOT項目運營期間收取的費用款項結算(經運營服務以及融資收入調整)。自特定資產負債表日期起計十二個月內到期的特許經營權協議下的應收款項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。

我們的特許經營權協議下的應收款項從2023年12月31日的人民幣30.7百萬元減少人民幣11.2百萬元或36.5%至2024年12月31日的人民幣19.5百萬元。主要因為2024年昭通國潤水務、綏江國潤水務及彝良國潤水務完成出售。

b. Inventories

Our total inventory balance decreased by RMB1.4 million, or 18.4%, to RMB6.2 million as of 31 December 2024 from RMB7.6 million as of 31 December 2023.

Our inventory turnover days decreased from 5.3 days on 31 December 2023 to 2.9 days on 31 December 2024 (calculated as the average inventories for the relevant year divided by the cost of sales recognised for the relevant year, multiplied by 365 days. The arithmetic mean of the opening and closing balances of inventories is used for the years ended 31 December 2023 and 2024).

b. 存貨

我們的存貨結餘總額由2023年12月31日的人民幣7.6百萬元減少人民幣1.4百萬元或18.4%至2024年12月31日的人民幣6.2百萬元。

我們的存貨週轉天數由2023年12月31日的5.3天降低至2024年12月31日的2.9天(按有關年間平均存貨除以有關年間確認的銷售成本再乘以365天計算。截至2023年及2024年12月31日止年度採用存貨期初及期末結餘的算數平均值)。

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 decreased by RMB2.5 million, or 9.2%, to RMB24.6 million as of 31 December 2024 from RMB27.1 million as of 31 December 2023.

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2023年12月31日的人民幣27.1百萬元減少人民幣2.5百萬元或9.2%，至2024年12月31日的人民幣24.6百萬元。

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.

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

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。

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	
		2024 2024年	2023 2023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	**222,636**	194,924
– Related parties	－關聯方	**228,337**	228,236
– Local government	－地方政府	**4,137,952**	3,233,175
– Loss allowance	－虧損撥備	**(160,861)**	(108,337)
Trade receivables – net	**應收賬款－淨額**	**4,428,064**	3,547,998
Other receivables:	**其他應收款：**		
– Third parties	－第三方	**174,436**	97,942
– Related parties	－關聯方	**1,154,707**	713,921
– Local government	－地方政府	**28,582**	28,185
– Loss allowance	－虧損撥備	**(50,241)**	(33,334)
Other receivables – net	**其他應收款－淨額**	**1,307,484**	806,714
Prepayments:	**預付款：**		
– Others	－其他	**74,069**	82,587
Prepayments – net	**預付款－淨額**	**74,069**	82,587
Trade and other receivables – net	**應收賬款及其他應收款－淨額**	**5,809,617**	4,437,299

Our net trade and other receivables increased by RMB1,372.3 million, or 30.9%, to RMB5,809.6 million as of 31 December 2024 from RMB4,437.3 million as of 31 December 2023, reflecting in (i) an increase in trade receivables due from local government by RMB904.8 million, or 28.0%, to RMB4,138.0 million as of 31 December 2024 from RMB3,233.2 million as of 31 December 2023; (ii) an increase in other amounts due from third parties by RMB76.5 million, or 78.1%, to RMB174.4 million as of 31 December 2024 from RMB97.9 million as of 31 December 2023; (iii) an increase in other amounts due from related parties by RMB440.8 million, or 61.7%, to RMB1,154.7 million as of 31 December 2024 from RMB713.9 million as of 31 December 2023; and (iv) a decrease in total prepayment of approximately RMB8.5 million in 2024.

我們的應收賬款及其他應收款淨額由2023年12月31日的人民幣4,437.3百萬元增加人民幣1,372.3百萬元或30.9%至2024年12月31日的人民幣5,809.6百萬元。有關增加反映在(i)應收地方政府的應收賬款由2023年12月31日人民幣3,233.2百萬元增加人民幣904.8百萬元或28.0%至2024年12月31日的人民幣4,138.0百萬元；(ii)其他應收第三方的款項由2023年12月31日的人民幣97.9百萬元增加人民幣76.5百萬元或78.1%至2024年12月31日的人民幣174.4百萬元；(iii)其他應收關聯方的款項由2023年12月31日的人民幣713.9百萬元增加人民幣440.8百萬元或61.7%至2024年12月31日的人民幣1,154.7百萬元；及(iv) 2024年預付款項總額減少約人民幣8.5百萬元。

The ageing analysis of trade receivables of our Group is shown as follows:

本集團應收賬款賬齡分析如下：

		As at 31 December 於12月31日	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
– Within one year	－1年以內	**1,370,811**	1,341,523
– Over one year and within two years	－1至2年	**1,162,766**	1,471,773
– Over two years	－超過2年	**2,055,348**	843,039
		4,588,925	3,656,335

(a) Ageing analysis of gross trade receivables at the respective balance sheet dates, based on sales invoices, is as follows:

(a) 於各資產負債表日，根據銷售發票的應收賬款總額之賬齡分析如下：

		As at 31 December 於12月31日	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
– Within one year	－1年以內	**1,370,811**	1,341,523
– Over one year and within two years	－1至2年	**1,162,766**	1,471,773
– Over two years	－超過2年	**2,055,348**	843,039
		4,588,925	3,656,335

The Group does not hold any collateral as security.

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	
		2024 2024年	2023 2023年
		Days *天*	*Days* 天
Trade receivable turnover days[1]	應收賬款週轉天數[1]	**913.1**	648.4
Trade and other receivable turnover days[2]	應收賬款及其他應收款週轉天數[2]	**1,173.1**	819.2

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 2023 and 2024.

(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 2023 and 2024.

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2023年及2024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2023年及2024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。

Our trade receivables turnover days increased by 264.7 days in 2024 as compared with 2023, mainly due to the delays in government payment during the Reporting Period.

我們的應收賬款週轉天數2024年較2023年增加264.7天，主要由於報告期政府支付款項延遲導致。

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, and accrued taxes other than income tax.

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

e. 應付賬款及其他應付款／合同負債

應付賬款及其他應付款

我們的應付賬款及其他應付款主要包括應付賬款、其他應付款、應付職工工資和福利、預收款項、購置不動產、工廠及設備的應付款、向關聯方購買土地使用權的應付款及除所得税外的應計税款。

下表載列於所示日期我們的應付賬款及其他應付款明細：

		As at 31 December 於12月31日	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Trade payables	應付賬款	**789,715**	454,721
Other payables	其他應付款	**849,277**	464,099
Staff salaries and welfare payables	應付職工工資和福利	**112,863**	60,919
Payables on acquisition of property, plant and equipment	購置不動產、工廠及設備的應付款	**167,706**	225,308
Payables on acquisition of land use rights from related parties	向關聯方購買土地使用權的應付款	**31,000**	31,000
Accrued taxes other than income tax	除所得税外的應計税款	**33,881**	24,034
Advance received from disposal of equity interests in subsidiaries	預收附屬公司股權處置款	**–**	120,000
		1,984,442	1,380,081

Contract liabilities *合同負債*

		As at 31 December 於12月31日	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
Contract liabilities	合同負債		
– Related parties	–關聯方	**2,921**	3,184
– Third parties	–第三方	**27,206**	3,979
		30,127	7,163

Our trade and other payables increased by RMB604.3 million, or 43.8%, to RMB1,984.4 million as of 31 December 2024 from RMB1,380.1 million as of 31 December 2023, which was mainly due to the increase in payables to third parties and other payables to third parties in 2024.

我們的應付帳款及其他應付款由2023年12月31日的人民幣1,380.1百萬元增加人民幣604.3百萬元或43.8%至2024年12月31日的人民幣1,984.4百萬元，主要因為2024年應付第三方款項、其他應付第三方款項增加。

On each balance sheet date, the ageing analysis of total trade payables based on sales invoices is as follows:

於各資產負債表日，根據銷售發票的應付賬款總額之賬齡分析如下：

		As at 31 December 於12月31日	
		2024	2023
		2024年	2023年
		RMB'000	*RMB'000*
		人民幣千元	*人民幣千元*
– Within one year	–1年以內	**559,120**	197,904
– Over one year and within two years	–1至2年	**133,547**	165,679
– Over two years	–超過2年	**97,048**	91,138
		789,715	454,721

As at 31 December 2023 and 2024, except for other payables arising from financing nature, all trade and other payables of the Group were not required to pay interests, and their fair values approximated their carrying amounts due to their short maturities.

於2023年及2024年12月31日，除屬融資性質形成之其他應付款外，本集團其他所有應付賬款、其他應付款均無需支付利息。並且，應付賬款及其他應付款系因短期內到期，其公允價值與其賬面價值相近。

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

下表載列於所示期間我們的應付款項週轉天數：

		As at 31 December 於12月31日	
		2024 2024年 Days 天	2023 2023年 Days 天
Trade and other payables turnover days (1)	應付賬款及其他應付款週轉天數(1)	697.4	395.4
Trade payables turnover days (2)	應付賬款週轉天數(2)	257.9	182.7

Notes:

(1) Calculated as the average trade and other payables for the relevant period divided by cost of sales for the relevant period and multiplied by 365 days. The arithmetic mean of the opening and closing balances of trade and other payables is used for the years ended 31 December 2023 and 2024.

(2) Calculated as the balance of trade payables at the end of the relevant period divided by total purchase of materials for such period and multiplied by 365 days for the years ended 31 December 2023 and 2024.

附註：

(1) 按有關年間平均應付賬款及其他應付款除以有關年間銷售成本再乘以365天計算。截至2023年及2024年12月31日止年度採用應付賬款及其他應付款期初及期末結餘的算數平均值。

(2) 按相關年間末應付賬款餘額除以相關年間材料採購總額再乘以截至2023年及2024年12月31日止年度365天計算。

Our trade payables turnover days increased by 75.2 days in 2024 as compared with 2023, mainly due to the increase in trade payables during the Reporting Period and the decrease in total purchase as compared with the last year.

我們2024年應付賬款的週轉天數較2023年增加75.2天，主要由於報告期應付賬款增加且採購總額較上年有所下降導致。

The Directors confirm that up to 31 December 2024, there was no material default in payment of trade payables.

董事確認，截至2024年12月31日，應付賬款的支付並無出現重大違約。

4. Indebtedness

a. Borrowings

All of our borrowings are denominated in RMB, HKD or USD. Some are pledged by wastewater treatment income, 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，部分借款以污水處理收益作質押，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	
		2024 2024年 RMB'000 人民幣千元	2023 2023年 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	**337,800**	169,200
Secured long-term borrowings	擔保的長期借款	**1,760,538**	1,836,285
Total non-current borrowings	**非流動借款總額**	**2,098,338**	2,005,485
Current portion	**流動部份**		
Unsecured short-term borrowings	未擔保的短期借款	**705,285**	875,770
Secured short-term borrowings	擔保的短期借款	**1,785,556**	2,390,883
Total current borrowings	**流動借款總額**	**2,490,841**	3,266,653
Total borrowings	**借款總額**	**4,589,179**	5,272,138

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	
		2024 2024年	2023 2023年
Weighted average effective interest rates	加權平均實際利率	5.77%	5.17%

As of 31 December 2023 and 2024, our total borrowings amounted to RMB5,272.1 million and RMB4,589.2 million respectively, mainly due to the decrease in total borrowings for the year of RMB682.9 million as a result of the reduction in the number of construction projects undertaken by the Company during the Reporting Period, lower capital requirements for construction and the Company's timely repayment of borrowings. Among our indebtedness, borrowings amounting to RMB2,196.1 million and RMB1,679.7 million as of 31 December 2023 and 2024 respectively, were secured by our sewage treatment revenue.

於2023年及2024年12月31日，我們的借款總額分別為人民幣5,272.1百萬元及人民幣4,589.2百萬元，由於本報告期內公司建設項目減少，建設資金需求降低且公司按期償還借款，因此本年借款總額減少了人民幣682.9百萬元。我們債務中，截至2023年及2024年12月31日的借款人民幣2,196.1百萬元及人民幣1,679.7百萬元以污水處理收益作擔保。

As of 31 December 2024, we did not have any breaches of covenants in the loan agreements that could materially affect our business operations and no bank has withdrawn any banking facilities previously extended to us or demanded early repayment of borrowings. As we have the ability to obtain borrowings from other banks, we believe that we are not subject to any potential risk of withdrawal of banking facilities or early repayment of outstanding loans. As of 31 December 2024, we had not received any requests for early repayment of the principal or interests under any of our loan agreements.

截至2024年12月31日，我們並無因違反貸款協議內的契約而給我們業務運作造成重大影響的情況，亦無銀行撤回之前授予我們的任何銀行融資或提前要求償還借款。由於我們有能力從其他銀行獲得借款，因此我們認為並無面臨銀行融資撤回或提前償還欠款的潛在風險。截至2024年12月31日，並無收到任何提前償還我們貸款協議相關本金或利息的要求。

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	
		2024 2024年	2023 2023年
		RMB'000 人民幣千元	*RMB'000 人民幣千元*
On demand or within 1 year	即期或1年以內	2,490,841	3,266,653
Between 1 and 2 years	1至2年	844,235	99,100
Between 2 and 5 years	2至5年	1,085,745	1,369,599
Later than 5 years	5年以上	168,358	536,786
		4,589,179	5,272,138

As of 31 December 2023 and 2024, our net gearing ratios were 50.3% and 46.5%, respectively. Our net gearing ratios as at 31 December 2024 decreased by 3.8 percentage points as compared with 31 December 2023, primarily due to the changes in cash and cash equivalent and net debt for the current period during the Reporting Period.

於2023年及2024年12月31日，我們的淨資產負債比率分別為50.3%及46.5%。相較於截至2023年12月31日，我們截至2024年12月31日的淨資產負債比率減少3.8個百分點的主要原因由於報告期內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 31 December 2024, 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2024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、承兑負債或承兑信用證、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	
		2024	2023
		2024年	2023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	**84,030**	13,648

(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	
		2024	2023
		2024年	2023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	**730,962**	727,479

c. Capital expenditure

Our capital expenditure mainly comprises purchases of land use rights, property, plant and equipment and intangible assets. Our capital expenditure was RMB112.7 million and RMB161.2 million for the years ended 31 December 2023 and 2024, respectively. We expect to fund our contractual commitments and capital expenditures principally through net cash generated from our operating activities and proceeds from borrowings.

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2023年及2024年12月31日止年度，我們的資本開支分別為人民幣112.7百萬元及人民幣161.2百萬元。我們預期主要通過我們經營活動產生的現金淨額、借款所得款項為我們的合同承諾及資本開支提供資金。

Our capital expenditure for each of our segments as at the dates indicated below is as follows:

於下列所示日期我們各分部的資本開支如下：

		As at 31 December 於12月31日	
		2024 2024年	2023 2022年
		RMB'000 人民幣千元	*RMB'000 人民幣千元*
Wastewater treatment	污水處理	**28,007**	77,493
Water supply	水供給	**45,238**	31,555
Others	其他	**87,945**	3,687
Total	合計	**161,190**	112,735

Based on our current business plan, we expect to incur capital expenditure amounting to RMB66.8 million for the year ending 31 December 2025. Our anticipated capital expenditure is subject to change from time to time based on the reassessment of our business plan, prevailing market conditions, regulatory environment and outlook of our future operational results.

根據我們的當前業務計劃，我們預期將於截至2025年12月31日止年度產生資本開支人民幣66.8百萬元。我們的預期資本開支可能根據我們業務計劃、目前市況、監管環境及未來經營業績展望的重估不時變化。

5. Off-balance sheet arrangements

Save as disclosed in this report, as of 31 December 2024, we did not have any outstanding off-balance sheet guarantees, commodity forward contracts or other off-balance sheet arrangements. We do not engage in trading activities involving non-exchange traded contracts. The Group's policy is not to participate in and invest in any financial products that are speculative and/or have significant risks. In the course of our normal business, we do not enter into transactions involving, or otherwise form relationships with, unconsolidated entities or financial partnerships that are established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

5. 資產負債表外安排

除本報告所披露者外，於2024年12月31日，我們並無任何未結清的資產負債表外擔保、商品遠期合約或其他資產負債表外安排，我們概未從事涉及非交易買賣合約的交易活動，本集團之政策是不參與及不投資於任何具有投機性及／或有重大風險之金融產品上。於我們的經營過程中，我們概無與未合併實體訂立交易或以任何方式與其建立關係，或與為促進資產負債表外安排或為其他合約狹義或有限目的而建立的財務夥伴關係訂立交易。

6. Exchange rate risk and management

The Group still retains some foreign currency funds and foreign currency borrowings, and foreign currency funds mainly include Hong Kong dollars and US dollars, with principals of HKD582,520,000 and USD8,280,000 respectively. Exchange rate fluctuations have a certain impact on the retention of foreign currency funds and the return of principal and interest on borrowings. For part of the foreign currency borrowings, we enter into an agreement with a domestic financial institution which converts the foreign currency borrowings into Renminbi borrowings to lend to the Group. The Group repays the corresponding foreign currency interest in Renminbi upon each payment of principal and interest.

6. 匯率風險及管理

本集團仍留存部分外幣資金及外幣借款，外幣資金主要為港元、美元，本金分別為582,520,000港元及8,280,000美元。匯率的波動對留存外幣資金及歸還借款本息均有一定影響。就部分外幣借款，我們與境內金融機構簽訂協議，境內金融機構將外幣借款轉換為人民幣借款借予本集團。本集團在每期支付本息時，償還對應外幣利息相應的人民幣。

7. Employees and remuneration policies

Relationship with Employees

Please refer to "Report of the Board of Directors – A. Business Review – 7. Relationship with Employees" for the employees and remuneration policies during the Reporting Period.

7. 僱員及薪酬政策

與員工的關係

有關報告期內僱員及薪酬政策，請參閱「董事會報告–A.業務審視－7.與員工的關係」。

8. Contingent liabilities

As of 31 December 2024, the Group did not have any significant contingent liabilities.

8. 或有負債

截至2024年12月31日，本集團並無任何重大或有負債。

9. Material charges on assets

As at 31 December 2024, the Group's secured bank borrowings and other borrowings are secured by:

(i) certain rights and income of wastewater treatment, water supply and other concession rights (comprising operating concessions and receivables under service concession arrangements) which are under the management of the Group pursuant to the relevant service concession agreements signed with the grantors; and

(ii) certain equipment of the Group's wastewater treatment facilities.

9. 重大資產抵押

於2024年12月31日，本集團之有抵押銀行借貸及其他借貸乃以下列各項作抵押：

(i) 由本集團根據與授予方簽訂之相關服務特許權協議所管理之若干污水處理、供水及其它特許權權益及收益(包括特許經營權及服務特許權安排應收款項)；及

(ii) 本集團若干污水處理設施設備。

10. Major investment and acquisition

On 29 September 2021, the Company (as the asset entrustor) entered into an asset management agreement (the "Mutual Trust No. 5 Asset Management Agreement") with Bosera Capital Management Co., Ltd. (as the asset manager) and Kunming Branch of China Merchants Bank Company Limited* (招商銀行股份有限公司昆明分行) ("China Merchants Bank") (as the asset entrustee) in relation to the investment and management of the entrusted assets. Pursuant to the agreement, the Company agreed to entrust an amount of RMB300 million as the entrusted assets for investment in the credits of accounts receivable held by Kunming Agricultural Development Investment Co., Ltd. ("KADI") for a term of 3 months. The Company invested RMB300 million in such asset management plan. On 31 December 2021, the parties to the agreement entered into a supplemental agreement in relation to the extension of the term of the Mutual Trust No. 5 Asset Management Agreement, extending the term of the Mutual Trust No. 5 Asset Management Agreement and the asset management plan thereunder to 10 April 2022. For details, please refer to the announcements of the Company dated 29 September 2021 and 31 December 2021.

The Mutual Trust No. 5 Asset Management Agreement has expired on 10 April 2022. As at the maturity date, 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. For details, please refer to the announcement of the Company dated 11 April 2022.

As at the end of the Reporting Period, such asset management plan accounted for approximately 1.0% of the total assets of the Company. As at the date of this report, KADI has yet to fully repurchase such creditor's rights of the trade receivables.

During the Reporting Period, the Company did not enter into any new major investment and acquisition agreements (including major acquisition agreements of subsidiaries, associates, and joint ventures), and the projects under the original investment and acquisition agreements are actively progressing.

10. 重大投資及收購

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)及招商銀行股份有限公司昆明分行(「**招商銀行**」)(作為資產託管人)就委託資產之投資及管理訂立資產管理合同(「**互信5號資產管理合同**」)。據此，本公司同意委託金額人民幣3億元作為委託資產，用於投資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，期限為3個月。本公司向該資產管理計劃投資人民幣3億元。於2021年12月31日，合同各方簽訂互信5號資產管理合同延長存續期補充協議，將互信5號資產管理合同及其項下的資產管理計劃的期限延長至2022年4月10日。詳情請見本公司日期為2021年9月29日及2021年12月31日的公告。

於2022年4月10日，互信5號資產管理合同到期。於到期日，資產管理人根據互信5號資產管理合同相關約定，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。詳情請見本公司日期為2022年4月11日的公告。

於報告期末，該項資產管理計劃約佔本公司資產總值的1.0%。於本報告日期，昆明農業發展投資尚未完全回購該應收賬款債權。

於報告期內，本公司未簽訂任何新的重大投資及收購協議(包括附屬公司、聯營公司及合營公司的重大收購協議)，原有的投資及收購協議下的項目正在積極推進中。

The Company's investments mainly focus on its main business. Prior to project investment, the Company will conduct feasibility study and analysis of the relevant project to confirm that the project is feasible and meets the rate of return required by the Company before implementation. On the basis of prioritising the investments in the main business and related industries, and in accordance with the progress of project implementation, the Company will manage idle funds, if any, to improve the efficiency of capital utilisation on the premise of keeping the risks under control. The management and use of idle funds of the Company are currently mainly aimed at ensuring the safety of funds and achieving reasonable returns. The Company will not invest in non-principal guaranteed investment products such as financial assets held for trading.

本公司的投資主要圍繞主業開展。於項目投資前，本公司會進行相關項目的可行性研究分析，確認項目可行並滿足本公司要求的報酬率方可執行。在優先保障主業及相關產業投資的基礎上，根據項目開展進度，在有閒置資金的情況下，公司會在風險可控的基礎上，進行閒置資金的管理，以提高資金使用效率。本公司閒置資金的管理及運用目前以保障資金安全及取得合理收益為主要目標，本公司不會投資於交易性金融資產等非保本性投資產品。

Save as disclosed above, the Group had no new plans of major investments or capital and asset acquisition as of 31 December 2024.

除上述披露外，截至2024年12月31日，本集團無新增重大投資或購入資本資產的計劃。

11. Disposal of subsidiaries, associates and joint ventures

On 29 December 2023, (i) the Company (as the Transferor), Sichuan Development Guorun Water Investment Co., Ltd.* (四川發展國潤水務投資有限公司) (as the Transferee) and Zhaotong Guorun Water (as the Target Company I) entered into the Equity Transfer Agreement I; (ii) the Company (as the Transferor), Sichuan Development Guorun Water Investment Co., Ltd.* (四川發展國潤水務投資有限公司) (as the Transferee) and Yiliang Guorun Water (as the Target Company II) entered into the Equity Transfer Agreement II; and (iii) the Company (as the Transferor), Sichuan Development Guorun Water Investment Co., Ltd.* (四川發展國潤水務投資有限公司) (as the Transferee) and Suijiang Guorun Water (as the Target Company III) entered into the Equity Transfer Agreement III, pursuant to all of which the Company has conditionally agreed to sell and the Transferee has conditionally agreed to purchase 80% equity interest in each of the Target Companies, at a consideration comprising the equity transfer price in the sum of approximately RMB242,762,000 and the interest as agreed to be calculated based on the price to be paid by the Transferee in instalments. Upon completion of the disposal, the Group only was interested in 20% of each of the Target Companies, each of which ceased to be subsidiaries of the Company, and their financial results ceased to be consolidated into the consolidated financial statements of the Group. For details, please refer to the announcement of the Company dated 29 December 2023.

As of the end of the Reporting Period, the relevant procedures of equity transfer have been completed.

On 10 July 2024, the Company (as the transferor) signed the equity transfer agreement with Yunnan Tongrui Construction Engineering Consulting Co., Ltd.* (雲南通瑞建設工程諮詢有限公司), pursuant to which the Company sold its 40% equity interest in an associate, Yunnan Dianchi Information Construction Management Co., Ltd.* (雲南滇池信息建設管理有限公司) ("**Dianchi Information**"), to an independent third party, Yunnan Tongrui Construction Engineering Consulting Co., Ltd.* (雲南通瑞建設工程諮詢有限公司), for a consideration of RMB467,000. Upon completion of the disposal, the Company ceased to hold any equity interest in Dianchi Information.

As of the end of the Reporting Period, the relevant procedures of equity transfer have been completed.

Save as disclosed above, as of December 31, 2024, the Group had no other disposals of subsidiaries, associates and joint ventures.

11. 附屬公司、聯營公司及合營公司的出售

於2023年12月29日，(i)本公司(作為轉讓方)、四川發展國潤水務投資有限公司(作為受讓方)及昭通國潤水務(作為目標公司I)訂立產權交易合同I；(ii)本公司(作為轉讓方)、四川發展國潤水務投資有限公司(作為受讓方)及彝良國潤水務(作為目標公司II)訂立產權交易合同II；及(iii)本公司(作為轉讓方)、四川發展國潤水務投資有限公司(作為受讓方)及綏江國潤水務(作為目標公司III)訂立產權交易合同III。據此，本公司有條件同意出售及受讓方有條件同意購買各目標公司80%的權益，代價包括股權轉讓價款合計約人民幣24,276.2萬元及基於受讓方分期支付之價款而約定計算的利息。於出售事項完成後，本集團僅擁有各目標公司各自20%的股權，各目標公司不再為本公司的附屬公司，且彼等之財務業績不再綜合併入本集團的綜合財務報表。詳情請見本公司日期為2023年12月29日的公告。

截至報告期末，股權轉讓相關手續已辦理完畢。

於2024年7月10日，本公司(作為轉讓方)與雲南通瑞建設工程諮詢有限公司簽署了《股權轉讓協議》。據此，本公司將所持有的聯營企業雲南滇池信息建設管理有限公司(「**滇池信息**」)40%的股權出售予獨立第三方雲南通瑞建設工程諮詢有限公司，代價為人民幣46.7萬元，於出售事項完成後，本公司不再持有滇池信息的股權。

截至報告期末，股權轉讓相關手續已辦理完畢。

除上述披露外，截至2024年12月31日，本集團無其他出售附屬公司、聯營公司及合營公司的情況。

12. Loans to Certain Entities

On 9 June 2022, the Company entered into the entrusted loan contract (the "**Entrusted Loan Contract**") with Kunming Construction and Kunming Panlong District Rural Credit Cooperative* (昆明市盤龍區農村信用合作聯社) ("**Panlong District Rural Credit Cooperative**"), pursuant to which the Company entrusted Panlong District Rural Credit Cooperative to provide a loan of RMB310 million to Kunming Construction with an annual interest rate of 8.5% which shall become due on 8 June 2023. KDI provided a full and joint liability guarantee for the entrusted loan transaction under the Entrusted Loan Contract; on 9 June 2023, the parties entered into the entrusted loan extension agreement (the "**Entrusted Loan Extension Agreement I**") for the Entrusted Loan Contract to extend the term of RMB180 million of the principal amount thereunder to 8 June 2024; on 29 April 2024, the parties entered into the entrusted loan extension agreement for the Entrusted Loan Contract and the Entrusted Loan Extension Agreement I to extend the term of RMB180 million of the principal amount thereunder to 7 June 2026. For details, please refer to the announcements of the Company dated 9 June 2022, 9 June 2023, 12 June 2023 and 29 April 2024, respectively.

On 24 October 2022, the Company entered into the entrusted loan contract (the "Chenggong District Entrusted Loan Contract") with Kunming DIG 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**"), pursuant to which the Company entrusted Chenggong District Rural Credit Cooperative to provide a loan of RMB200 million to Kunming DIG with an annual interest rate of 8.5% which shall become due on 24 September 2023; on 22 September 2023, the parties entered into the entrusted loan extension agreement (the "Chenggong District Entrusted Loan Extension Agreement I") and the supplemental entrusted loan extension agreement (the "Supplemental Entrusted Loan Extension Agreement I") for the Chenggong District Entrusted Loan Contract to extend the term of entrusted loan with principal amount of RMB200 million to 24 August 2024. On 15 July 2024, the parties entered into the entrusted loan extension agreement for the Chenggong District Entrusted Loan Contract, the Chenggong District Entrusted Loan Extension Agreement I and the Supplemental Entrusted Loan Extension Agreement I to extend the term of entrusted loan with principal amount of RMB200 million to 24 July 2025. For details, please refer to the announcements of the Company dated 24 October 2022, 22 September 2023, 13 November 2023 and 15 July 2024, respectively.

12. 給予某實體的貸款

本公司於2022年6月9日與昆明城投及昆明市盤龍區農村信用合作聯社(「**盤龍區農村信用合作聯社**」)簽訂委託貸款借款合同(「**委託貸款借款合同**」),由本公司委託盤龍區農村信用合作聯社向昆明城投提供人民幣3.1億元的貸款,年利率為8.5%,於2023年6月8日到期。昆明滇池投資就委託貸款借款合同項下委託貸款交易提供全額連帶責任保證擔保;於2023年6月9日,各方就委託貸款借款合同簽訂委託貸款展期協議(「**委託貸款展期協議I**」),將其項下的本金人民幣1.8億元到期日展期至2024年6月8日;於2024年4月29日,各方就委託貸款借款合同及委託貸款展期協議I簽訂委託貸款展期協議,將其項下的本金人民幣1.8億元到期日展期至2026年6月7日。有關詳情,請參閱本公司日期分別為2022年6月9日、2023年6月9日、2023年6月12日及2024年4月29日的公告。

本公司於2022年10月24日與昆明發展投資集團及昆明市呈貢區農村信用合作聯社(「**呈貢區農村信用合作聯社**」)簽訂委託貸款借款合同(「**呈貢區委託貸款借款合同**」),由本公司委託呈貢區農村信用合作聯社向昆明發展投資集團提供人民幣2億元的貸款,年利率為8.5%,於2023年9月24日到期;於2023年9月22日,各方就呈貢區委託貸款借款合同簽訂委託貸款展期協議(「**呈貢區委託貸款展期協議I**」)及委託貸款展期補充協議(「**委託貸款展期補充協議I**」),將委託貸款本金人民幣2億元到期日展期至2024年8月24日;於2024年7月15日,各方就呈貢區委託貸款借款合同、呈貢區委託貸款展期協議I及委託貸款展期補充協議I簽訂委託貸款展期協議,將委託貸款本金人民幣2億元到期日展期至2025年7月24日。有關詳情,請參閱本公司日期分別為2022年10月24日、2023年9月22日、2023年11月13日及2024年7月15日的公告。

On 16 June 2023, the Company entered into the entrusted loan contract with Anju Group and Jinma Branch of Kunming Guandu Rural Cooperative Bank* (昆明官渡農村合作銀行金馬支行) ("**Jinma Branch of Guandu Rural Cooperative Bank**"), pursuant to which the Company entrusted Jinma Branch of Guandu Rural Cooperative Bank to provide a RMB80 million loan to Anju Group with an annual interest rate of 8.5% and a term commencing on 16 June 2023 and ending on 16 June 2024. On 13 June 2024, the parties entered into the entrusted loan extension agreement for the entrusted loan contract to extend the term of entrusted loan with principal amount of RMB72 million to 16 June 2025. For details, please refer to the announcements of the Company dated 16 June 2023 and 13 June 2024, respectively.

本公司於2023年6月16日與安居集團及昆明官渡農村合作銀行金馬支行(「**官渡農合行金馬支行**」)簽訂委託貸款借款合同，由本公司委託官渡農合行金馬支行向安居集團提供人民幣8,000萬元的貸款，年利率為8.5%，自2023年6月16日起至2024年6月16日止；於2024年6月13日，各方就委託貸款借款合同簽訂委託貸款展期協議，將委託貸款本金中的人民幣7,200萬元到期日展期至2025年6月16日。有關詳情請參閱本公司日期分別為2023年6月16日及2024年6月13日的公告。

On 29 April 2024, the Company entered into the mutual guarantee agreement with Kunming Water Supply Group Co., Ltd.* (昆明自來水集團有限公司) ("**Kunming Water Supply Group**"), pursuant to which the Company and Kunming Water Supply Group agreed to provide guarantees in respect of the liabilities relating to the loans obtained by the other party for a cumulative amount of not more than RMB500 million each, which shall be non-recurring upon full utilization of the amount, and the term of the guarantees to be provided in respect of each loan shall not be more than five years from the date of signing of each loan guarantee agreement. As of the end of the Reporting Period, Kunming Water Supply Group has provided guarantees for the Company's loans of RMB197.0 million, while the Company has provided guarantees for Kunming Water Supply Group's loans of RMB110.0 million (for details, please refer to the announcement of the Company dated 29 April 2024 and the circular of the Company dated 22 May 2024).

於2024年4月29日，本公司與昆明自來水集團有限公司(「**昆明自來水集團**」)簽訂了《融資互保協議》，據此，本公司及昆明自來水集團同意，分別為對方取得之貸款所涉責任提供累計不超過人民幣5億元的擔保，該額度用完為止，不可循環使用，每筆貸款所提供的擔保期限不超過5年，自簽訂各筆貸款擔保協議之日起計算。截至報告期末，昆明自來水集團已為本公司人民幣197.0百萬元的借款提供了擔保，而本公司為昆明自來水集團提供擔保的金額為人民幣110.0百萬元(詳情請見本公司日期為2024年4月29日的公告及日期為2024年5月22日的通函)。

According to the knowledge of the Company, Kunming Construction, Kunming DIG, Anju Group and Kunming Water Supply Group are all controlled or held by Kunming SASAC, and Kunming DIG holds approximately 15.58% of the shares of Kunming Construction. Saved as disclosed above, Kunming Construction, Kunming DIG, Anju Group and Kunming Water Supply Group are not related to each other, and neither are they the connected persons as defined in the Listing Rules.

據本公司所知，昆明城投、昆明發展投資集團、安居集團及昆明自來水集團均由昆明市國資委實際控制或持有，且昆明發展投資集團持有昆明城投約15.58%的股份，除此以外，昆明城投、昆明發展投資集團、安居集團及昆明自來水集團相互並無關連，該等公司亦非上市規則中所定義的關連人士。

On the basis of prioritising the investments in the main business and related industries, and in accordance with the progress of project implementation, the Company will manage idle funds, if any, to improve the efficiency of capital utilisation and increase revenue on the premise of keeping the risks under control. When selecting counterparties, we will conduct necessary due diligence on them, including the assessment of their financial position, cash flow situation, ultimate beneficial owners and legal risks, etc., and consider the risk of capital recovery based on the counterparties' operating conditions and past cooperation. In terms of the method of granting loans, we will grant funds through bank entrusted loans to incorporate the repayment of principal and interest by counterparties into the bank credit supervision system, promote counterparties to perform their obligations of repayment of principal and interest pursuant to contracts, and reduce the risk of the Company. When granting loans, we will determine the interest rate of loans to be granted with reference to the then applicable loan prime rate for RMB loans of the same period and our own financing costs, so as to protect the Company's reasonable returns. In terms of the approval of granting loans, the Company has formulated policies such as the "Three Important and One Large Matters (三重一大)", which together with the Articles of Association stipulate clear division of the relevant approval authority for granting funds. During the Reporting Period, the approval procedures for granting loans have been effectively implemented as required. In the future, the Company will continue to pay attention to the operation of the counterparties by continuously obtaining the periodic financial information of the counterparties and enquiring the market information. If there are significant changes in the financial position and operation of the counterparties, the management of the Company and the Board will follow up and take corresponding measures in a timely manner to ensure the safety of the Company's capital. After comprehensive assessment, there were no indications of significant impairment for the abovementioned entrusted loans as of 31 December 2024.

在優先保障主業及相關產業投資的基礎上，根據項目開展進度，在有閒置資金的情況下，本公司會在風險可控的基礎上，進行閒置資金的管理，以提高資金使用效率從而增加收益。我們在選擇交易對手方時，會對其進行必要的盡職審查，該等審查包括其財務狀況、現金流情況、最終實益擁有人及法律風險的評估等，同時會根據對方經營情況以及以往合作，考量資金收回風險。在授出貸款方式上，我們通過銀行委託貸款方式授出資金，從而將交易對手方還本付息情況納入銀行徵信監管系統，促進交易對手方按約履行其還本付息義務，降低本公司風險。授出貸款時，我們參考當時適用之同期人民幣貸款的貸款市場報價利率，結合自身融資成本確定授出貸款之利率，從而保障本公司取得合理的收益。在授出貸款審批上，本公司制定了「三重一大」等制度，該等制度及公司章程對於授出資金審批權限有明確的劃分，報告期內，相關授出貸款的審批程序均已按規定得到有效執行。後續，本公司將透過持續獲取交易對手方的定期財務資料、查詢市場訊息等方式持續關注交易對手方的經營情況，如交易對手方財務狀況、經營情況出現重大變化，本公司管理層、董事會將及時跟進並取相應措施，確保本公司資金安全。經綜合評估，截至2024年12月31日，上述委託貸款未出現重大減值跡象。

13. Pledge of Shares by the Controlling Shareholder

On 24 October 2022, KDI, the controlling shareholder, entered into an agreement with Agricultural Bank of China Limited Kunming Dianchi National Tourism Resort Sub-branch (the "**Lender**"), to pledge up to 198,080,068 domestic shares in the issued shares of the Company (the "**Pledged Shares**"), in favour of the Lender as security for a loan facility in an aggregate amount of RMB200,000,000 granted to the Company (the "**Loan Facility**"). The Pledged Shares represent approximately 19.25% of the total issued shares of the Company, and are expected to be discharged and released upon repayment of the Loan Facility in full. For details, please refer to the announcement of the Company dated 23 October 2022. As of the end of the Reporting Period, the Loan Facility has matured and the Company has fulfilled all related repayment obligations, while the procedures for the release of the Pledged Shares are still in process.

13. 控股股東質押股份

於2022年10月24日，控股股東－昆明滇池投資與貸款人中國農業銀行股份有限公司昆明滇池國家旅遊度假區支行(「**貸款人**」)簽訂協議，將其持有的本公司已發行股份中不超過198,080,068股內資股(「**質押股份**」)質押予貸款人，為本公司一筆總額為人民幣200,000,000元貸款融資(「**融資貸款**」)提供擔保。質押股份佔本公司已發行股份總數約19.25%，質押股份預期於悉數償還融資貸款後免除及解除。有關詳情，請參閱本公司日期為2022年10月23日的公告。截至報告期末，融資貸款已到期且本公司已履行完畢相關的還款義務，質押股份的解除質押手續尚在辦理中。

14. Facility agreement subject to due performance of specific conditions by the controlling shareholder

On 25 March 2022, Dianchi International Holdings Limited (the "Borrower"), a direct wholly-owned subsidiary of the Company, as borrower and the Company as guarantor signed a facility agreement ("Facility Agreement") with various banks (the "Banks"). Pursuant to the Facility Agreement, the Banks will provide the banking facilities of up to USD300 million or equivalent foreign currency (the "Facility") to the Borrower. The final repayment date of the Facility shall be the date falling 36 months after the first withdrawal date. Pursuant to the Facility Agreement, if Kunming SASAC no longer directly or indirectly owns more than 51% of the share capital of the Company, it would be deemed as a change of control, and the Banks would be entitled to cancel its loan facilities pursuant to the Facility Agreement and to declare that all amounts outstanding under the Facility (including interests accrued) and all other amounts shall immediately become due and payable (unless waived by the majority of the Banks). For details, please refer to the Company's announcement dated 25 March 2022. In 2023, the Company entered into a pledge of receivables contract with Bank of Communications (Hong Kong) Limited (as the guarantee agent), pursuant to which the Company pledged the trade receivables of RMB800 million held by it to Bank of Communications (Hong Kong) Limited to provide guarantee for the loans under the loan agreement signed by the Group on 25 March 2022.

As of the Latest Practicable Date, Kunming SASAC directly or indirectly controlled more than 51% of the share capital of the Company and no change of control as described in the Facility Agreement has occurred. And the Company has fulfilled all repayment and interest payment obligations under the Facility Agreement in accordance with the relevant provisions of the Facility Agreement.

14. 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。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)及所有其他款項即時到期及須予償還(除非多數該等銀行放棄)。詳情請見本公司日期為2022年3月25日的公告。2023年，本公司與交通銀行(香港)有限公司(作為擔保代理行)簽署了應收賬款質押合同，將本公司持有的金額為人民幣8億元的應收賬款質押給交通銀行(香港)有限公司以為本集團於2022年3月25日簽署的貸款協議下的貸款提供擔保。

截至最後實際可行日期，昆明市國資委直接或間接控制本公司51%以上的股權，未發生貸款協議所述控制權變更的情況，且本公司已按貸款協議的相關約定履行完畢貸款協議項下所有的還款付息義務。

A. EXECUTIVE DIRECTORS

As of the end of the Reporting Period, the profiles of Directors, Supervisors and senior management of the Company are as follow:

Mr. Zeng Feng (曾鋒), aged 60, joined our Group in August 2021. Mr. Zeng was appointed as an executive Director and the Chairperson 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.

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 graduated from Yunnan Finance and Trade College (雲南財貿學院) in June 1990, majoring in accounting. He also obtained the accounting professional and technical qualification certificate in October 1994.

A. 執行董事

於截至報告期末，本公司董事、監事及高級管理層簡歷的資料如下：

曾鋒先生，60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. Chen Changyong (陳昌勇), aged 55, joined the Group in June 2019 and has been the general manager of the Company since 10 July 2019, responsible for the Company's operation management. He was appointed as an executive Director on 19 June 2020. Mr. Chen is currently a member of the Strategy and Investment Decision Committee.

陳昌勇先生，55歲，於2019年6月加入本集團，並自2019年7月10日起擔任本公司總經理，負責本公司的運營管理工作；於2020年6月19日獲委任為執行董事。陳先生為戰略與投資決策委員會委員。

Mr. Chen worked in the Land Acquisition Office of the Municipal Land and Resources Bureau of Kunming (昆明市國土資源局) from August 1999 to November 2002 and served as the deputy director of the general office of the Municipal Land and Resources Bureau of Kunming from November 2002 to January 2005. He joined Kunming Dianchi Investment, the Controlling Shareholder, in September 2004 and until March 2016, he successively served as a member of the party committee, director, deputy general manager, deputy secretary of the party committee, secretary of the disciplinary committee and chairman of the labor union of Kunming Dianchi Investment. He was a director and the secretary to the party committee of Kunming Drainage System Management Co., Ltd. (昆明排水設施管理有限責任公司) (a subsidiary of Kunming Dianchi Investment) from March 2016 to June 2019. He joined the Company in June 2019.

於1999年8月至2002年11月於昆明市國土資源局徵地處工作，並於2002年11月至2005年1月任昆明市國土資源局辦公室副主任。於2004年9月加入控股股東－昆明滇池投資，至2016年3月歷任昆明滇池投資黨委委員、董事、副總經理、黨委副書記、紀委書記、工會主席。自2016年3月至2019年6月任昆明排水設施管理有限責任公司(昆明滇池投資附屬公司)董事及黨委書記。2019年6月加入本公司。

Mr. Chen graduated from the Changchun Institute of Geology, Jilin Province, China (長春地質學院) with a bachelor's degree in July 1992, majoring in geology and mineral exploration and graduated from the Changchun Institute of Geology with a master's degree in July 1995, majoring in mineral prospecting and exploration. Mr. Chen graduated from Kunming University of Science and Technology (昆明理工大學) with a doctorate in July 1999, majoring in mineral prospecting and exploration in the Department of Territorial Development and Urban and Rural Architecture. Mr. Chen is also a senior engineer.

陳先生於1992年7月畢業於中國吉林省長春地質學院地質礦產勘查專業，並取得學士學位；於1995年7月畢業於長春地質學院礦產普查與勘探專業，並取得碩士研究生學位；於1999年7月畢業於昆明理工大學國土開發與城鄉建築系礦產普查與勘探專業，並取得博士研究生學位。陳先生亦為高級工程師。

B. NON-EXECUTIVE DIRECTORS

Mr. Xu Jingdong (徐景東), aged 57, joined our Group in June 2023 and was appointed as a non-executive Director of our Company on 29 June 2023. He participates in the development of our business strategies. He is currently a director and deputy general manager of Kunming Dianchi Investment.

Mr. Xu worked at Kunming Price Bureau* (昆明市物價局) from December 1990 to March 1993; worked at Kunming Television Station* (昆明電視台) from March 1993 to March 2009 as deputy director of the community channel and deputy director of the broadcasting guidance office; worked at Kunming Radio and Television Network Co., Ltd.* (昆明廣播電視網絡有限責任公司) from March 2009 to November 2013 as project team leader and project director; worked at Kunming Herui Investment Co., Ltd.* (昆明和瑞投資有限公司) from November 2013 to July 2019 as deputy general manager and general manager; has worked at Kunming Dianchi Investment since July 2019, currently serving as a director and deputy general manager; and has been a director and the general manager of Kunming Luobo River Reservoir Construction Management Co., Ltd.* (昆明羅泊河水庫建設管理有限責任公司) from February 2024 to November 2024.

Mr. Xu graduated from Yunnan Arts University (雲南藝術學院) in July 1989 majoring in drama writing and directing.

B. 非執行董事

徐景東先生，57歲，於2023年6月加入本集團，於2023年6月29日獲委任為本公司非執行董事，參與制定我們的業務發展戰略。現任昆明滇池投資董事、副總經理。

徐先生於1990年12月至1993年3月於昆明市物價局工作；1993年3月至2009年3月於昆明電視台工作，歷任社區頻道副總監、播音指導辦副主任；2009年3月至2013年11月於昆明廣播電視網絡有限責任公司工作，歷任項目組負責人、項目總監；2013年11月至2019年7月，於昆明和瑞投資有限公司工作，歷任副總經理、總經理；2019年7月至今就職於昆明滇池投資，現任董事、副總經理；2024年2月至2024年11月任昆明羅泊河水庫建設管理有限責任公司董事兼總經理。

徐先生於1989年7月畢業於雲南藝術學院戲劇編導專業。

Ms. Cheng Yijing (成怡靜), formerly known as Cheng Nan (成楠), aged 54, joined the Group in August 2024 and was appointed as a non-executive Director of the Company on 21 August 2024 to participate in the formulation of our business development strategies. Currently, she is an expatriate full-time director of Yunnan Investment Holding Group Co., Ltd. (雲南省投資控股集團有限公司), the general legal counsel and chief compliance officer of Yunnan Human Resources Development Co., Ltd.* (雲南人力資源開發有限責任公司).

成怡靜女士，曾用名成楠，54歲，於2024年8月加入本集團，於2024年8月21日獲委任為本公司非執行董事，參與制定我們的業務發展戰略。現於雲南省投資控股集團有限公司任外派專職董事、雲南人力資源開發有限責任公司總法律顧問、首席合規官。

Ms. Cheng worked at the Kindergarten of Kunming Rubber Company* (昆明市橡膠公司幼兒園) from October 1995 to April 2000 (during which she studied computerized accounting at Yunnan University); worked at Yunnan Tourism Investment Co., Ltd.* (雲南省旅遊投資有限公司) from September 2006 to June 2015 successively as a deputy business director, deputy office director and office director of the investment management department; worked at Yunnan Yuntou Hotel Development Co., Ltd.* (雲南雲投酒店發展有限公司) from June 2015 to January 2019 as a full-time vice chairman of the labor union; worked at Yunnan Sports Industry Investment Co., Ltd.* (雲南省體育產業投資有限公司) from January 2019 to April 2022 successively as director of party work department, member of the party branch and deputy general manager; worked at Yunnan Human Resources Development Co., Ltd.* (雲南人力資源開發有限責任公司) from April 2022 to April 2024 as a member and deputy general manager and other positions of the party general branch, and currently serves as the general legal counsel and chief compliance officer of such company; and has served as an expatriate full-time director of Yunnan Investment Holding Group Co., Ltd. (雲南省投資控股集團有限公司) since April 2024; and has served as the director of Yunnan Southwest Consulting Co., Ltd.* (雲南西南諮詢有限公司) and Yunnan Provincial Tourism Investment Co., Ltd.* (雲南省旅遊投資有限公司) since August 2024.

成女士於1995年10月至2000年4月於昆明市橡膠公司幼兒園工作(期間曾於雲南大學學習電算化會計專業課程)；2006年9月至2015年6月於雲南省旅遊投資有限公司工作，歷任投資管理部業務副主管、辦公室副主任、辦公室主任；2015年6月至2019年1月於雲南雲投酒店發展有限公司工作，曾任工會專職副主席；2019年1月至2022年4月於雲南省體育產業投資有限公司工作，歷任黨群工作部部長、黨支部委員、副總經理職務；2022年4月至2024年4月於雲南人力資源開發有限責任公司工作，任黨總支委員、副總經理等職務，現任該公司總法律顧問、首席合規官；2024年4月至今，於雲南省投資控股集團有限公司任外派專職董事；2024年8月至今，任雲南西南諮詢有限公司及雲南省旅遊投資有限公司董事。

Ms. Cheng graduated from the Department of Earth Science, Yunnan University in July 1995, majoring in geography (teacher's training). She was certified and admitted with level 3 enterprise human resources professional vocational certificate by the Ministry of Human Resources and Social Security of the PRC in November 2023.

成女士於1995年7月畢業於雲南大學地球科學系地理(師範)專業。彼於2023年11月獲中國人力資源和社會保障部認證通過的三級企業人力資源管理師職業技能等級證書。

Mr. Zhang Yang (張洋), aged 39, joined the Group in December 2022 and was appointed as a non-executive Director 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，39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; served as the chairperson of Kunming Green Resources Industrial Development Co., Ltd.* (昆明市綠色資源產業發展有限公司) from August 2022 to October 2024; served as the chairperson of Kunming Industry Investment and Supply Chain Management Co., Ltd.* (昆明產投供應鏈管理有限公司) from September 2023 to October 2024; served as the chairperson of Kunming Teliya Civil Explosive Equipment Monopoly Co., Ltd.* (昆明市特立亞民爆器材專營有限公司) from October 2023 to December 2024; 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月至2019年8月於全球能源互聯網研究院(後變更為全球能源互聯網研究院有限公司)工作；2019年8月至2020年10月於北京中關村延慶園投資發展有限公司工作，任總經理助理職務；2022年8月至2024年10月任昆明市綠色資源產業發展有限公司董事長；2023年9月至2024年10月任昆明產投供應鏈管理有限公司董事長；2023年10月至2024年12月任昆明市特立亞民爆器材專營有限公司董事長；2020年10月至今於昆明產業開發投資有限責任公司工作，任總經理助理職務。

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.

2010年7月畢業於昆明理工大學機械工程及自動化專業，取得學士學位；2015年11月畢業於澳大利亞西澳大利亞大學電氣與電子工程專業，取得博士學位。

C. INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zha Guiliang (查貴良), aged 45, joined the Group in November 2023 and was appointed as an independent non-executive Director on 13 November 2023. He is involved in making major decisions and advising on corporate governance, connected transactions and various matters relating to the Directors and senior management. Mr. Zha is currently the chairperson of the Audit Committee, a member of the Remuneration and Appraisal Committee and a member of the Strategy and Investment Decision Committee.

Mr. Zha has been working in Southwest Forestry University (西南林業大學) since July 2004, engaging in financial management and teaching of accounting; during this period, he conducted research on corporate social responsibility and sustainable accounting (carbon accounting) at Western Sydney University, Australia as a visiting scholar under the Yunnan local public scholarship programme from November 2017 to November 2018; he has been working on a part-time basis at Yunnan Tianrui Accounting Firm Co., Ltd.* (雲南天瑞會計師事務所有限公司) since May 2014; and he has been serving as a director of Kunming Expressway Construction and Development Co., Ltd.* (昆明市高速公路建設開發股份有限公司) since August 2023.

Mr. Zha graduated from Yunnan University of Finance and Economics in July 2004 with a bachelor's degree in accounting; and graduated from Yunnan University of Finance and Economics in July 2011 with a master's degree in accounting. Mr. Zha is also a PRC certified public accountant, an accountant and a lecturer.

C. 獨立非執行董事

查貴良先生，45歲，於2023年11月加入本集團，於2023年11月13日獲委任為獨立非執行董事，參與作出重大決策並就企業管治、關連交易以及有關董事與高級管理層的各種事宜提供建議。查先生現為審計委員會主任委員、薪酬與考核委員會及戰略與投資決策委員會委員。

查先生於2004年7月至今就職於西南林業大學，先後從事財務管理、會計教學工作；期間，曾於2017年11月至2018年11月以雲南地方公派訪問學者身份到訪澳大利亞西悉尼大學從事企業社會責任及可持續發展會計(碳會計)研究；2014年5月至今期間兼職於雲南天瑞會計師事務所有限公司；2023年8月至今擔任昆明市高速路建設開發股份有限公司董事。

查先生於2004年7月畢業於雲南財經大學會計學專業，取得學士學位；2011年7月畢業於雲南財經大學會計學專業，取得碩士學位。查先生亦為中國註冊會計師、會計師及講師。

Ms. Zheng Dongyu (鄭冬渝), aged 68, 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.

鄭冬渝女士，68歲，於2021年6月加入本集團，並於2021年6月18日獲任為獨立非執行董事。鄭女士參與作出重大決策並就企業管治、關連交易以及有關董事與高級管理層的各種事宜提供建議。鄭女士現為提名委員會主任委員、審計委員會委員。

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), Kunming Yunnei Power Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 000903) and Yunnan Jinxun Resources Co., Ltd. (雲南金潯資源股份有限公司) (a company listed on the National Small and Medium-sized Enterprise Share Transfer System, stock code: 870844) 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).

鄭女士於1984年8月至2012年12月於雲南大學法學院任教師。現任雲南大學校院兩級教學督導、法學院教學督導組組長、昆明自動化成套集團股份有限公司(一間於全國中小企業股份轉讓系統掛牌的企業，股份代號：832848)、昆明雲內動力股份有限公司(一間於深圳證券交易所上市的企業，股份代號：000903)及雲南金潯資源股份有限公司(一間於全國中小企業股份轉讓系統掛牌的企業，股份代號：870844)獨立董事、雲南黃金礦業集團股份有限公司獨立董事。鄭女士歷任雲南南天電子信息產業股份有限公司(一間於深圳證券交易所上市的企業，股份代號：000948)、雲南雲天化股份有限公司(一間於上海證券交易所上市的企業，股份代號：600096)及華能瀾滄江水電股份有限公司(一間於上海證券交易所上市的企業，股份代號：600025)獨立董事。

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 of laws degree from Peking University (北京大學) in July 2000.

鄭女士於1984年7月畢業於西南政法大學，取得法學學士學位；於2000年7月取得北京大學法學碩士學位。

Mr. Ong King Keung (王競強), aged 49, joined our Group in November 2021 and was appointed as an independent non-executive Director on 12 November 2021. Mr. Ong participates in making significant decisions and advises on corporate governance, connected transactions and various matters concerning Directors and senior management. Mr. Ong is currently the chairperson of the Remuneration and Appraisal Committee and a member of the Audit Committee and the Nomination Committee.

王競強先生，49歲，於2021年11月加入本集團並於2021年11月12日獲委任為本公司獨立非執行董事。王先生參與作出重大決策並就企業管治、關連交易以及有關董事與高級管理層的各種事宜提供建議。王先生現為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。

Mr. Ong currently serves as the company secretary of Harbour Digital Asset Capital Limited (formerly known as Unity Investments Holdings Limited, a company listed on Main Board of the Stock Exchange, stock code: 913).

王先生現時為港灣數字產業資本有限公司(前稱合一投資控股有限公司，一間於聯交所主板上市的公司，股份代號：913)的公司秘書。

Mr. Ong was an independent non-executive director of China Water Affairs Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 855) for the period from March 2007 to November 2019; and an independent non-executive director of Tech Pro Technology Development Limited (a company listed on the Main Board of the Stock Exchange, stock code: 3823, but de-listed with effect from 2 March 2020) for the period from March 2017 to February 2019, respectively.

王先生自2007年3月至2019年11月期間於中國水務集團有限公司(一間於聯交所主板上市的公司，股份代號：855)；及自2017年3月至2019年2月期間於德普科技發展有限公司(一間於聯交所主板上市的公司，股份代號：3823，自2020年3月2日起取消上市)分別出任獨立非執行董事。

Mr. Ong had also been an independent non-executive director of Deson Construction International Holdings Limited (now known as Smart City Development Holdings Limited, a company listed on GEM of the Stock Exchange, stock code: 8268) since December 2014 and was subsequently re-designated as a non-executive director since December 2015. In July 2019, Mr. Ong resigned as a non-executive director of the company; and served as an independent non-executive director of My Heart Bodibra Group Limited (currently known as Ocean Star Technology Group Limited, a company listed on GEM of the Stock Exchange, stock code: 8297) for the period from December 2017 to May 2021. He also served as an independent non-executive director of Bingo Group Holdings Limited (a company listed on GEM of the Stock Exchange, stock code: 8220) from December 2016 to May 2022 and an independent non-executive director of K Group Holdings Limited (a company listed on GEM of the Stock Exchange, stock code: 8475) from May 2021 to June 2022 and an independent non-executive director of Risecomm Group Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1679) from May 2017 to June 2023.

自2014年12月起亦曾擔任迪臣建設國際集團有限公司(現稱智城發展控股有限公司，一間於聯交所GEM上市的公司，股份代號：8268)的獨立非執行董事，隨後自2015年12月起調任為非執行董事。於2019年7月，王先生辭任該公司非執行董事；並於2017年12月至2021年5月期間擔任心心芭迪貝伊集團有限公司(現稱海納星空科技集團有限公司，一間於聯交所GEM上市的公司，股份代號：8297)的獨立非執行董事。自2016年12月至2022年5月亦於比高集團控股有限公司(一間於聯交所GEM上市的公司，股份代號：8220)、2021年5月至2022年6月於千盛集團控股有限公司(一間於聯交所GEM上市的公司，股份代號：8475)及2017年5月至2023年6月於瑞斯康集團控股有限公司(一間於聯交所主板上市的公司，股份代號：1679)擔任獨立非執行董事。

Mr. Ong obtained a bachelor degree in accountancy from the Hong Kong Polytechnic University and a master degree in corporate finance from the City University of Hong Kong. He is a member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He has over 15 years of experience in auditing and accounting industry.

王先生取得香港理工大學會計學學士學位及香港城市大學企業融資碩士學位。彼為香港會計師公會及英國特許公認會計師公會會員，於審計及會計業擁有逾15年經驗。

Mr. Ong was an independent director of China Candy Holdings Limited ("**China Candy**") between 29 February 2016 to 14 September 2017 and was named as one of the respondents in the petition filed with the Court of First Instance of the High Court of Hong Kong by the SFC in the matter of China Candy, the shares of which were delisted from GEM of the Stock Exchange in December 2019. The press release made by the SFC on 20 April 2023 stated that the SFC has commenced legal proceedings in the Court of First Instance to seek disqualification orders against seven former members of the board of directors of China Candy, including Mr. Ong King Keung, under section 214 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). For details, please refer to the Company's announcements dated 17 May 2022 and 21 April 2023, respectively.

王先生於2016年2月29日至2017年9月14日期間擔任中國糖果控股有限公司(「**中國糖果**」)獨立董事，因證監會對中國糖果(其股份已於2019年12月自聯交所GEM除牌)向香港高等法院原訟法庭提交的呈請中，被列為應訴人之一。證監會於2023年4月20日作出的新聞稿指出，證監會根據香港法例第571章證券及期貨條例第214條在原訟法庭展開法律程序，尋求對包括王先生在內的中國糖果的七名前任董事會成員作出取消資格令，詳情請見本公司日期分別為2022年5月17日及2023年4月21日的公告。

D. SUPERVISORS

Mr. Na Zhiqiang (那志強), aged 63, was 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 tendered his resignation to the Board of Supervisors as Supervisor and chairman of our Board of Supervisors on 8 January 2025 due to his retirement, and his resignation became effective on 8 January 2025. 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 66, joined our Group in November 1995 and has been an employee representative Supervisor 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.

D. 監事

那志強先生，63歲，曾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、公司章程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。那先生因退休的原因已於2025年1月8日向監事會提出辭呈，辭去監事及監事會主席職務，其辭任已於2025年1月8日生效。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月至2007年12月先後擔任昆明市第一水質淨化廠辦公室主任、廠長助理及廠長。2008年1月至2009年6月任本公司全資子公司昆明城市污水處理運營有限責任公司副總經理。2009年6月至2011年6月擔任昆明滇池投資綜合部經理。

那先生於2004年12月在中國雲南省中國共產黨雲南省委員會黨校畢業，主修經濟管理。

姚建華先生，66歲，於1995年11月加入本集團，自2011年1月19日起擔任職工代表監事，負責監督董事、經理及其他管理人員，確保遵守法律及法規、公司章程及股東會議的決議案。姚先生擁有逾28年的污水處理行業經驗。姚先生自2005年6月至2019年11月擔任本公司全資子公司昆明滇池物流執行董事、總經理及法定代表人。

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.

加入本集團前，姚先生於1988年2月至1998年2月曆任昆明市市政設施收費管理處科員及副主任。1998年2月至1999年6月擔任昆明城市排水公司收費管理處副處長。

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.

姚先生於1999年7月畢業於中國雲南省中國人民解放軍昆明陸軍學院，主修政治理論。

Mr. Shao Wei (邵 偉), aged 44, joined our Group on 7 May 2016 and is a Supervisor 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.

邵偉先生，44歲，於2016年5月7日加入本集團，擔任監事，負責監督董事、經理及其他管理人員，確保遵守法律及法規、公司章程及股東會議的決議案。邵先生在公司財務管理方面擁有逾10年的工作經驗。

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 manager since October 2018. He has been serving as the financial controller of Kunming Zhongchuang Sanyou Kun Development New Energy Technology Co., Ltd. (昆明中創三優昆發展新能源科技有限公司) since March 2018. He served as the executive deputy general manager of Kunming Petrochina Kunlun CNG Co., Ltd. (昆明中石油崑崙車用天然氣有限公司) since March 2019, a director of such company since June 2020, and ceased to serve at the company in June 2021. He has served the chairman of the board of supervisors of Kunming Petrochina Energy Investment and Development Co., Ltd. (昆明中油能源投資發展有限公司) since March 2021. He concurrently served as the deputy general manager of Kunming Kangju Industrial Development Co., Ltd. (昆明康居產業開發有限公司) since April 2021, and as the legal representative, executive director and general manager of such company since October 2021, and ceased to hold these positions in March 2024; and he concurrently served as an executive director and deputy general manager of Kunming Yunzhong Recreation Investment and Development Co., Ltd. (昆明雲中康養投資開發有限公司) since April 2021, and as the legal representative and manager of such company since November 2021, and ceased to hold these positions in August 2024.

邵先生曾擔任昆明發展投資集團計劃財務部會計主管，負責公司財務及會計事務，並於2018年8月調入昆明發展新能源產業投資運營有限公司，且自2018年10月起任該公司副總經理。其自2018年3月起兼任昆明中創三優昆發展新能源科技有限公司財務總監；自2019年3月起兼任昆明中石油崑崙車用天然氣有限公司常務副總經理並於2020年6月擔任該公司董事，於2021年6月不再擔任該公司相關職務；於2021年3月至今任昆明中油能源投資發展有限公司監事會主席；於2021年4月起兼任昆明康居產業開發有限公司副總經理並於2021年10月至今任該公司法定代表人、執行董事、總經理，於2024年3月不再擔任相關職務；於2021年4月起兼任昆明雲中康養投資開發有限公司執行董事、副總經理，並於2021年11月起任該公司法定代表人、經理，於2024年8月不再擔任相關職務。

Mr. Shao worked at Yunnan Yatai Electronic Information Technology Co., Ltd. (雲南亞太電子信息技術有限公司) from March 2004 to March 2009. He worked at the financial department of and served as the deputy director of legal and risk control department of Yunnan Electrical and Mechanical Equipment Corporation (雲南省機電設備總公司) from May 2010 to August 2011 and May 2012 to November 2015, respectively. He worked at Yunnan Yunrui Automobile Sales and Service Co., Ltd. (雲南雲瑞汽車銷售服務有限公司) from August 2011 to May 2012, responsible for financial management.

邵先生於2004年3月至2009年3月就職於雲南亞太電子信息技術有限公司；先後於2010年5月至2011年8月及2012年5月至2015年11月就職於雲南省機電設備總公司財務部並兼任法律與風險控制部副部長；2011年8月至2012年5月就職於雲南雲瑞汽車銷售服務有限公司，從事財務管理工作。

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	55	Executive Director and General Manager	Participating in the Company's strategic decision-making and being 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	55	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. Mu Yong	50	Deputy General Manager	Assisting the General Manager in the daily operation and management of the Company	Appointed as Deputy General Manager in December 2023	November 2023	None
穆勇先生	50	副總經理	協助總經理負責本公司的日常營運管理工作	2023年12月獲委任為副總經理	2023年11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.

陳昌勇先生，為本公司執行董事及總經理，有關陳昌勇先生履歷的詳情，請參閱本報告「董事、監事及高級管理層簡歷－A.執行董事」一節。

Mr. Mu Yong (穆勇), aged 50, joined the Group in November 2023 and was appointed as the deputy general manager in December 2023 to assist the general manager in the daily operation and management of the Company.

穆勇先生，50歲，於2023年11月加入本集團，於2023年12月獲委任為副總經理，協助總經理負責本公司的日常營運管理工作。

Mr. Mu worked at the Kunming Zhangjiu River Drinking Water and Water Supply Engineering Construction Administration Bureau (昆明市掌鳩河飲水供水工程建設管理局) from September 1999 to May 2007; from May 2007 to May 2014, he worked at Clear Water and Seawater Source Development and Construction Branch of Kunming Water Supply Group Co., Ltd. (昆明自來水集團有限公司清水海水源開發建設分公司), where he served as the deputy manager of the technical department and the manager of the technical department; from May 2014 to November 2023, he worked at Kunming Water Supply Group Co., Ltd. (昆明自來水集團有限公司), where he served as the head of the technical department.

穆先生於1999年9月至2007年5月在昆明市掌鳩河飲水供水工程建設管理局工作；2007年5月至2014年5月就職於昆明自來水集團有限公司清水海水源開發建設分公司，歷任技術部副經理、技術部經理；2014年5月至2023年11月，就職於昆明自來水集團有限公司，任技術部部長。

Mr. Mu graduated from Harbin University of Science and Technology (哈爾濱理工大學) with a bachelor's degree in July 1997, majoring in machinery design and manufacturing; he graduated from Harbin Institute of Technology (哈爾濱工業大學) with a master's degree in July 1999, majoring in mechanical and electronic engineering. Mr. Mu is also a senior engineer.

穆先生於1997年7月畢業於哈爾濱理工大學機械設計及製造專業，取得學士學位；1999年7月畢業於哈爾濱工業大學機械電子工程專業，取得工學碩士學位。穆先生亦為高級工程師。

Except as disclosed above:

除上文所披露者外：

(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;

(1) 概無董事於直接或間接與或可能與本公司業務競爭的任何業務中擁有任何權益；

(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

(2) 本公司董事、監事及高級管理層於本報告日期前三年並無擔任任何公眾公司(其證券在香港或海外任何證券市場上市)的董事職務；及

(3) On 8 January 2025, Ms. Wang Shu (王姝) was appointed as the chairperson of the Board of Supervisors and an employee representative Supervisor. For details of Ms. Wang Shu's biography, please refer to the Company's announcement dated 8 January 2025.

(3) 王姝女士於2025年1月8日獲委任為監事會主席及職工代表監事。有關王姝女士履歷的詳情請見本公司日期為2025年1月8日的公告。

Except as disclosed above, 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.

除上文所披露者外，概無其他信息須根據香港上市規則第13.51(2)條提請股東注意。

F. COMPANY SECRETARY

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

Mr. Chiu 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**") 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。

趙先生現時為Vistra Corporate Services (HK) Limited的公司及基金服務主管，彼於公司秘書行業擁有逾10年經驗。

趙先生分別於2003年及2015年被選為英國特許公司治理公會會士及資深會員，並分別於2003年10月及2015年9月獲接納為香港公司治理公會(「**香港公司治理公會**」)會士及資深會員。其亦持有由香港公司治理公會頒發的執業者認可證明書。其現為專業服務小組的主席，並為香港公司治理公會的理事會成員。

趙先生於1999年6月取得加拿大多倫多市多倫多大學的文學學士學位，2003年11月取得香港城市大學的專業會計與資訊系統的文學碩士學位。

The Board hereby submits their report together with the audited financial statements of the Group for the year ended 31 December 2024.

董事會現向股東提呈本集團截至2024年12月31日止年度報告及經審計財務報表。

A. BUSINESS REVIEW

1. Operating Environment and Prospects

In recent years, the Party Central Committee and the State Council have strengthened the dual-carbon deployment, requiring the active and prudent advancement of carbon peaking and carbon neutrality. Ecological civilization construction has been elevated to an unprecedented strategic level to support high-quality development with a high-quality ecological environment. In July 2024, the Third Plenary Session of the 20th Central Committee of the Party emphasized accelerating the comprehensive green transformation of economic and social development, improving the ecological environment governance system, enhancing the construction of ecological civilization system, and promoting coordinated efforts in carbon reduction, pollution reduction, greening and growth. It aims to advance green and low-carbon development and elevate the construction of ecological civilization to a new level. In addition, influenced by external and internal factors such as the international political environment and new industrial upgrades, and with the increasing maturity of the water service industry, the era of large-scale expansion driven by investment has ended, and the industry has entered a stage of deep integration and high-quality development. The industry is shifting from "policy-driven" to "demand-driven", gradually transitioning from an "incremental market" to a "inventory market". As the battle against pollution prevention and control continues to advance, the ongoing demand for improvement in water environment management, the implementation of quality and efficiency enhancement, and the requirement to reduce the load on wastewater treatment facilities will continue to release environmental demand.

A. 業務審視

1. 經營環境及展望

近年來，黨中央、國務院強化雙碳部署，要求積極穩妥推進落實碳達峰碳中和，以高品質生態環境支撐高質量發展，生態文明建設被提到前所未有的戰略高度。2024年7月，黨的二十屆三中全會強調加快經濟社會發展全面綠色轉型，健全生態環境治理體系，完善生態文明制度建設，協同推進降碳、減污、擴綠、增長，推進綠色低碳發展，推動生態文明建設邁入新台階。此外，受國際政治環境、產業新型升級等內外部因素的影響，且伴隨著水務行業的成熟度逐漸提高，由投資拉動的大規模擴張時代已經結束，行業進入深度整合及高質量發展階段。行業由「政策驅動」向「需求驅動」轉變，從「增量市場」逐漸轉入「存量市場」。隨著污染防治攻堅戰持續推進，水環境治理的持續改善需求，提質增效的實施和降低污水處理設施負荷要求等仍會釋放環境需求。

Based in Kunming, deeply rooted in Yunnan, and extending nationwide, the Company possesses strong regional operational advantages and competitive position. The Company has over 30 years of experience in wastewater treatment, with industry-leading operational management capabilities. The Company fully implements standardized and refined management, focusing on reducing operating costs, and continuously advancing cost reduction and efficiency enhancement measures to enhance its advantages. The Company is continuously committed to developing a business development model that integrates financing, investment, construction, management and operation, complementing each other, which provides the Company with a solid foundation and experience in government-enterprise cooperation. The Company's main businesses, including wastewater treatment and reclaimed water utilization, are all conducted under a concession rights model, typically for a period of 25 to 30 years. During this period, each of the Company's main businesses enjoys strong continuity and stability, laying a solid foundation for the Company's long-term sustainable development while also enhancing the Company's risk resistance capability.

公司發展立足昆明、深耕雲南、輻射全國，具有強勁的區域經營優勢和競爭地位。公司擁有30餘年的污水處理經驗，具有行業領先的運營管理能力。公司全面推行規範化、精細化管理，著力降低運營成本，持續推進降本增效舉措以提升優勢。公司不斷致力於發展融投建管營五位一體、相輔相成的經營發展模式，使公司具有良好的政企合作經驗與基礎。公司的污水處理、再生水利用等主業，均以特許經營權模式開展，期限一般為25至30年，在此期限內公司各主營業務具有較強的持續性和穩定性，為公司的長期可持續發展奠定了堅實的基礎，同時也提升了公司的抗風險能力。

The Company consistently focuses on its main businesses and enriches and improves relevant industries in the upstream and downstream around its main businesses. After years of accumulation in operation, the Company has developed systematic business concepts and models and has a comprehensive and professional high-quality management team and a strong technical team, laying a solid foundation for sustainable and high-quality corporate development.

本公司始終聚焦主業，圍繞主業，豐富完善主業上下遊相關產業，公司經過多年的經營積累已形成系統性的經營理念和模式，擁有全面且專業的高素質管理團隊以及實力雄厚的技術團隊，為企業可持續、高質量發展奠定了堅實的基礎。

In the environmental water industry entering the "14th Five-Year Plan" phase of high-quality industrial development, the Company will continue to leverage its advantages in specialized operational services, focusing on its core responsibilities and main businesses such as wastewater treatment and reclaimed water utilization. It adheres to the general work tone of "seeking progress while maintaining stability and promoting stability through progress", driving quality improvement and efficiency enhancement through lean management, and implementing multiple measures to achieve revenue growth and cost reduction. Focusing on revitalizing existing assets and enhancing efficiency as the main theme, the Company will regard operational management as the foundation of our existence, continue to strengthen operational control, adhere to standardized operations, extensively promote energy conservation and consumption reduction, and continuously improve the level of operational management. The Company will also expand financing channels, strengthen financing capabilities, optimize the Company's cash flow, and promote the Company's high-quality and sustainable development. At the same time, the Company will accelerate the advancement of intelligent and digital operations, optimize industrial layout, develop new quality productivity, and comprehensively coordinate the steady and high-quality development of the Company.

在環保水務行業進入「十四五」高質量發展的產業化階段，公司將繼續發揮專業化運營服務優勢，聚焦污水處理、再生水利用等主責主業，堅持「穩中求進、以進促穩」的工作總基調，精益管理推動提質增效，多措並舉實現增收降本。以盤活存量、提升效益為主線，將運營管理作為立身之本，繼續強化運營管控，堅持規範化運作，廣泛開展節能降耗，持續提升運營管理水平。擴充融資渠道，加強融資能力，優化公司現金流，推動公司高質量可持續發展。同時加快推進智慧化、數字化運營，優化產業布局，發展新質生產力，全面統籌推進公司平穩高質量發展。

2. Business

For principal business activities of the Company during the Reporting Period and the discussion and analysis thereof, please refer to the section headed "Management Discussion and Analysis – C. Business Review".

2. 業務

有關本公司報告期內的主要業務活動及對主要業務活動的討論與分析，請參閱「管理層討論及分析–C. 業務回顧」。

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 potentials, including growth and development:

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等作出分析：

		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	
		2024 **2024年**	2023 2023年
Gross profit margin[1]	毛利率[1]	**44.8%**	44.2%
Net profit margin[2]	淨利潤率[2]	**16.6%**	17.6%
Return on equity[3]	股本回報率[3]	**5.2%**	6.4%
Return on total assets[4]	總資產回報率[4]	**2.2%**	2.6%
Current ratio[5]	流動比率[5]	**128.1%**	102.4%
Quick ratio[6]	速動比率[6]	**128.0%**	102.2%
Gearing ratio[7]	淨資產負債比率[7]	**46.5%**	50.3%

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.

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」。

Return on equity

Our return on equity decreased from 6.4% in 2023 to 5.2% in 2024, which was mainly due to the increase in total equity of RMB265.0 million in 2024.

股本回報率

我們的股本回報率從2023年的6.4%減少至2024年的5.2%，主要由於2024年權益總額增加人民幣265.0百萬元。

Return on total assets

Our return on total assets decreased from 2.6% in 2023 to 2.2% in 2024, which was mainly due to the increase in total assets of RMB320.1 million in 2024.

總資產回報率

我們的總資產回報率從2023年的2.6%減少至2024年的2.2%，主要由於2024年總資產增加人民幣320.1百萬元。

Current ratio and quick ratio

Our current ratio and quick ratio increased from 102.4% and 102.2% as of 31 December 2023 to 128.1% and 128.0% as of 31 December 2024, respectively, primarily because current assets increased by RMB1,105.0 million in 2024.

流動比率及速動比率

我們的流動比率及速動比率從於2023年12月31日的102.4%及102.2%分別增加至於2024年12月31日的128.1%及128.0%，主要由於2024年流動資產增加人民幣1,105.0百萬元。

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.

資產負債比率

有關報告期內影響我們資產負債比率的因素的討論，請參閱「管理層討論及分析－E、財務回顧－4.債項」。

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

根據上述指標，我們認為，本集團存在持續運營能力，可以為股東持續創造價值。

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.

During the Reporting Period, the Company was involved in a dispute with Guizhou Construction Group Co., Ltd.* (貴州建工集團有限公司) ("**Guizhou Construction**") over the settlement of the total consideration of a construction contract, resulting in a lawsuit filed by Guizhou Construction. The court ruled that the Company should pay Guizhou Construction the construction sum of approximately RMB109.5 million and related interest. The Company has filed an appeal against the relevant judgment, and as of the Practicable Date, the court has not yet made a ruling on the appeal (for details, please refer to the Company's announcement dated 9 October 2024).

Save as disclosed above, during the Reporting Period, there is no material pending or material threatened litigation matters or other proceedings, and the Group is not involved in any litigation or other proceedings that would materially and adversely affect our business, financial condition or results of operations.

Directors confirmed that during the Reporting Period, the Group had complied with the applicable PRC laws and regulations in all material respects, and did not have any incidents of material non-compliance, and had obtained all relevant permits, approval documents, qualifications, authorisations and approvals that are material to our business operations.

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。

報告期內，本公司因建設施工合同結算總價款與貴州建工集團有限公司(「**貴州建工**」)產生爭議，被貴州建工訴至法院，法院判決由本公司向貴州建工支付工程款人民幣約109.5百萬元及相關的利息等，本公司已就相關判決提請了上訴，截至實際可行日期，法院尚未就上訴作出判決(詳情請見本公司日期為2024年10月9日的公告)。

除以上所披露外，報告期內，本集團並無重大的未決或重大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 follows:

Market Risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk primarily arising from currency exposure with respect to Hong Kong dollars ("**HKD**") and United States dollars ("**USD**"). Foreign exchange risk mainly arises from cash and cash equivalents and borrowings denominated in HKD and USD.

5. 主要財務風險因素

公司業務面臨的主要風險如下：

市場風險

(i) 外匯風險

本集團由於業務中使用多種貨幣導致面臨外匯風險，涉及的貨幣主要為港元(「**港元**」)及美元(「**美元**」)。外匯風險主要產生自以港元及美元計的現金及現金等價物及借貸。

* *for identification purpose only*

As at 31 December 2024, if HKD had strengthened/weakened by 1% (2023: 1%) against RMB, with all other variables held constant, post-tax profit for the year would have been approximately RMB5,490,000 lower/higher (2023: RMB6,709,000 lower/higher) as a result of foreign exchange losses/gains on translation of HKD denominated assets and liabilities.

於2024年12月31日，如果港元兑人民幣升值／貶值1%（2023年：1%），在所有其他變量保持不變的情況下，本年度的税後利潤將因換算以港元計值的資產及負債產生的匯兑損失／收益而減少／增加約人民幣5,490,000元（2023年：減少／增加人民幣6,709,000元）。

As at 31 December 2024, if USD had strengthened/weakened by 1% (2023: 1%) against RMB, with all other variables held constant, post-tax profit for the year would have been approximately RMB634,000 lower/higher (2023: RMB823,000 lower/higher) as a result of foreign exchange losses/gains on translation of USD denominated assets and liabilities.

於2024年12月31日，如果美元兑人民幣升值／貶值1%（2023年：1%），在所有其他變量保持不變的情況下，本年度的税後利潤將因換算以美元計值的資產及負債產生的匯兑損失／收益而減少／增加約人民幣634,000元（2023年：減少／增加人民幣823,000元）。

(ii) Cash flow and fair value interest rate risk

(ii) 現金流量及公允價值利率風險

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings.

利率風險是指由於市場利率變化造成的金融工具公允價值或未來現金流量波動的風險。本集團承受因市場利率變化帶來的風險主要在於借款。

Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest-rate risk.

浮動利率下的借款使本集團承受現金流量利率風險。按固定利率取得的借款則使本集團承受公允價值利率風險。

Borrowed weighted average effective interest rate and borrowing maturity date are disclosed in Note 29 to the consolidated financial statements.

借貸加權平均實際利率及借款到期日在合併財務報表附註29中披露。

As at 31 December 2024, if the interest rate on floating interest rate borrowings had been higher/lower by 0.5% (2023: 0.5%), the Group's profit before taxation for the year would have changed mainly as a result of higher/lower interest expenses on floating rate borrowings. Details of changes are as follows:

於2024年12月31日，如浮動利率借款的利息上升／下降0.5%（2023年：0.5%），則本集團該年度的税前利潤將發生變化，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	
		2024	2023
		2024年	2023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%	**(16,722)**	(26,361)
– 0.5% lower	－減少0.5%	**16,722**	26,361

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 expected credit loss (ECL) model. For trade and other receivables, receivables under service concession arrangements, amounts due from customers for construction contracts, contract assets and financial assets at amortised cost, 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.

Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment are summarised as below:

(i) *Trade receivables*

In order to minimise the credit risk, the Group determines credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue trade receivables. In addition, the Group reviews the recoverable amount of each individual debt regularly. In this regard, the Group's credit risk is significantly reduced.

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、合約資產及以攤銷成本計量的金融資產，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、信貸審批及其他監察程序，以確保跟進有關逾期貿易應收款項的追討事宜。此外，本集團定期檢討各項獨立債務的可收回金額。就此而言，本集團的信用風險已大為減少。

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At 31 December 2024, the Group had a certain concentration of credit risk as 66% (2023: 64%) and 89% (2023: 87%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

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2024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66%(2023年：64%)及89%(2023年：87%)，因此承受一定程度的信用集中風險。

In addition, the Group applies the IFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables, which are assessed on collective basis by using a provision matrix except for items that are subject to individual assessment. The Group categorises its trade receivables based on past due status. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. Impairment loss of approximately RMB53,238,000 (2023: approximately RMB30,288,000) is recognised during the year.

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戶類別的虧損模式有重大差異，故本集團的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。年內已確認減值虧損約人民幣53,238,000元(2023年：約人民幣30,288,000元)。

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

(ii) 特許經營權協議下的應收款項、應收客戶建造合同款

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. 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.

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，並根據毋須付出過渡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。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。

Impairment loss on receivables under service concession arrangements of approximately RMB333,000 (2023: approximately RMB4,969,000) is recognised and impairment loss on amount due from customers for construction contracts approximately RMB3,478,000 (2023: recognition of approximately RMB2,024,000) is reversed during the year.

年內確認特許經營權協議下的應收款項的減值虧損約人民幣333,000元(2023年：約人民幣4,969,000元)及撥回應收客戶建造合同款的減值虧損約人民幣3,478,000元(2023年：確認約人民幣2,024,000元)。

(iii) Contract assets

In determining the ECL for contract assets, the Group has made individual assessment on the recoverability of contract assets based on historical settlement records, past experience, and also forward-looking information. Impairment loss on contract assets of approximately RMB2,040,000 (2023: RMB3,024,000) was recognised during the year.

(iv) Other receivables

The Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive available forward-looking information. The Group believes that there are no significant increase in credit risk of these balances since initial recognition and the Group provided impairment based on 12-month ECL, except certain balance of other receivables of approximately RMB33,124,000 (2023: approximately RMB203,123,000) which was specifically assessed for impairment based on lifetime ECL and the recovery was considered to be remote by the Group due to unfavourable event, as a result, reversal of impairment on certain balance of approximately RMB8,189,000 (2023: impairment loss of approximately RMB11,187,000) was recognised during the year. Total impairment loss on other receivables of approximately RMB16,907,000 (2023: approximately RMB9,728,000) was recognised during the year.

(v) Other financial assets at amortised cost

The Group makes periodic individual assessment on their recoverability based on historical settlement records and also quantitative and qualitative information that is reasonable and supportive forward-looking information. At 31 December 2024, the Group had made an accumulated lifetime loss allowance on credit-impaired balance of approximately RMB180,000,000 (2023: approximately RMB120,000,000).

(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.

(iii) 合約資產

於釐定合約資產的預期信貸虧損時，本集團根據歷史結算記錄、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。年內確認合約資產的減值虧損約人民幣2,040,000元(2023年：人民幣3,024,000元)。

(iv) 其他應收款項

本集團根據歷史結算記錄、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。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，本集團若干其他應收款項結餘約人民幣33,124,000元(2023年：約人民幣203,123,000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8,189,000元的減值撥回(2023年：約人民幣11,187,000元減值虧損)。年內確認其他應收款項的減值虧損總額約人民幣16,907,000元(2023年：約人民幣9,728,000元)。

(v) 以攤銷成本計量的其他金融資產

本集團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2024年12月31日，本集團已就已出現信貸減值的餘額作出累計全期虧損撥備約人民幣180,000,000元(2023年：約人民幣120,000,000元)。

(vi) 銀行餘額及受限制資金

所有的現金及銀行餘額及受限制資金都存放於中國及香港的主要金融機構，董事認為其信用質量高。因此，本集團因該等結餘面臨的信用風險有限。

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 RMB1,320.4 million as of 31 December 2024. With respect to our future capital commitments and other financing requirements, we had unutilised banking facilities of RMB101.6 million as of 31 December 2024.

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 basis of expected cash flows. We expected to fund the future cash flow needs through cash flows generated internally from operations and borrowings from financial institutions.

流動資金風險

我們的目標是通過可得的銀行信貸維持充足的現金和資金來源，並通過維持承諾信貸額度來保持資金的靈活性。於2024年12月31日我們的流動資產淨額為人民幣1,320.4百萬元。就我們未來的資本性承諾及其他融資需求而言，於2024年12月31日，我們擁有未動用銀行融資人民幣101.6百萬元。

為管理流動性風險，管理層監督我們關於流動資金儲備(包括未提取的銀行融資)的滾動預測和基於預計現金流量的現金及現金等價物。我們預期通過內部經營活動產生的現金流量以及向金融機構的借款來滿足未來現金流量需求。

6. Significant Subsequent Events

There were no significant events affecting the Group after the year end and up to the date of this report.

6. 重大期後事項

於年末之後直至本報告日期，概無影響本集團的重大事項。

7. Relationship with Employees

As of 31 December 2024, we had 1,115 full-time employees, all of whom were in China and most of whom were based in Yunnan. The following table sets forth the breakdown of our employees by function as of 31 December 2024:

7. 與員工的關係

於2024年12月31日，我們有1,115名全職僱員，全部在中國，大部分在雲南。下表載列我們截至2024年12月31日按職能劃分的僱員明細：

Function	職能	Number 人數
Management and Administration	管理及行政	197
Finance	財務	47
Research and Development	研發	60
Quality Monitoring	質量監測	211
Marketing	營銷	23
Operations	運營	535
Construction and Maintenance	建設及維護	42
Total	總計	1,115

We recruit our employees on the open market. Compensation for our employees includes post wages, performance-based wages, allowances and subsidies, overtime payment, bonuses and other staff benefits. For the years ended 31 December 2023 and 2024, our employee benefits expenses amounted to approximately RMB193.0 million and RMB171.6 million, respectively.

我們在公開市場上招募僱員。我們僱員的報酬包括崗位工資、績效工資、津補貼、加班工資、獎金及其他僱員福利。於截至2023年及2024年12月31日止年度，我們的僱員福利開支分別約為人民幣193.0百萬元和人民幣171.6百萬元。

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 Kunming Municipal Dianchi Administration Bureau. The revenue attributable to our largest customer was approximately RMB885.1 million, accounting for approximately 55.5% of the total revenue of the Group. During the Reporting Period, the revenue attributable to our top five largest customers was approximately RMB1,190.2 million, accounting for approximately 74.7% of the total revenue of the Group.

本報告期內，我們的最大客戶為昆明市滇池管理局，來自我們的最大客戶的收入約為人民幣885.1百萬元，佔本集團總收入比例約為55.5%。本報告期內，來自我們的前五大客戶的收入約為人民幣1,190.2百萬元，佔本集團總收入比例約為74.7%。

Our revenue mainly comes from wastewater treatment service in Kunming. The wastewater treatment fee paid to us was mainly from government purchase. Of those fees, payment from government purchase comes directly from Kunming Dianchi Administration Bureau and the governments of various districts in Kunming.

我們的收入主要來自昆明的污水處理服務。支付給我們的污水處理費主要來自政府採購。該等費用中，來自政府採購的支付款項直接由昆明市滇池管理局和昆明市各區政府撥款支付。

Our other major customers included Kunming Wuhua Water Resources Bureau* (昆明市五華區水務局), Renhuai Water Resources Bureau* (仁懷市水務局) and Yiliang Development Investment Co., Ltd.* (彝良縣開發投資有限責任公司), etc. We provided wastewater treatment, water supply and construction services to the above customers under the relevant concession agreements.

我們其他主要客戶包括昆明市五華區水務局、仁懷市水務局及彝良縣開發投資有限責任公司等。我們根據相關特許經營權協議向上述客戶提供污水處理、水供給及施工服務。

All of our five largest customers are independent third parties, and none of our Directors, their close 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 five largest customers during the Reporting Period. We did not have any major customers who were also our suppliers.

我們的前五大客戶均為獨立第三方，且報告期內，概無董事、其緊密聯繫人士或任何股東(就董事所知，持有本公司5%以上的已發行股份)持有我們的前五大客戶的權益。我們並無主要客戶同時為我們的供應商的情況。

9. Relationship with Suppliers

9. 與供應商的關係

Our principal suppliers are power suppliers who provide electricity to our facilities, construction contractors who designed and constructed our facilities and suppliers of raw materials including wastewater treatment chemicals and other equipment maintenance replacements. We have been working with our major suppliers for a period ranging from one to more than five years.

我們的主要供應商為電力供應商(為我們的設施供電)、工程承包商(設計並建造我們的設施)及原材料供應商(供應包括污水處理化學品及其他設備維護易耗品)。我們與主要供應商的合作介乎一至五年以上。

During the Reporting Period, our largest supplier was Kunming Power Supply Bureau of Yunnan Power Grid Company Limited, our purchase from the largest supplier amounted to approximately RMB85.4 million, accounted for approximately 22.9% of the total purchase of the Group. During the Reporting Period, our purchase from the top five suppliers amounted to approximately RMB138.2 million, accounted for approximately 37.1% of the total purchase of the Group.

本報告期內，我們的最大供應商為雲南電網有限責任公司昆明供電局，我們自最大供應商採購額約為人民幣85.4百萬元，佔本集團採購總額比例約為22.9%。本報告期內，我們自前五大供應商採購額約為人民幣138.2百萬元，佔本集團採購總額比例約為37.1%。

Our major suppliers include Kunming Power Supply Bureau of Yunnan Power Grid Company Limited which provides electricity for our operation, and raw materials and service providers such as Chongqing Lanjie Environmental Technology Co., Ltd.* (重慶藍潔環境技術有限公司), Kunming Kejingyuan Environmental Protection Technology Co., Ltd. * (昆明科淨源環保科技有限公司), Anning Jinyuan Industry and Trade Co., Ltd. * (安寧金源工貿有限公司), and Yunnan Novartis Environmental Protection Engineering Co., Ltd. (雲南諾華環保工程有限公司) which provide wastewater 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，為我們提供污水處理化學品及其他設施運行維護材料的重慶藍潔環境技術有限公司、昆明科淨源環保科技有限公司、安寧金源工貿有限公司及雲南諾華環保工程有限公司等原材料及服務供應商。

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.

我們的前五大供應商均為位於中國的獨立第三方，且報告期內，概無董事、其聯繫人士或任何股東(就董事所知，持有本公司5%以上的已發行股份)持有我們的前五大供應商的權益。我們並無主要供應商同時為我們的客戶的情況。我們報告期內未與主要供應商訂立任何長期協議。

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.

除我們的公共服務供應商外，我們已對合作的供貨商制定集中採購政策。根據該政策，我們的子公司須向不同的供貨商招標，並基於產品的價格、質量及交貨及時性選擇供貨商。所有供應合約需經總部審查及批准，總部會對其進行定期測試以檢查交付產品的質量。

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 the agreed contractual billing period, subject to internal review and approval. For our major suppliers, we settle according to the contract agreement, and as of 31 December 2024, we did not have significant payments in arrears.

為獲取規模經濟及交通便利的效益，我們從位於昆明附近的幾家當地供貨商採購原材料，以實現原材料更快捷實惠的交付。在通過內部審查及批准後，我們通常在合同約定賬期內付款予供貨商。就主要供貨商而言，我們按照合同約定結算，截至2024年12月31日止，我們並無重大逾期欠款。

We may from time to time cooperate with any suppliers in the market who offer similar raw materials with terms comparable to our existing suppliers so as to replace the existing suppliers. To mitigate the risks associated with any reliance on our major suppliers, we periodically seek potential alternative suppliers and obtain quotations from such suppliers with a view to keeping in contact with potential suppliers. In addition, in order to secure reliable supply channels and ensure the quality of our supplies, in 2015, we acquired 51% interest in Kunming Heertai Environmental Industry & Trade Co. Ltd. (昆明和而泰環保工貿有限責任公司), a producer of wastewater treatment chemicals, from which we intend to continue procuring a majority of our chemicals in the future. As of 31 December 2024, we had not experienced any material difficulty in obtaining any utility services, construction services, or supplies of raw materials or equipment for our business operations.

我們可隨時與市場上按可比條款提供類似原材料的供應商合作，以替代現有供應商。為減輕我們對主要供應商的依賴所帶來的風險，我們定期物色潛在的替代供應商並收集其報價，從而與潛在供應商保持聯繫。此外，為確保可靠的供應渠道及供應質量，我們於2015年收購了昆明和而泰環保工貿有限責任公司(污水處理化學藥品生產商)51%的股權，我們擬在未來繼續向其採購大部分化學藥品。截至2024年12月31日，我們為業務營運取得任何公共服務、建設服務或採購任何原材料或設備的過程中並無遭遇任何重大困難。

10. Environmental Policies and Performance

10. 環境政策及表現

We must observe the national and local environmental protection laws and regulations in China, including the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Law of the PRC on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》), the Water Law of the PRC (《中華人民共和國水法》), the Regulations on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》) and Yunnan Dianchi Lake Protection Regulations《(雲南省滇池保護條例》).

我們須遵守中國的全國性及地方性環境保護法律法規，包括《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》、《中華人民共和國水法》、《城鎮排水與污水處理條例》及《雲南省滇池保護條例》等。

We have implemented the corresponding measures in the operation of our business to ensure the compliance with the applicable requirements under the PRC environmental protection laws and regulations. As of 31 December 2024, we had not received any material claims issued for failing to comply with the relevant licensing and environmental requirements.

我們在業務營運中已實施相應措施，以確保我們遵守中國環境法律法規的適用要求。截至2024年12月31日，我們並無遭遇因未能遵守有關許可證及環保要求而發出的重大索賠。

As of 31 December 2024, we obtained all the material environmental licenses and certificates for each of our facilities, and we had complied in all material respects with the relevant environmental laws and regulations.

截至2024年12月31日止，我們已為各個設施獲取所有重要的環境許可證，而且我們已全面遵守相關環境法律法規。

Our environmental compliance expenses were RMB19.5 million and RMB17.8 million for the years ended 31 December 2024 and 2023, respectively. To the best of our Directors' knowledge, information and belief, we do not expect our costs of compliance with environmental laws and regulations to increase significantly in the near future.

截至2024年及2023年12月31日止年度，我們的環境合規支出分別為人民幣19.5百萬元和人民幣17.8百萬元。據董事所知、所悉及所信，我們預期近期遵守環境法律法規的成本不會大幅增加。

B. BUSINESS PERFORMANCE

The audited results of the Company and its subsidiaries for the year ended 31 December 2024 are stated in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 169 to 170. The financial positions of the Company and its subsidiaries for the year ended 31 December 2024 are stated in the Consolidated Statement of Financial Position on pages 171 to 172. The consolidated cash flows of the Company and its subsidiaries for the year ended 31 December 2024 are stated in the Consolidated Statement of Cash Flows on pages 174 to 175.

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 23 to 63 hereof.

B. 業績

本公司及其附屬公司截至2024年12月31日止年度經審計業績載於第169頁至第170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2024年12月31日止年度的財務狀況載於第171頁至第172頁的合併財務狀況表。本公司及其附屬公司截至2024年12月31日止年度的合併現金流量載於第174頁至第175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23頁至第63頁的管理層討論及分析。

C. SHARE CAPITAL

As of 31 December 2024, 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2024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

During the Reporting Period, the Company did not repurchase or issue any corporate bonds.

D. 公司債券發行

於報告期內，本公司無回購、發行任何公司債券等事宜。

E. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had made any purchase, sale or redemption of the Company's listed securities during the Reporting Period. The Company does not have any treasury shares (as defined under the Listing Rules) as at 31 December 2024.

E. 購買、出售或贖回本公司上市證券

於報告期內，本公司或其任何附屬公司並無任何購買、出售或贖回本公司任何上市證券事宜。截至2024年12月31日，本公司並無任何庫存股(定義見上市規則)。

F. SHARE SCHEMES AND ISSUANCE OF EQUITY SECURITIES

During the Reporting Period, the Company or any of its subsidiaries had no share option schemes and share award schemes, and there was also no issuance of equity securities (including securities convertible into equity securities) for cash.

F. 股份計劃及發行權益證券

報告期內，本公司或其任何附屬公司並無任何購股權計劃及股份獎勵計劃，亦無發行權益證券(包括可轉換為權益證券的證券)以換取現金。

G. PRE-EMPTIVE RIGHT TO ACQUIRE

In accordance with the Company Law, other applicable laws and regulations and the provisions of the Articles of Association, there are no provisions in relation to the Shareholders' entitlement to the pre-emptive right to acquire.

G. 優先購買權

根據《公司法》，其他適用法律法規以及公司章程規定，並無有關股東享有優先購買權之規定。

H. RESERVE AND DISTRIBUTABLE RESERVE

The details in relation to the changes in the reserve of the Company for the current year are stated in Note 40 to the Financial Statements. Pursuant to the Company Law, undistributed profit could be distributed as dividend after allocation is made to the statutory surplus reserve. According to the requirements of the Articles of Association, when the Company is to distribute its profit after tax in the relevant accounting year, the profit after tax shall be deemed to be the lesser of the amounts stated in the financial statements prepared in accordance with the China Accounting Standards and the International Financial Reporting Standards. For the calculation in accordance with the International Financial Reporting Standards, as at the end of 2024, the undistributed profit of the Company amounted to RMB2,177.0 million. For the calculation in accordance with the China Accounting Standards, as at the end of 2024, the undistributed profit of the Company amounted to RMB2,174.3 million.

H. 儲備及可供分派儲備

有關本公司本年度的儲備變動詳情，載於財務報表附註40。根據《公司法》，在撥往法定盈餘公積後，未分派利潤可當作股息分派。根據公司章程的規定，本公司在分派有關會計年度的稅後利潤時，以按中國會計準則和國際財務報告準則編製的財務報表所載稅後利潤數較少者為準。按國際財務報告準則計算，2024年末本公司的未分派利潤為人民幣2,177.0百萬元。按中國會計準則計算，2024年末本公司的未分派利潤為人民幣2,174.3百萬元。

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 2024.

J. 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2024年12月31日止年度的末期股息。

K. BANK BORROWINGS AND OTHER BORROWINGS

The details in relation to the bank borrowings and other borrowings of the Company and its subsidiaries as of 31 December 2024 are stated in Note 29 to the Financial Statements.

K. 銀行借款及其他借款

本公司及其附屬公司於2024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29。

L. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

As of 31 December 2024, the Board of Directors consisted of 8 Directors, among whom, 2 are executive Directors, 3 are non-executive Directors and 3 are independent non-executive Directors. The Directors have been appointed by the Shareholders with a term of 3 years, after which they may be re-elected.

The Board of Supervisors currently consists of 3 Supervisors, among whom, 2 are employee representative Supervisors. The remaining Supervisor has been appointed by our Shareholders and the current employee representative Supervisors have been appointed by the representatives of our labor union. The Supervisors are appointed for a term of 3 years, after which they may be re-elected.

L. 董事、監事和高級管理層

於2024年12月31日，董事會共有8名董事，其中2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。

During the year until the end of the Reporting Period, the information regarding the Company's Directors and Supervisors are set out as follows:

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	60	Chairperson; Executive Director (Chairperson of the Strategy and Investment Decision Committee, and member of the Remuneration and Appraisal Committee and the Nomination Committee)	Responsible for strategic decision making of the Company	16 September 2021	August 2021	None
曾鋒先生	60	董事長、執行董事(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)	負責本公司的戰略決策	2021年9月16日	2021年8月	無
Mr. Chen Changyong	55	Executive Director and General Manager (member of the Strategy and Investment Decision Committee)	Participating in strategic decision making of the Company and responsible for operation management of the Company	Appointed as General Manager on 10 July 2019 and as Executive Director on 19 June 2020	June 2019	None
陳昌勇先生	55	執行董事兼總經理(戰略與投資決策委員會委員)	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

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. Miao Xianjun[1]	61	Executive Director	Participating in strategic decision making of the Company	4 January 2024, and ceased to be an Executive Director from 20 December 2024	October 2023	None
苗獻軍先生[1]	61	執行董事	參與公司戰略決策	2024年1月4日，於2024年12月20日起不再擔任執行董事	2023年10月	無
Mr. Xu Jingdong	57	Non-executive Director	Participating in the development of business strategies of the Company	29 June 2023	June 2023	None
徐景東先生	57	非執行董事	參與制定本公司的業務發展戰略	2023年6月29日	2023年6月	無
Mr. Zhou Jianbo[2]	38	Non-executive Director	Participating in the development of business strategies of the Company	6 April 2023, and ceased to be a Non-executive Director from 21 August 2024	April 2023	None
周建波先生[2]	38	非執行董事	參與制定本公司的業務發展戰略	2023年4月6日，於2024年8月21日起不再擔任非執行董事	2023年4月	無
Ms. Cheng Yijing[3]	54	Non-executive Director	Participating in the development of business strategies of the Company	21 August 2024	August 2024	None
成怡靜女士[3]	54	非執行董事	參與制定本公司的業務發展戰略	2024年8月21日	2024年8月	無

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. Zhang Yang	39	Non-executive Director	Participating in the development of business strategies of the Company	7 December 2022	December 2022	None
張洋先生	39	非執行董事	參與制定本公司的業務發展戰略	2022年12月7日	2022年12月	無
Mr. Zha Guiliang	45	Independent Non-executive Director (Chairman of the Audit Committee, and member of the Remuneration and Appraisal Committee and the Strategy and Investment Decision Committee)	Participating in making significant decisions and advises on corporate governance, connected transactions, and various matters concerning Directors and senior management	13 November 2023	November 2023	None
查貴良先生	45	獨立非執行董事(審計委員會主任委員、薪酬與考核委員會及戰略與投資決策委員會委員)	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	2023年11月13日	2023年11月	無
Ms. Zheng Dongyu	68	Independent Non-executive Director (Chairman of the Nomination Committee and member of the Audit Committee)	Participating in making significant decisions and advises on corporate governance, connected transactions, and various matters concerning Directors and senior management	18 June 2021	June 2021	None
鄭冬渝女士	68	獨立非執行董事(提名委員會主任委員、審計委員會委員)	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6月18日	2021年6月	無

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 王競強先生	49	Independent Non-executive Director (Chairman of the Remuneration and Appraisal Committee, and member of the Audit Committee and the Nomination Committee) 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)	Participating in making significant decisions and advises on corporate governance, connected transactions and various matters concerning Directors and senior management 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	12 November 2021 2021年11月12日	November 2021 2021年11月	None 無
Mr. Na Zhiqiang[4] 那志強先生[4]	63	Chairman of the Board of Supervisors, Employee Representative Supervisor 監事會主席、職工代表監事	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 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、公司章程及股東會議的決議案	19 January 2011, and ceased to be a Supervisor and Chairman of the Board of Supervisor from 8 January 2025 2011年1月19日，於2025年1月8日起不再擔任監事、監事會主席	February 1990 1990年2月	None 無

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. Yao Jianhua	66	Employee Representative Supervisor	Responsible for 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	November 1995 (5)	None
姚建華先生	66	職工代表監事	負責監督董事、經理及其他管理人員，確保遵守法律及法規、公司章程及股東會議的決議案	2011年1月19日	1995年11月(5)	無
Mr. Shao Wei	44	Supervisor	Responsible for 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	7 May 2016	May 2016	None
邵偉先生	44	監事	負責監督董事、經理及其他管理人員，確保遵守法律及法規、公司章程及股東會議的決議案	2016年5月7日	2016年5月	無

Notes:

(1) Mr. Miao was appointed as an executive Director at the 2024 first extraordinary general meeting held on 4 January 2024; he tendered his resignation to the Board due to retirement on 20 December 2024 and his resignation took effect on 20 December 2024.

(2) Mr. Zhou tendered his resignation as a non-executive Director to the Board due to change in his employment on 24 July 2024 and his resignation took effect on 21 August 2024.

(3) Ms. Cheng was appointed as a non-executive Director at the 2024 third extraordinary general meeting held on 21 August 2024.

(4) Mr. Na submitted his resignation as a Supervisor and Chairman of the Board of Supervisors to the Board of Supervisors due to retirement on 8 January 2025 and his resignation took effect on 8 January 2025. Mr. Na joined Kunming No. 1 Water Purification Plant (昆明市第一水質淨化廠) in February 1990.

(5) Mr. Yao joined the Management Cashier Office of Kunming City Drainage Company Limited (昆明城市排水公司收費管理處), one of the predecessors of the Group, in November 1995.

At the end of the Reporting Period, the Company had two senior management members. For details, please refer to "Chapter Seven – Profiles of Directors, Supervisors and Senior Management – E. Senior Management" in the report.

The Company has received the confirmation of independence issued by the independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules and is of the opinion that all independent non-executive Directors are independent of the Company.

附註：

(1) 苗先生於2024年1月4日召開的2024年第一次臨時股東會上獲委任為執行董事；於2024年12月20日因退休向董事會提交辭呈，其辭任已於2024年12月20日生效。

(2) 周先生因個人工作變動已於2024年7月24日向董事會提交辭呈，辭去非執行董事的職務，其辭任已於2024年8月21日生效。

(3) 成女士於2024年8月21日召開的2024年第三次臨時股東會上獲委任為非執行董事。

(4) 那先生因退休於2025年1月8日向監事會提交辭呈，辭去監事、監事會主席職務，其辭任已於2025年1月8日生效。那先生於1990年2月加入昆明市第一水質淨化廠。

(5) 姚先生於1995年11月加入本集團的前身之一昆明城市排水公司收費管理處。

於報告期末，本公司高級管理層包括2名成員，資料詳情請參閱本報告「第七章董事、監事及高級管理層簡歷 – E.高級管理層」一節。

本公司已獲獨立非執行董事根據上市規則第3.13條出具對本公司獨立性之確認，以及本公司認為所有獨立非執行董事均獨立於本公司。

Changes to the information of Directors

During the Reporting Period and as of the Latest Practicable Date, the Company's Directors, Supervisors and senior management changed as follows:

1. Mr. Miao Xianjun was appointed as an executive Director at the 2024 first extraordinary general meeting held on 4 January 2024; he tendered his resignation to the Board due to retirement on 20 December 2024 and his resignation took effect on 20 December 2024.

2. Mr. Zhou Jianbo tendered his resignation as a non-executive Director to the Board due to change in his employment on 24 July 2024 and his resignation took effect on 21 August 2024.

3. Ms. Cheng Yijing was appointed as a non-executive Director at the 2024 third extraordinary general meeting held on 21 August 2024.

4. Mr. Na Zhiqiang submitted his resignation as a Supervisor and Chairman of the Board of Supervisors to the Board of Supervisors due to retirement on 8 January 2025 and his resignation took effect on 8 January 2025.

5. Ms. Wang Shu was appointed as a Supervisor and Chairman of the Board of Supervisors on 8 January 2025.

Changes to the information of Directors and Supervisors during the Reporting Period required to be disclosed under Rule 13.51B(1) of the Listing Rules are as follows:

1. Mr. Xu Jingdong, a non-executive Director, ceased to serve as the director and general manager of Kunming Luobo River Reservoir Construction Management Co., Ltd.* (昆明羅泊河水庫建設管理有限責任公司) in November 2024.

2. Ms. Cheng Yijing, a non-executive Director, currently serves as a director of Yunnan Southwest Consulting Co., Ltd.* (雲南西南諮詢有限公司) and Yunnan Provincial Tourism Investment Co., Ltd.* (雲南省旅遊投資有限公司).

3. Mr. Zhang Yang, a non-executive Director, ceased to serve as the chairperson of Kunming Industry Investment and Supply Chain Management Co., Ltd.* (昆明產投供應鏈管理有限公司) and Kunming Green Resources Industrial Development Co., Ltd.* (昆明市綠色資源產業發展有限公司) in October 2024; and ceased to serve as the chairperson of Kunming Teliya Civil Explosive Equipment Monopoly Co., Ltd.* (昆明市特立亞民爆器材專營有限公司) in December 2024.

董事資料的變動

於報告期內及截至最後實際可行日期，本公司董事、監事、高級管理人員變動如下：

1. 苗獻軍先生於2024年1月4日召開的2024年第一次臨時股東會上獲委任為執行董事；於2024年12月20日因退休向董事會提交辭呈，其辭任已於2024年12月20日生效。

2. 周建波先生因個人工作變動已於2024年7月24日向董事會提交辭呈，辭去非執行董事的職務，其辭任已於2024年8月21日生效。

3. 成怡靜女士已於2024年8月21日召開的2024年第三次臨時股東會上獲委任為非執行董事。

4. 那志強先生因退休於2025年1月8日向監事會提交辭呈，辭去監事及監事會主席職務，其辭任已於2025年1月8日生效。

5. 王姝女士已於2025年1月8日獲委任為監事及監事會主席。

於報告期內，根據上市規則13.51B(1)條，須予披露的董事、監事的資料變動如下：

1. 非執行董事徐景東先生於2024年11月不再擔任昆明羅泊河水庫建設管理有限責任公司董事兼總經理。

2. 非執行董事成怡靜女士現任雲南西南諮詢有限公司及雲南省旅遊投資有限公司董事。

3. 非執行董事張洋先生於2024年10月不再擔任昆明產投供應鏈管理有限公司及昆明市綠色資源產業發展有限公司董事長；及於2024年12月不再擔任昆明市特立亞民爆器材專營有限公司董事長。

4. Mr. Shao Wei, the Supervisor, ceased to concurrently serve as the legal representative, executive director, and general manager of Kunming Kangju Industrial Development Co., Ltd.* (昆明康居產業開發有限公司) in March 2024; and ceased to serve as the legal representative, executive director, and manager of Kunming Yunzhong Recreation Investment and Development Co., Ltd.* (昆明雲中康養投資開發有限公司) in August 2024.

4. 監事邵偉先生於2024年3月不再兼任昆明康居產業開發有限公司法定代表人、執行董事及總經理職務；於2024年8月不再擔任昆明雲中康養投資開發有限公司法定代表人、執行董事及經理職務。

M. SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

M. 董事及監事服務合約

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).

本公司所有董事和監事均未與本公司或其附屬公司訂立任何僱主在一年內不能在不予賠償(法定賠償除外)的情況下終止的服務合約。

N. REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

N. 董事、監事及高級管理層的薪酬

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 insurance, medical insurance and housing provident funds and others. The Board will conduct annual performance appraisal for senior management and the amount of annual remuneration is determined at the end of the year.

本公司董事、監事及高級管理層的薪酬詳情載於財務報表附註12。董事薪酬政策請見本報告「第九章企業管治報告」一節。高級管理層的薪酬包括基本薪金、績效獎金和其他福利。基本薪金根據各位高級管理層在公司的職位釐定，績效獎金依據本公司經營業績決定，其他福利則包括法定的養老保險、醫療保險和住房公積金等。董事會將對高級管理層進行年度績效考核，年度薪酬金額將在年底確定。

The Company participates in a defined contribution social pension scheme established by the PRC government and contributes a certain percentage of the relevant employees' salaries to the scheme. Effective from 1 January 2014, the Group also 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.

本公司已參與由中國政府制定的定額供款社會基本養老保險，將僱員薪金的一定百分比作為供款繳入養老保險。本集團亦設有一項額外職工退休金計劃(為員工購買補充養老保險的企業年金制度)，於2014年1月1日起生效。根據該額外計劃，本集團在中國的全職員工有權享有總額為前一年工資8%的額外退休金。職工退休時，根據其在公司服務年限，按年金方案約定比例計算歸屬權益。

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 2024, 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 2024.

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2024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2024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。

The scope of the remuneration of the senior management officers is as follows:

高級管理人員的薪酬範圍載列如下：

Range of remuneration *(RMB'000)* **薪酬範圍***(人民幣千元)*	**Number of Senior Management** **高級管理人員人數**
0-500	2
500-1,000	–

Note:

1. The remuneration in the above table is pre-tax remuneration. The remuneration range includes salary (wages, bonuses and allowances, employee benefits), benefit plans (basic pension insurance and enterprise annuity paid by the employer) and others (housing provident fund, medical insurance and other social insurance paid by the employer).

註：

1. 上表薪酬為稅前薪酬，薪酬範圍包括：工資(工資、獎金和津貼、職工福利)、福利計劃(僱主支付的基本養老保險和企業年金)、其他(僱主支付的住房公積金、醫療保險和其他社會保險)。

O. INTERESTS OF DIRECTORS, SUPERVISORS (AND SUCH ENTITIES CONNECTED THEREWITH) IN MAJOR TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

O. 董事、監事(及與其有關連的實體)於重要交易、安排或合約的權益

At the end of 2024 or at any time during 2024, none of the Company's Directors, Supervisors (and such entities connected therewith) had any individual interests, directly or indirectly, in the major transactions, arrangements or contracts as established by the Company or any of its subsidiaries.

於2024年度結束時或2024年度內的任何時間，本公司所有董事、監事(及與其有關連的實體)概無在本公司或其任何附屬公司所設立的重要的交易、安排或合約直接或間接擁有任何個人利益。

P. INTERESTS OF DIRECTORS AND SUPERVISORS IN COMPETITIVE BUSINESS

P. 董事、監事於競爭性業務的權益

During the Reporting Period, none of the Directors, Supervisors nor their associates (as defined in the Listing Rules) had any competitive interests in such business that is in direct or indirect competition with any of the Group's business.

於本報告期內，概無董事、監事及彼等的聯繫人(定義見上市規則)與任何本集團業務直接或間接構成競爭的業務中擁有任何競爭權益。

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

As of 31 December 2024, 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.

As of 31 December 2024, none of the Directors or Supervisors or their respective spouses or children below 18 years old was granted any right to subscribe for the Shares of the Company or any of its associated corporations or to have exercised any such rights.

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

截至2024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。

截至2024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. INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES

R. 主要股東於股份之權益

As at 31 December 2024 and to the best knowledge of the Company's Directors, the following persons (except for the Company's Directors, the chief executives or Supervisors) had some interest or short positions in the Shares or underlying shares of the Company which had to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO:

截至2024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	Beneficial Owner	Domestic Shares	446,889,209 (long position) *(Note 2)*	43.42%	64.85%
昆明滇池投資	實益擁有人	內資股	446,889,209(好倉) *(附註2)*	43.42%	64.85%
Kunming Public Rental Housing Development and Construction Management Co., Ltd.	Security interest	Domestic Shares	33,013,345 (long position) *(Note 3)*	3.21%	4.79%
昆明市公共租賃住房開發建設管理有限公司	保證權益	內資股	33,013,345(好倉) *(附註3)*	3.21%	4.79%
Yunnan Yuntou Financial Leasing Co., Ltd.	Beneficial Owner	Domestic Shares	213,377,684 (long position) *(Note 4)*	20.73%	30.97%
雲南雲投融資租賃有限公司	實益擁有人	內資股	213,377,684(好倉) *(附註4)*	20.73%	30.97%
Kunming Industrial Development & Investment Co., Ltd.	Beneficial Owner	H Shares	59,000,000 (long position) *(Notes 5 and 7)*	5.73%	17.35%
昆明產業開發投資有限責任公司	實益擁有人	H股	59,000,000(好倉) *(附註5及7)*	5.73%	17.35%

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 Industrial Development and Construction Company Limited	Interest of Controlled Corporation	H Shares	59,000,000 (long position) *(Notes 5 and 7)*	5.73%	17.35%
昆明市產業開發建設有限責任公司	受控法團權益	H股	59,000,000(好倉)*(附註5及7)*	5.73%	17.35%
Kunming State-owned Assets Management and Operations Co., Ltd.	Beneficial Owner	H Shares	39,790,000 (long position)	3.87%	11.70%
昆明市國有資產管理營運有限責任公司	實益擁有人	H股	39,790,000(好倉)	3.87%	11.70%
Yunnan Provincial Investment Holdings Group Co., Ltd.	Beneficial Owner	H Shares	64,770,000 (long position)	6.29%	19.05%
雲南省投資控股集團有限公司	實益擁有人	H股	64,770,000(好倉)	6.29%	19.05%
Modern Orient Limited	Interest of Controlled Corporation	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Modern Orient Limited	受控法團權益	H股	47,754,000(好倉)*(附註6及7)*	4.64%	14.04%
Beijing Enterprises Water Group Limited	Beneficial Owner	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Beijing Enterprises Water Group Limited	實益擁有人	H股	47,754,000(好倉)*(附註6及7)*	4.64%	14.04%

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(%)
Beijing Enterprises Investments Limited	Interest of Controlled Corporation	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Beijing Enterprises Investments Limited	受控法團權益	H股	47,754,000(好倉) *(附註6及7)*	4.64%	14.04%
Beijing Enterprises Holdings Limited	Interest of Controlled Corporation	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Beijing Enterprises Holdings Limited	受控法團權益	H股	47,754,000(好倉) *(附註6及7)*	4.64%	14.04%
Beijing Enterprises Group Company Limited	Interest of Controlled Corporation	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Beijing Enterprises Group Company Limited	受控法團權益	H股	47,754,000(好倉) *(附註6及7)*	4.64%	14.04%
Beijing Enterprises Group (BVI) Company Limited	Interest of Controlled Corporation	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Beijing Enterprises Group (BVI) Company Limited	受控法團權益	H股	47,754,000(好倉) *(附註6及7)*	4.64%	14.04%
Beijing Enterprises Environmental Construction Limited	Interest of Controlled Corporation	H Shares	47,754,000 (long position) *(Notes 6 and 7)*	4.64%	14.04%
Beijing Enterprises Environmental Construction Limited	受控法團權益	H股	47,754,000(好倉) *(附註6及7)*	4.64%	14.04%

Notes:

1. The above information disclosed is primarily based on the information provided by the website of the Hong Kong Stock Exchange (https://www.hkexnews.hk) and the records of the register maintained by the Company under section 336 of the SFO.

2. Pursuant to the counter-guarantee contract signed by KDI on 29 June 2022, Kunming Dianchi Investment pledged 33,013,345 Domestic Shares held by it as security for its debts. On 10 December 2024, 213,377,684 Shares originally held by KDI were ordered by the court to be delivered to Yunnan Yuntou Financial Leasing Co., Ltd. to offset its debts. As at the Latest Practicable Date, KDI held an aggregate of 446,889,209 Domestic Shares, representing approximately 43.42% of the total number of issued Shares of the Company.

   On 24 October 2022, KDI pledged up to 198,080,068 Domestic Shares in the issued Shares of the Company in favour of Agricultural Bank of China Limited Kunming Dianchi National Tourism Resort Sub-branch (the "**Lender**") as security for a loan facility in an aggregate amount of RMB200,000,000 provided by the Lender to the Company (please see the Company's announcement dated 23 October 2022 for details). As of the end of the Reporting Period, the Loan Facility has matured and the Company has fulfilled all related repayment obligations, while the procedures for the release of the Pledged Shares are still in process.

   On 31 August 2023, the Company received the Notice of Assistance in Enforcement from the Shanghai Financial Court (《上海金融法院協助執行通知書》) ("**Notice of Assistance in Enforcement I**") and the Notice of Assistance in Enforcement from the People's Court of Changchun Economic and Technological Development Zone (《長春經濟技術開發區人民法院協助執行通知書》) ("**Notice of Assistance in Enforcement II**"). According to the Notice of Assistance in Enforcement I, the Company was requested to assist in the enforcement of freezing of equity interest in the Company held by KDI amounting to RMB250 million (accounting for 24.29% of the issued share capital of the Company) and relevant rights and interests including dividends. The freezing period is three years from 31 August 2023 to 30 August 2026. According to the Notice of Assistance in Enforcement II, the Company was requested to assist in the enforcement of seizure of equity interest in the Company held by KDI (accounting for 60.951% of the issued share capital of the Company). The seizure period is three years from 31 August 2023 to 30 August 2026 (please refer to the Company's announcement dated 1 September 2023 for details).

   On 18 September 2023, the Company received the Notice of Assistance in Enforcement from the People's Court of Panlong District, Kunming (《昆明市盤龍區人民法院協助執行通知書》), and the Company was requested to assist in the enforcement of freezing of equity interest in the Company held by Kunming Dianchi Investment amounting to RMB123,530,242.28. The freezing period is three years from 18 September 2023 to 17 September 2026 (please see the Company's announcement dated 19 September 2023 for details).

   On 23 October 2023, the Company received the Notice of Assistance in Enforcement from the People's Court of Xishan District, Kunming, Yunnan Province* (《雲南省昆明市西山區人民法院協助執行通知書》), pursuant to which the Company was requested to assist in the enforcement of freezing the 60.95% equity interest in the Company held by Kunming Dianchi Investment. The freezing period is three years from 23 October 2023 to 22 October 2026 (please refer to the Company's announcement dated 24 October 2023 for details).

附註：

1. 以上所披露數據主要基於香港聯交所網站(https://www.hkexnews.hk)所提供的信息及本公司根據《證券及期貨條例》第336條規定存置的登記冊之記錄作出。

2. 根據昆明滇池投資於2022年6月29日簽署的反擔保合同，昆明滇池投資質押了其持有的本公司33,013,345股內資股為其債務擔保；於2024年12月10日，昆明滇池投資原持有的213,377,684股股份被法院裁定交付雲南雲投融資租賃有限公司抵償其債務。於最後實際可行日期，昆明滇池投資持有合共446,889,209股內資股，佔本公司已發行股份總數約43.42%。

   於2022年10月24日，昆明滇池投資質押本公司已發行股份中不超過198,080,068股內資股予中國農業銀行股份有限公司昆明滇池國家旅遊度假區支行(「**貸款人**」)，作為貸款人向本公司提供一筆總額為人民幣200,000,000元貸款融資的質押(詳情請見本公司日期為2022年10月23日的公告)，截至本報告期末，融資貸款已到期且本公司已履行完畢相關的還款義務，質押股份的解除質押手續尚在辦理中。

   於2023年8月31日，本公司收到《上海金融法院協助執行通知書》(「**協助執行通知書I**」)及《長春經濟技術開發區人民法院協助執行通知書》(「**協助執行通知書II**」)。根據協助執行通知書I所述，本公司被要求協助執行凍結昆明滇池投資持有本公司出資額為人民幣250百萬元的股權(相當於佔本公司已發行股本的24.29%股權)及包括分紅在內的權益。凍結期為三年，即2023年8月31日至2026年8月30日。根據協助執行通知書II所述，本公司被要求協助執行查封昆明滇池投資所持有相當於佔本公司已發行股本的60.951%股權，查封期限為三年，即2023年8月31日至2026年8月30日(詳情請見本公司日期為2023年9月1日的公告)。

   於2023年9月18日，本公司收到《昆明市盤龍區人民法院協助執行通知書》，本公司被要求協助執行凍結昆明滇池投資在本公司持人民幣123,530,242.28元的股權。凍結期為三年，即2023年9月18日至2026年9月17日(詳情請見本公司日期為2023年9月19日的公告)。

   於2023年10月23日，本公司收到《雲南省昆明市西山區人民法院協助執行通知書》，本公司被要求協助執行凍結昆明滇池投資持有的本公司60.95%的股權。凍結期為三年，即2023年10月23日至2026年10月22日(詳情請見本公司日期為2023年10月24日的公告)。

On 4 January 2024, the Company received the Notice of Assistance in Enforcement from the People's Court of Xishan District, Kunming, Yunnan Province* (《雲南省昆明市西山區人民法院協助執行通知書》), pursuant to which the Company was requested to assist in the enforcement of freezing the 2.6236% equity interest in the Company held by Kunming Dianchi Investment amounting to RMB27 million. The freezing period is three years from 4 January 2024 to 3 January 2027 (please refer to the Company's announcement dated 4 January 2024 for details).

於2024年1月4日，本公司收到《雲南省昆明市西山區人民法院協助執行通知書》，本公司被要求協助執行凍結昆明滇池投資持有的本公司2.6236%的股權，金額為人民幣2,700萬元。凍結期為三年，即自2024年1月4日起至2027年1月3日止(詳情請見本公司日期為2024年1月4日的公告)。

On 25 January 2024, the Company received the Notice of Assistance in Enforcement from the People's Court of Xishan District, Kunming, Yunnan Province* (《雲南省昆明市西山區人民法院協助執行通知書》), pursuant to which the Company was requested to assist in the enforcement of seizing and freezing of equity interest in the Company held by Kunming Dianchi Investment amounting to RMB200,107,000. The seizure and freezing period is three years from 25 January 2024 to 24 January 2027. After the Reporting Period, the court has released the seizure and freezing of the equity interest (please refer to the Company's announcements dated 25 January 2024 and 17 January 2025, respectively for details).

於2024年1月25日，本公司收到《雲南省昆明市西山區人民法院協助執行通知書》，本公司被要求協助執行查封、凍結昆明滇池投資持有的本公司金額為人民幣200,107,000元的股權。查封、凍結期為三年，即自2024年1月25日起至2027年1月24日止。報告期後，法院已解除了對該筆股權的查封、凍結。(詳情請見本公司日期分別為2024年1月25日及2025年1月17日的公告)。

On 14 June 2024, the Company received the Notice of Assistance in Enforcement from the People's Court of Xishan District, Kunming, Yunnan Province* (《雲南省昆明市西山區人民法院協助執行通知書》), pursuant to which the Company was requested to assist in the enforcement of freezing the 60.95% equity interest in the Company held by Kunming Dianchi Investment. The freezing period is three years from 14 June 2024 to 14 June 2027 (please refer to the Company's announcement dated 14 June 2024 for details).

於2024年6月14日，本公司收到《雲南省昆明市西山區人民法院協助執行通知書》，本公司被要求協助執行凍結昆明滇池投資持有的本公司60.95%的股權。凍結期為三年，即自2024年6月14日起至2027年6月14日止(詳情請見本公司日期為2024年6月14日的公告)。

Two judicial auctions were conducted on the Alibaba Online Judicial Auction Platform from 10:00 a.m. on 6 June 2024 to 10:00 a.m. on 7 June 2024 and from 10:00 a.m. on 23 June 2024 to 10:00 a.m. on 24 June 2024, respectively, regarding the 245,520,000 Shares of the Company (accounting for approximately 23.86% of the total number of Shares of the Company) held by Kunming Dianchi Investment, both of which have been aborted. A judicial sale were conducted on the Alibaba Online Judicial Auction Platform from 10:00 a.m. on 25 July 2024 to 10:00 a.m. on 23 September 2024, regarding the 245,520,000 Shares of the Company (accounting for approximately 23.86% of the total number of Shares of the Company) held by Kunming Dianchi Investment, and the judicial sale has been aborted (please refer to the Company's announcements dated 9 May 2024, 7 June 2024, 24 June 2024, 9 July 2024 and 23 September 2024 for details).

分別於2024年6月6日上午10時起至2024年6月7日上午10時止及2024年6月23日上午10時起至2024年6月24日上午10時止，昆明滇池投資持有的本公司24,552萬股股份(約佔本公司股份總額的23.86%)在阿里巴巴網絡司法拍賣平台被進行司法拍賣，兩次司法拍賣均已流拍。於2024年7月25日上午10時起至2024年9月23日上午10時止，昆明滇池投資持有的本公司24,552萬股股份(約佔本公司股份總額的23.86%)在阿里巴巴網絡司法拍賣平台被進行司法變賣，司法變賣已流拍(詳情請見本公司日期分別為2024年5月9日、2024年6月7日、2024年6月24日、2024年7月9日及2024年9月23日的公告)。

The judicial auction was conducted on the JD.com Judicial Auction Online Platform from 3:00 p.m. on 8 September 2024 to 3:00 p.m. on 9 September 2024 in respect of 58,000,000 Shares of the Company (accounting for approximately 5.64% of the total number of Shares of the Company) held by Kunming Dianchi Investment. According to the information displayed on the JD.com Judicial Auction Online Platform, the judicial auction has been withdrawn due to objections raised by Kunming Dianchi Investment (please refer to the Company's announcements dated 26 August 2024 and 9 September 2024, respectively for details).

於2024年9月8日下午3時起至2024年9月9日下午3時止，昆明滇池投資持有的本公司5,800萬股股份(約佔本公司股份總額的5.64%)在京東網司法拍賣網絡平台被進行司法拍賣，根據京東網司法拍賣網絡平台顯示的信息，因昆明滇池投資提出異議，該司法拍賣被撤回(詳情請見本公司日期分別為2024年8月26日及2024年9月9日的公告)。

3. Pursuant to the counter-guarantee contract signed between Kunming Public Rental Housing Development and Construction Management Co., Ltd. and Kunming Dianchi Investment on 29 June 2022, Kunming Public Rental Housing Development and Construction Management Co., Ltd. has a security interest in the 33,013,345 Domestic Shares held by Kunming Dianchi Investment.

4. On 10 December 2024, Yunnan Yuntou Financial Leasing Co., Ltd. acquired 213,377,684 Shares of the Company held by Kunming Dianchi Investment through judicial procedures (please refer to the Company's announcement dated 11 December 2024 for details).

5. The 59,000,000 H Shares belong to the same batch of Shares.

6. The 47,754,000 H Shares belong to the same batch of Shares.

7. Pursuant to Section 336 of the SFO, if certain conditions are fulfilled, the Shareholders are required to submit a form for disclosure of interests. In the event of changes in the shareholding of the Shareholders in the Company, the Shareholders will not be required to notify the Company and the Hong Kong Stock Exchange unless certain conditions have been fulfilled, so that the latest shareholding of the Shareholders may be different from the shareholding submitted to the Hong Kong Stock Exchange.

3. 根據昆明市公共租賃住房開發建設管理有限公司與昆明滇池投資於2022年6月29日簽署的反擔保合同，昆明市公共租賃住房開發建設管理有限公司在昆明滇池投資持有33,013,345股內資股中擁有保證權益。

4. 於2024年12月10日，雲南雲投融資租賃有限公司通過司法程序獲得了昆明滇池投資持有的本公司213,377,684股股份(詳情請見本公司日期為2024年12月11日的公告)。

5. 該59,000,000股H股屬同一批股份。

6. 該47,754,000股H股屬同一批股份。

7. 根據《證券及期貨條例》第336條，倘若干條件達成，則股東須呈交披露權益表格。倘股東於本公司的持股量變更，除非若干條件已達成，否則股東毋須知會本公司及香港聯交所，故股東於本公司之最新持股量可能與呈交予香港聯交所的持股量不同。

Save as disclosed above, as of 31 December 2024, the Company is not aware of any other persons (other than the Directors, Supervisors and chief executives of the Company) who have interest or short position in the Shares or underlying shares of the Company that are required to be recorded in the register under the provisions of Section 336 of the SFO.

除上述披露外，截至2024年12月31日，本公司並不知悉任何其他人士(本公司董事、監事及最高行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條規定須記錄於登記冊內之權益或淡倉。

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).

S. 管理合約

本報告期內，本集團並無就有關全部或任何重大部分業務的管理及行政工作簽訂或存在任何合約(與本集團董事、監事及全體僱員的服務合約除外)。

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.

T. 關連交易

我們已經與控股股東訂立若干交易。根據上市規則第14A章，該等交易將構成本公司的關連交易或持續關連交易。

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 (the "**Entrusted Operation and Management Framework Agreement**") with the Controlling Shareholder on 25 April 2016, 30 April 2019 and 29 September 2021, respectively with a term of three years, ending on 31 December 2024. The Entrusted Operation and Management Framework Agreement may, upon mutual written consent between the parties, be extended for an additional term of three years, provided that such renewal is in compliance with the relevant laws and regulations, and the Listing Rules. The transactions continued during the Reporting Period.

1. 須遵守申報、年度審核、公告、通函及獨立股東批准規定的非豁免持續關連交易

委託運行管理框架協議

本公司於招股說明書中披露，本公司在上市前與控股股東訂立若干協議，據此，本公司就控股股東擁有的污水處理廠、再生水供應設施及自來水設施向控股股東提供若干運行管理服務。根據項目的開發階段，該運行管理服務通常包括運行、測試及調整設備及設施，安排操作人員及專家維護有關工廠日常運營及確保污水出水水質符合相關排放標準，制定管理政策及運行方針，採購化學品以及運輸及處理污泥。本公司不向控股股東提供建築服務。為規範本公司於上市後向控股股東提供該等運行管理服務而須遵守的條款及條件，本公司與控股股東分別於2016年4月25日、2019年4月30日、2021年9月29日訂立委託運行管理框架協議(「**委託運行管理框架協議**」)，三份委託運行管理框架協議有效期分別為三年，直至2024年12月31日止。經雙方書面同意，委託運行管理框架協議可再續期三年，惟續期須遵守相關法律及法規以及上市規則。報告期內，該等交易繼續進行。

New Framework Agreement

As the Entrusted Operation and Management Framework Agreement entered into between the Company and the Controlling Shareholder has been expired on 31 December 2024, the Company and the Controlling Shareholder entered into the new framework agreement ("**New Framework Agreement**") on 13 November 2024, pursuant to which the Company will continue to provide operation and management services to the Controlling Shareholder and its subsidiaries for three years from 1 January 2025 to 31 December 2027.

The operation and management services provided by the Group to the Controlling Shareholder and its subsidiaries include the operation and management services of wastewater treatment facilities, reclaimed water supply facilities and running water supply facilities. As far as all service transactions under the New Framework Agreement are concerned, the counterparties will enter into separate specific contracts in accordance with the scope and principles stipulated under the New Framework Agreement and these specific contracts shall not be in breach of the agreements under the New Framework Agreement. The prices of the operation and management services under the New Framework Agreement will be determined in accordance with the standard prices promulgated by the relevant government departments for these services.

新框架協議

鑒於本公司與控股股東簽訂的委託運行管理框架協議已於2024年12月31日到期，本公司已於2024年11月13日與控股股東簽訂了新框架協議(「**新框架協議**」)，據此，本公司將繼續為控股股東及其附屬公司提供運行管理服務，為期三年，期限自2025年1月1日起至2027年12月31日止。

本集團向控股股東及其附屬公司提供的運行管理服務包括污水處理設施、再生水供應設施、自來水供應設施的運行管理服務。就新框架協議項下的所有服務交易而言，交易方將按新框架協議下規定的範圍及原則另行訂立具體合同，該等具體合同不應違反新框架協議下的約定。新框架協議下運行管理服務的價格，按相關政府部門就該等服務頒佈的標準價格釐定。

Individual Service Agreements

The Company and the Controlling Shareholder have entered into individual service agreements in relation to the treatment plants conducting the excluded business. Based on the water quality standards, there are 2 individual service agreements, including the Entrusted Operation and Management Contract for Water Purification Plant Ultra-Limit Phosphorus Removal Upgrade and Transformation Project (《水質淨化廠超極限除磷提標改造項目委託運行管理合同》), which covers 6 plants; and Baiyuhe Water Purification Plant Class I Category A Process Section Entrusted Operation and Management Agreement (《白魚河水質淨化廠一級A標工藝段委託運行管理合同》), which covers 1 plant. Such agreements are governed by the terms of the New Framework Agreement. The management fees under individual service agreements are calculated based on the actual wastewater treatment volume multiplied by the price per cubic meter. The price per cubic meter shall be determined according to the standard prices promulgated by the relevant government authorities for these services.

個別服務協議

本公司已就從事保留業務的各處理廠與控股股東訂立個別服務協議，按處理水質標準歸集，個別服務協議共2份，其中《水質淨化廠超極限除磷提標改造項目委託運行管理合同》涵蓋6座廠；《白魚河水質淨化廠一級A標工藝段委託運行管理合同》涵蓋1座廠。該等協議受新框架協議條款的規管，個別服務協議項下的管理費均根據實際污水處理達標水量乘以每立方米價格計算，每立方米價格乃按相關政府部門就該等服務頒佈的標準價格釐定。

Annual Caps and Actual Transaction Amount

During the Reporting Period, the annual cap for the transactions under the Entrusted Operation and Management Framework Agreement for 2024 was RMB593,140,000, with the actual transaction value being RMB175,225,000.

The Company has formulated the Regulations on Management of Connected Transactions (《關聯交易管理辦法》), and our relevant operation and management departments regularly review whether the amount of connected transactions incurred has exceeded the annual caps. In addition, for individual service agreements under continuing connected transactions, the Company has formulated the Contract Management Regulations (《合同管理辦法》) and takes various measures to ensure that the signing of such individual service agreements comply with the terms of the framework agreement, thereby ensuring that the Company's connected transactions are under proper control and supervision.

All the above connected transactions have complied with the relevant requirements of the Listing Rules in respect of connected transactions. Save as disclosed above, none of the related party transactions disclosed in the Group's financial statements are connected transactions within the meaning of the Listing Rules.

年度上限及實際交易金額

報告期內，委託運行管理框架協議下的交易2024年年度上限為人民幣593,140,000元，實際交易金額為人民幣175,225,000元。

公司制定了《關聯交易管理辦法》，我們的相關運營、管理部門也定期檢視關連交易發生額是否有超過年度上限的情況。同時，就持續關連交易下的個別服務協議，公司制定了《合同管理辦法》，通過層層把關，確保該等個別服務協議的簽署遵守了框架協議的約定，以確保公司關連交易得到妥善控制及監控。

上述關連交易均已遵守上市規則對於關連交易的有關規定。除上述所披露外，本集團財務報表中所披露的關聯方交易中概無屬於上市規則中所述的關連交易。

2. 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.

3. Confirmation of Auditor

The Board has received a confirmation letter in relation to above continuing connected transactions from Forvis Mazars CPA Limited, confirming with respect to the above continuing connected transactions as at 31 December 2024 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.

2. 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。

3. 核數師確認

董事會已收到核數師富睿瑪澤會計師事務所有限公司就上述持續關連交易的確認函，確認截至2024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。

Please refer to Note 36 to the Consolidated Financial Statements prepared under the IAS for details of the significant related party transactions. The information disclosure on connected transactions and continuing connected transactions required by the Listing Rules is set out in this chapter. Saved as disclosed above, it does not constitute connected transactions or continuing connected transactions of the Company or connected transactions or continuing connected transactions not exempted from disclosure, and the Directors confirm that during the Reporting Period, the Company has complied with the disclosure rules under Chapter 14A of the Listing Rules in relation to the above connected transactions and the related party transactions set out in Note 36 to the Consolidated Financial Statements.

有關重大關聯方交易詳情詳見按照國際會計準則編製的合併財務報表附註36。上市規則要求披露的關連交易和持續性關連交易信息已載於本章。就上述關連交易及於合併財務報表附註36披露的關聯方交易，除上文披露外，並不構成本公司關連交易或持續性關連交易，或未獲豁免披露的關連交易或持續性關連交易，董事確認報告期內本公司已符合上市規則第14A章的披露規定。

U. COMPLIANCE WITH NON – COMPETITION AGREEMENT

U. 《避免同業競爭協議》的遵守

On 25 April 2016, the Company and Kunming Dianchi Investment, the Controlling Shareholder, entered into the Non-competition Agreement, whereby Kunming Dianchi Investment will not and will procure its associated enterprises not to compete against the Group in respect of the relevant business. Kunming Dianchi Investment will also grant the Company the option to choose the new business opportunities, the option regarding the acquisition of the retained business and new business and the preemptive right to buy.

2016年4月25日，本公司與控股股東昆明滇池投資簽署了《避免同業競爭協議》，根據該協議約定，昆明滇池投資不會，並促使其附屬企業不會在相關業務方面與本集團競爭，並授予本公司新業務機會選擇權、收購保留業務及新業務的選擇權及優先購買權。

The independent non-executive Directors will be responsible for examining, reviewing, considering and determining whether to adopt and accept the new business opportunities referred to the Company by Kunming Dianchi Investment or its subsidiaries, to exercise the option for acquisition and the preemptive right to buy.

獨立非執行董事將負責審查、考慮及決定是否採納昆明滇池投資或其附屬公司向本公司轉介的新業務機會、行使收購選擇權及優先購買權。

Kunming Dianchi Investment has committed that for the year 2024, it has complied with the Non-competition Agreement. The independent non-executive Directors have examined and reviewed the implementation of the Non-competition Agreement during the year of 2024 and have confirmed that Kunming Dianchi Investment was fully complied with the agreement and there were no violations of agreement.

昆明滇池投資承諾，於2024年度遵守了《避免同業競爭協議》。獨立非執行董事已審查2024年度內《避免同業競爭協議》的執行，並確認昆明滇池投資已全面遵守協議，並無違反協議的情形。

V. RETIREMENT AND EMPLOYEE BENEFIT PLANS

V. 退休及僱員福利計劃

Details of the retirement and employee benefits plans of the Group are set out in Note 10 to the Financial Statements.

本集團的退休及僱員福利計劃詳情載於財務報表附註10。

W. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is always dedicated to maintaining the corporate governance practices at a high standard to enhance Shareholders' value and protect Shareholders' interests. The Company has adopted the code provisions of the Corporate Governance Code as contained in Appendix C1 to the Listing Rules 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 120 to 154 hereof).

W. 遵守《企業管治守則》

本公司始終致力於保持高水平的企業管治常規，以提升股東價值及保障股東之權益。本公司已採納上市規則附錄C1所載的企業管治守則內的守則條文，作為其本身的企業管治守則。本報告期內，本公司已根據守則內所載之條文設置了各個董事委員會並制訂了相關的企業管治制度。

於本報告期內，除企業管治守則條文B.2.2外(詳情載於企業管治報告第120頁至第154頁)，本公司已遵守企業管治守則所載的一切強制性守則條文。

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.

X. 公眾持股量

根據本公司可公開獲得的資料及據董事所知，於最後實際可行日期，公眾人士持有本公司已發行H股不少於25%，符合上市規則的最低公眾人持股量的要求。

Y. DONATIONS

During the Reporting Period, the Company had made donations for charity of RMB0 in an aggregate.

Y. 捐贈

於本報告期內，本公司合共作出人民幣零元的慈善捐贈。

Z. PERMITTED INDEMNITY PROVISIONS

During the Reporting Period, the Company had purchased and maintained a group liability insurance for the Directors of (including but not limited to) the Company and its "Associated Companies" (as defined for such term under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)).

Z. 獲准許的彌償條文

於報告期內，本公司已為(包括但不限於)本公司及其「有聯繫公司」(如公司條例(香港法例第622章)下賦予該詞彙的定義)的董事購買及維持一項集體責任保險。

AA. MATERIAL CONTRACTS

Save as disclosed in the annual report, the Company or any of its subsidiaries did not entered into any material contract with the Controlling Shareholder or any of its subsidiaries, nor had any material contract been entered into for the provision of services by the Controlling Shareholder or any of its subsidiaries to the Company or any of its subsidiaries during the reporting period.

AA. 重大合約

除本年報所披露者外，報告期內，本公司或其任何附屬公司概無與控股股東或其任何附屬公司訂立任何重大合約，亦無就控股股東或其任何附屬公司向本公司或本公司任何附屬公司提供服務而訂立任何重大合約。

AB. AUDIT COMMITTEE

The Audit Committee has reviewed the Financial Statements of the Group for the year ended 31 December 2024 prepared in accordance with the International Financial Reporting Standards in 2024.

AB. 審計委員會

審計委員會已審閱本集團2024年按《國際財務報告準則》編製的截至2024年12月31日止年度的財務報表。

AC. AUDITOR

At the 2021 annual general meeting held on 29 June 2022, Zhongshen Zhonghuan Certified Public Accountants (Special General Partnership) ("**Zhongshen Zhonghuan**") and Forvis Mazars CPA Limited ("**Forvis Mazars**") (formerly known as Mazars CPA Limited) both retired on that date as the domestic and international auditors of the Company for the year 2021. At the same time, the Board was authorised to approve the appointment of Baker Tilly China Certified Public Accountants (Special General Partnership) ("**Baker Tilly**") and Baker Tilly Hong Kong ("**Baker Tilly Hong Kong**") as the domestic and international auditors of the Company for the year 2022 respectively.

At the 2022 annual general meeting held on 29 June 2023, Baker Tilly and Baker Tilly Hong Kong both retired on that date as the domestic and international auditors of the Company for the year 2022. At the same time, the Board was authorised to approve the appointment of Zhongshen Zhonghuan and Forvis Mazars as the domestic and international auditors of the Company for the year 2023 respectively.

At the 2023 annual general meeting held on 28 June 2024, the Board was authorised to approve the appointment of Zhongshen Zhonghuan and Forvis Mazars as the domestic and international auditors of the Company for the year 2024 respectively.

Forvis Mazars is appointed as the auditor for the Financial Statements for the year ended 31 December 2024 prepared in accordance with the International Financial Reporting Standards. Such Financial Statements prepared in accordance with the International Financial Reporting Standards as stated herein have been audited by Forvis Mazars and a standard unqualified audit report has been issued.

AC. 核數師

於2022年6月29日舉行的2021年度股東年會上，本公司2021年的中國境內及國際核數師中審眾環會計師事務所(特殊普通合夥)(「**中審眾環**」)及富睿瑪澤會計師事務所有限公司(「**富睿瑪澤**」)(原稱：中審眾環(香港)會計師事務所有限公司)均於當日退任。同時，董事會已獲授權批准委任天職國際會計師事務所(特殊普通合夥)(「**天職國際**」)及天職香港會計師事務所有限公司(「**天職香港**」)分別為本公司2022年度中國境內核數師及國際核數師。

於2023年6月29日舉行的2022年度股東年會上，本公司2022年的中國境內及國際核數師天職國際及天職香港均於當日退任。同時，董事會已獲授權批准委任中審眾環及富睿瑪澤分別為本公司2023年度中國境內核數師及國際核數師。

於2024年6月28日舉行的2023年度股東年會上，董事會已獲授權批准委任中審眾環及富睿瑪澤分別為本公司2024年度中國境內核數師及國際核數師。

富睿瑪澤就截至2024年12月31日止之年度根據《國際財務報告準則》編製的財務報表獲委任為核數師。本年報內根據《國際財務報告準則》編製的財務報表已由富睿瑪澤審計，並出具標準無保留意見的審計報告。

By order of the Board
Zeng Feng
Chairperson

承董事會命
曾鋒
董事長

Kunming, the PRC

中國，昆明

CHAPTER NINE CORPORATE GOVERNANCE REPORT
第九章 企業管治報告

The Board of Directors has hereby submitted its Corporate Governance Report for 2024 to the Shareholders.

董事會現向股東提呈其2024年度的企業管治報告。

A. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

A. 企業管治守則的遵守情況

The Company is mainly engaged in sewage treatment, reclaimed water and running water supply and environmental protection related industries. During the Reporting Period, the Company focused on its main business, continuously enhancing the operational capabilities of its sewage treatment and reclaimed water supply businesses, optimizing and revitalizing assets, and consistently improving internal management efficiency. At the same time, the Company attaches great importance to maintaining a high standard of corporate governance. The Board is dedicated to creating long-term value for Shareholders, is responsible for leading and monitoring the Company and is responsible for the strategic planning, business development, compliance governance and cultural promotion, environmental, social and governance management and supervision to ensure that relevant strategies and culture are in line with the Company's development direction and that corporate governance continues to be effective, so as to enhance Shareholders' value and protect Shareholders' rights and interests and provide effective guarantees for the Company's sustainable high-quality development.

本公司主要從事污水處理、再生水及自來水供應以及環保相關產業，報告期內，本公司聚焦主業，持續提升污水處理及再生水供應業務運營能力，優化盤活資產，不斷提升內部管理效率。同時，本公司注重維持高水準之企業管治，董事會專注於為股東創造長期價值，負有領導及監控本公司的責任，負責公司戰略規劃、業務發展、合規管治、文化宣導、環境、社會及管治管理及監督等方面的工作，以確保相關策略及文化符合公司發展方向，保障公司治理持續有效，以提升股東價值及保障股東之權益，為公司可持續高質量發展提供有效保障。

The Company has adopted the Corporate Governance Code as contained in Part 2 of Appendix C1 to the Listing Rules as its own corporate governance code. The Company has established and enhanced the corporate governance structure in accordance with the Listing Rules and the CG Code and has set up a series of corporate governance policies. The Directors believe that 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.

本公司已採納上市規則附錄C1第二部分所載的企業管治守則，作為其本身的企業管治守則。本公司已根據上市規則及企業管治守則的要求建設和完善企業管治架構，建立一系列企業管治制度。董事認為，於報告期內，除企業管治守則條文B.2.2外，其已遵守企業管治守則所載的一切強制性守則條文。

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. As at the end of the Reporting Period, the terms of office of the first Board and the Board of Supervisors had reached 3 years, but the work for the nomination of relevant candidates has not yet completed. At the same time, the Board considers the continuity of the Board and the Board of Supervisors. Under the relevant provisions of the Articles of Association, if, upon the expiry of a director's term of office, a new director cannot be elected on a timely basis, before the re-elected director commences his/her term of office, such director shall continue to perform his/her duties in accordance with the laws, administrative regulations, departmental rules and the Articles of Association. Therefore, the Board considers that deviations from provision B.2.2 of the CG Code will not have a significant impact on the Group's operation as a whole and the Company will complete the relevant work as soon as possible.

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，第一屆董事會、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。

The Board will examine and review, from time to time, the Company's corporate governance practices and operation in order to comply with the relevant provisions under the Listing Rules and to protect Shareholders' interests.

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. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES DEALINGS BY THE DIRECTORS AND SUPERVISORS

B. 遵守董事及監事進行證券交易之標準守則

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct for its directors, supervisors and relevant employees (has the same meaning ascribed to it under the CG Code) in respect of their dealings in the Company's securities. After making specific enquiries to all of the Directors and Supervisors, the Directors and Supervisors confirmed that they had strictly complied with the required standards as set out in the Model Code during the Reporting Period.

本公司已採納上市規則附錄C3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。

C. BOARD OF DIRECTORS

1. Board of Directors

a. Composition of the Board of Directors

As of the end of the Reporting Period, the Board comprises eight Directors, including two executive Directors, three non-executive Directors and three independent non-executive Directors.

We have not entered into, and do not propose to enter into, any service contracts with any of the Directors or Supervisors in their respective capacities as Directors/Supervisors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

The Company complies with the requirement under the Listing Rules that it must have at least three independent non-executive Directors (representing at least one-third of the Board), among whom, at least one independent non-executive Director must have appropriate professional qualifications or accounting or related financial management expertise. Moreover, after taking into consideration the factors regarding the evaluation of the independence of independent non-executive Directors as set out in Rule 3.13 of the Listing Rules and the written confirmation of all independent non-executive Directors, the Board of Directors believe that all of its independent non-executive Directors are independent individuals. At the end of the Reporting Period, none of the three independent non-executive Directors of the Company had served the Company for more than nine years.

C. 董事會

1. 董事會

a. 董事會組成

截至報告期末，本公司的董事會由8名董事組成，其中包括2名執行董事、3名非執行董事以及3名獨立非執行董事。

我們並無且不擬與我們的任何董事或監事以彼等各自董事／監事身份訂立任何服務合同(於一年內屆滿或由僱主於一年內終止而毋須賠償(法定賠償除外)的合約除外)。

本公司符合上市規則所載擁有至少三名獨立非執行董事(佔董事會最少三分之一)的規定，且其中最少一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。此外，經考慮上市規則第3.13條所載有關評估獨立非執行董事獨立性的因素及各獨立非執行董事的書面確認，董事會認為其全體獨立非執行董事均為獨立人士。於報告期末，本公司三名獨立非執行董事在本公司的任期均未超過9年。

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	60 60	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	55 55	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. Xu Jingdong 徐景東先生	57 57	Male 男	Non-executive Director 非執行董事	29 June 2023 2023年6月29日	3 years 3年
Ms. Cheng Yijing 成怡靜女士	54 54	Female 女	Non-executive Director 非執行董事	21 August 2024 2024年8月21日	3 years 3年
Mr. Zhang Yang 張洋先生	39 39	Male 男	Non-executive Director 非執行董事	7 December 2022 2022年12月7日	3 years 3年
Mr. Zha Guiliang 查貴良先生	45 45	Male 男	Independent Non-executive Director 獨立非執行董事	13 November 2023 2023年11月13日	3 years 3年
Ms. Zheng Dongyu 鄭冬渝女士	68 68	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	49 49	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 between members of the Board 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 has the duty to report to the general meeting, convening the general meeting as stipulated in the Articles of Association, 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, and formulating the basic management system of the Company. The Board of Directors shall be responsible for 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.

b. 董事會職責及職權

董事會對股東會負責並向其報告工作，履行公司章程規定之召集股東會會議、執行股東會決議，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，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、合規控制等方面的執行情況進行了檢視。

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, the major responsibilities of the management include: to preside over the production and operation management activities of the Company and report to the Board of Directors; to organize the implementation of the resolutions of the Board and the Company's annual operating plan and investment proposal; to draft the Company's annual financial budget and final accounts and provide recommendations to the Board of Directors; to propose the basic management system of the Company and to formulate the Company's specific regulations. At the same time, the Company has established a decision-making system for major decisions, important personnel appointments and removals, significant project arrangements and large-scale capital operations (the "**Decision-making System on Three Important and One Large Matters**"), which has clearly and thoroughly delineated the approval and decision-making authority of the Board of Directors and management. During the Reporting Period, all decisions were made in accordance with the provisions and authority of the Articles of Association and the Decision-making System on Three Important and One Large Matters.

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。根據公司章程，管理層主要職權如下：主持本公司的生產經營管理活動並向董事會報告、組織實施董事會決議及公司年度經營計劃和投資方案，擬訂本公司年度財務預算及決算方案並向董事會提出建議、擬定公司基本管理制度及制定公司具體規章等。同時，公司設有重大決策事項、重要人事任免、重大項目安排和大額資金運作決策制度(「**三重一大制度**」)，三重一大制度已就董事會及管理層審批決策權限做了詳細且清晰的劃分。報告期內，各項決策均按照公司章程及三重一大制度的規定權限進行決定。

2. Meetings of Board of Directors and General Meeting

In accordance with the provisions of the Articles of Association, 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 CG 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. Prior to each meeting, the Board will provide appropriate information in a timely manner to the Directors to enable them to make decisions based on the relevant information.

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.

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, 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 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.

2. 董事會會議及股東會

根據公司章程的規定，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企業管治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日期、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。於每次會議召開前均會向董事適時提供適當的資料以使董事能夠在掌握有關資料的情況下做出決定。

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。

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。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 33 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33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	33/33	100%
Mr. Chen Changyong 陳昌勇先生	Executive Director and General Manager 執行董事兼總經理	33/33	100%
Mr. Miao Xianjun(1) 苗獻軍先生(1)	Executive Director 執行董事	32/32	100%
Mr. Xu Jingdong 徐景東先生	Non-executive Director 非執行董事	33/33	100%
Mr. Zhou Jianbo(2) 周建波先生(2)	Non-executive Director 非執行董事	20/20	100%
Ms. Cheng Yijing(3) 成怡靜女士(3)	Non-executive Director 非執行董事	13/13	100%
Mr. Zhang Yang 張洋先生	Non-executive Director 非執行董事	33/33	100%

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. Zha Guiliang 查貴良先生	Independent Non-executive Director 獨立非執行董事	33/33	100%
Ms. Zheng Dongyu 鄭冬渝女士	Independent Non-executive Director 獨立非執行董事	33/33	100%
Mr. Ong King Keung 王競強先生	Independent Non-executive Director 獨立非執行董事	31/33	94%

Notes:

(1) Mr. Miao Xianjun was newly appointed as an executive Director after being approved at the 2024 first extraordinary general meeting held on 4 January 2024, and resigned from his position as an executive Director due to retirement on 20 December 2024, and he participated in all Board meetings during his tenure.

(2) The resignation of Mr. Zhou Jianbo from his position as a non-executive Director took effect on 21 August 2024, and he was not required to participate in any Board meetings held after the effective date of his resignation.

(3) Ms. Cheng Yijing was newly appointed as a non-executive Director after being approved at the 2024 third extraordinary general meeting held on 21 August 2024, and she participated in all Board meetings held after her appointment.

附註：

(1) 苗獻軍先生是經2024年1月4日召開的2024年第一次臨時股東會獲批准後新委任的執行董事，於2024年12月20日因退休辭任執行董事職務，參加了任職期間的全部董事會會議。

(2) 周建波先生辭任非執行董事職務已於2024年8月21日生效，毋須參加其辭任生效後的董事會會議。

(3) 成怡靜女士是經2024年8月21日召開的2024年第三次臨時股東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。

During the Reporting Period, 1 annual general meeting, 1 domestic Shareholder' class meeting, 1 H Shareholders' class meeting and 4 extraordinary general meetings 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次股東年會、1次內資股類別股東會、1次H股類別股東會及4次臨時股東會。於股東會召開前，公司嚴格按照上市規則及公司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 曾鋒先生	Chairperson; Executive Director 董事長、執行董事	7/7	100%
Mr. Chen Changyong 陳昌勇先生	Executive Director and General Manager 執行董事兼總經理	7/7	100%
Mr. Miao Xianjun(1) 苗獻軍先生(1)	Executive Director 執行董事	7/7	100%
Mr. Xu Jingdong 徐景東先生	Non-executive Director 非執行董事	7/7	100%
Mr. Zhou Jianbo(2) 周建波先生(2)	Non-executive Director 非執行董事	5/5	100%
Ms. Cheng Yijing(3) 成怡靜女士(3)	Non-executive Director 非執行董事	2/2	100%
Mr. Zhang Yang 張洋先生	Non-executive Director 非執行董事	7/7	100%

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. Zha Guiliang 查貴良先生	Independent Non-executive Director 獨立非執行董事	7/7	100%
Ms. Zheng Dongyu 鄭冬渝女士	Independent Non-executive Director 獨立非執行董事	7/7	100%
Mr. Ong King Keung 王競強先生	Independent Non-executive Director 獨立非執行董事	7/7	100%

Notes:

(1) Mr. Miao Xianjun was newly appointed as an executive Director after being approved at the 2024 first extraordinary general meeting held on 4 January 2024, and he participated in the extraordinary general meeting as a candidate of Director and participated in all general meetings held during his tenure. Mr. Miao resigned from his position as an executive Director due to retirement on 20 December 2024.

(2) The resignation of Mr. Zhou Jianbo from his position as a non-executive Director took effect on 21 August 2024.

(3) Ms. Cheng Yijing was newly appointed as a non-executive Director after being approved at the 2024 third extraordinary general meeting held on 21 August 2024, and she participated in the extraordinary general meeting as a candidate of Director and participated in all general meetings held after her appointment.

附註：

(1) 苗獻軍先生是經2024年1月4日召開的2024年第一次臨時股東會獲批准後新委任的執行董事，其以董事候選人的身份參加了該次臨時股東會並參加了任職期間的全部股東會。苗先生於2024年12月20日因退休辭任執行董事職務。

(2) 周建波先生辭任非執行董事職務已於2024年8月21日生效。

(3) 成怡靜女士是經2024年8月21日召開的2024年第三次臨時股東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會並參加了獲委任後的全部股東會。

3. Chairperson and President

During the Reporting Period, the Company fully complied with the relevant requirements that the roles of chairperson and chief executive officer should be separate 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 and Mr. Chen Changyong is the general manager (president) of the Company. The role of the Chairperson was separate from that of the general manager (president), and they performed corresponding duties respectively in accordance with the relevant laws and regulations and provisions of the 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. The Chairperson acts as an effective communication bridge between the executive Directors and non-executive Directors, as well as between the Shareholders and the Board, bearing the responsibility to ensure the effective operation of the relevant communication mechanisms.

3. 董事長及總裁

於報告期內，本公司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。董事長同時作為執行董事與非執行董事之間、股東與董事會之間有效溝通的橋樑，負有確保相關溝通機制有效運行的責任。

4. Appointment of Directors

In accordance with the provisions of the Articles of Association, the directors shall be elected and appointed at the general meeting for a term of three years, after which they may be re-elected. The Company has formulated the procedures of such appointment. The Nomination Committee is responsible for identifying and nominating new Directors after taking into account a number of factors including the Board's structure, diversity policy and facilitation of the Board's operations, before submitting them to the Board for consideration and all newly nominated Directors must be elected and approved at a general meeting. In nominating independent non-executive Directors, in addition to the above factors, the Nomination Committee also places emphasis on assessing the independence of the candidates to ensure that the relevant independent non-executive Directors can make an independent and professional contribution to the operation of the Board. It also considers information on candidates' directorships and senior management positions in other companies, particularly other public companies and listed companies, in order to assess whether they have sufficient time to devote to the Company's business.

4. 委任董事

根據公司章程規定，董事須於股東會上選任，任期為三年，可連選連任。公司制定了董事的委任程序。提名委員會根據董事會架構、多元化政策及促進董事會運作等多方因素考量，負責物色人選並提名新董事，然後提交董事會審議，所有新提名董事均須於股東會上選舉及批准。在提名獨立非執行董事時，提名委員會除了考量上述因素外，還著重對候任人選的獨立性展開評估，確保相關獨立非執行董事能對董事會的運作作出獨立、專業的貢獻。同時對其在其他公司，特別是其他公眾公司、上市公司中擔任董事、高級管理層等情況進行考量，以評估其是否有足夠的時間投入本公司的業務。

Under the provision B.2.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. As of the end of the Reporting Period, the terms of office of the first Board and the Board of Supervisors have expired for 3 years, but new Directors and Supervisors have not been elected, and the original Directors and Supervisors, before their posts are taken up by the re-elected Directors and Supervisors, continued to perform their duties. Therefore, the Board considers that deviations from provision B.2.2 of the Corporate Governance Code will not have a significant impact on the Group's operation in general.

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、監事會任期已滿三年，尚未完成改選，在改選出的董事、監事就任前，原董事、監事仍繼續履行董事職務。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。

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 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. During the year ended 31 December 2024, the independent non-executive Directors attended Board meetings regularly and actively participated in the decision-making process of the Board, and provided independent views and opinions to the Board when they performed their duties. In view of the above, and after review, the Board believes that its mechanism for obtaining independent opinions has been fully implemented and continues to be effective.

5. 董事會獲取獨立意見機制

董事會中有3名獨立非執行董事，在委任獨立非執行董事時，提名委員會及董事會會著重對候任人選的獨立性及時間投入等因素展開評估，可確保董事會在日常運作過程中獲得相關獨立非執行董事獨立、專業的意見建議。同時，公司章程也明確了獨立非執行董事可直接向股東會、國務院證券管理機構和其他有關部門報告情況，對於涉及的重大的投資決策，董事會應聘請社會諮詢機構提供獨立的專業意見等，相關機制為董事會在公司運作中獲取獨立意見提供了制度保障和可執行的程序保障。於截至2024年12月31日止年度，獨立非執行董事恆常出席董事會會議並積極參與董事會的決策程序，在董事會履行其職責時各自向其提供獨立觀點和意見。基於以上，董事會經檢討後認為其獲取獨立意見的機制已被全面落實並持續有效。

6. Remuneration of Directors

The remuneration of the Directors includes basic wages, performance-based wages, statutory social insurance, provident fund, 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, the duties and contributions of the Directors, and are proposed to the Board. The Remuneration and Appraisal Committee will revise the relevant standards in a timely manner in the event of significant changes in industry standards and the development status of the Company. When recommending the appointment of Directors and senior management, the Remuneration and Appraisal Committee will advise the Board on the remuneration packages of the candidates, taking into account the candidates' qualifications and expected contribution to the Board based on the Company's remuneration standards.

The independent non-executive Directors receive their remuneration from the Company, whereby the Company shall pay Ms. Zheng Dongyu and Mr. Zha Guiliang 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 does 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 Company and the performance bonus is determined subject to the Company's operating results. Other benefits shall include the statutory pension, medical and housing provident funds, etc. Details in relation to the remuneration of Directors are provided in Note 12 to the Financial Statements.

6. 董事薪酬

董事的薪酬包括基本薪金、績效工資、法定社會保險、公積金，以及賠償金額(包括喪失或終止職務或任命的賠償)。董事的薪酬標準乃由薪酬與考核委員會經考量相關法律法規規定、行業水平、公司發展階段以及董事職責與貢獻等基礎上，基於權責利相匹配的原則擬訂並向董事會提出建議。在行業水平、公司發展狀況等出現重大變化時將會由薪酬與考核委員會對相關標準進行適時修訂。於建議委任董事及高級管理層時，薪酬與考核委員會將在公司薪酬標準內，結合候選人資歷、預期將給董事會作出的貢獻等方面綜合考慮後向董事會建議相關人選的薪酬待遇。

獨立非執行董事在公司領取薪酬，公司以稅前薪酬人民幣15萬元／年的標準分別向鄭冬渝女士及查貴良先支付董事薪酬，以稅前薪酬人民幣22萬元／年的標準向位於香港的獨立非執行董事王競強先生支付薪酬。公司根據每位獨立非執行董事在年度內的任職期限扣除相關稅費後支付予各位獨立非執行董事，公司未給予獨立非執行董事帶有績效表現相關元素的股本權益酬金。獨立非執行董事參加公司董事會會議、股東會會議及董事會組織的相關活動的差旅費用由公司負擔。未在公司擔任管理職務的非執行董事，不在公司領取薪酬。在公司擔任管理職務的執行董事，在公司領取薪酬。各執行董事的薪酬按照本公司《薪酬管理辦法》規定的標準釐定，具體包括基本薪金、績效獎金和其他福利。基本薪金根據執行董事在公司的職位釐定，績效獎金依據公司的經營業績決定，其他福利則包括法定的養老、醫療和住房公積金等。有關董事薪酬的詳情載於財務報表附註12。

7. Training of Directors

Each of the newly appointed Directors has all received comprehensive, official and customised induction training upon their first appointments, so as to ensure that he/she would have an appropriate understanding of the Company's business and operation and be fully aware of their responsibilities and duties under the Listing Rules and relevant regulatory requirements.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are kept updated regarding the statutory and regulatory development and changes in the business and the market so as to facilitate the discharge of their responsibilities.

For the year ended 31 December 2024, the Directors have participated in the following training:

7. 董事培訓

每位新委任董事均已於首次接受委任時獲得全面、正式及專門為其設計之入職培訓，以確保該董事對本公司之業務及運作均有適當之理解，並充分知悉其於上市規則及相關監管規定之下責任及義務。

我們鼓勵所有董事參與持續專業發展，以發展並更新他們的知識及技能。董事獲持續更新法律法規的發展以及業務和市場的變化，以便彼等履行其職責。

截至2024年12月31日止年度，董事曾參與下列培訓：

Director	董事	Type of training 培訓類型	Number of training hours 培訓時數
Mr. Zeng Feng (*Chairperson*)	曾鋒先生(*董事長*)	A, B	16
Mr. Chen Changyong (*General Manager*)	陳昌勇先生(*總經理*)	A, B	16
Mr. Miao Xianjun[1]	苗獻軍先生[1]	A, B	16
Mr. Xu Jingdong	徐景東先生	A, B	14
Mr. Zhou Jianbo	周建波先生	A, B	9
Ms. Cheng Yijing[2]	成怡靜女士[2]	A, B	12
Mr. Zhang Yang	張洋先生	A, B	13
Mr. Zha Guiliang	查貴良先生	A, B	18
Ms. Zheng Dongyu	鄭冬渝女士	A, B	16
Mr. Ong King Keung	王競強先生	A, B	15

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

A： 閱讀有關持續合規責任、企業管治及其他相關課題的相關材料

B： 閱讀報章、期刊、本公司簡報及有關經濟、一般業務、水務行業的最新消息或董事職責及責任等

Notes:

(1) Mr. Miao Xianjun was newly appointed as an executive Director after being approved at the 2024 first extraordinary general meeting held on 4 January 2024. He received a comprehensive, formal and specially tailored induction on 21 December 2023 under Rule 3.09D of the Listing Rules. Mr. Miao Xianjun, an executive Director, has confirmed full awareness and understanding of all relevant provisions applicable to him as a Director under the Listing Rules, relevant regulatory requirements and governance policies.

(2) Ms. Cheng Yijing was newly appointed as a non-executive Director after being approved at the 2024 third extraordinary general meeting held on 21 August 2024. She received a comprehensive, formal and specially tailored induction on 8 August 2024 under Rule 3.09D of the Listing Rules. Ms. Cheng Yijing, a non-executive Director, has confirmed full awareness and understanding of all relevant provisions applicable to her as a Director under the Listing Rules, relevant regulatory requirements and governance policies.

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 facilitating the procedures of the Board of Directors and facilitating the communication between the Directors and between the Directors, Shareholders and management. The profiles of the company secretary are stated in the section headed "Profiles of Directors, Supervisors and Senior Management" in this report. During the Reporting Period, as the company secretary, Mr. Chiu received professional training for no less than 15 hours to update his technique and knowledge. Mr. Chiu's main contact with the Company is Mr. Zeng Feng, our Chairperson.

註：

(1) 苗獻軍先生是經2024年1月4日召開的2024年第一次臨時股東會獲批准後新委任的執行董事，其於2023年12月21日根據上市規則第3.09D條接受了全面、正式兼特為其而設的就任須知，執行董事苗獻軍先生已確認完全知曉並明白上市規則、相關監管規定及管治政策下所有適用於其董事的相關規定。

(2) 成怡靜女士是經2024年8月21日召開的2024年第三次臨時股東會批准後新委任的非執行董事，其於2024年8月8日根據上市規則第3.09D條接受了全面、正式兼特為其而設的就任須知，非執行董事成怡靜女士已確認完全知曉並明白上市規則、相關監管規定及管治政策下所有適用於其董事的相關規定。

8. 公司秘書及其培訓

報告期內，本公司之公司秘書由趙明璟先生擔任，負責促進董事會程序，以及董事之間及董事與股東及管理層之間溝通。公司秘書的簡歷載於本報告「董事、監事及高級管理層簡歷」一節。報告期內，趙先生作為公司秘書已接受不少於15小時更新其技能及知識的專業培訓。趙先生在本公司的主要聯絡人為董事長曾鋒先生。

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, the Listing Rules, etc., 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 consists of three members, all of which are independent non-executive Directors. During the Reporting Period, such members include Mr. Zha Guiliang (chairperson), Ms. Zheng Dongyu and Mr. Ong King Keung.

The principal responsibilities of the Audit Committee are to review the financial information of the Company, to review and supervise the Company's financial reporting process, financial control, internal control and risk management systems, to supervise the Company's 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 appointment and dismissal of external auditors or resignation of auditors, the Board and the Audit Committee have reached a consensus.

During the Reporting Period, the Audit Committee held 4 meetings, the details of which are as follows:

On 19 January 2024, a meeting of the Audit Committee was held in the Company, at which 2 proposals including the report of the pre-audit work by the auditor were considered and approved by the Audit Committee.

On 27 March 2024, a meeting of the Audit Committee was held in the Company, at which 11 proposals including the Proposal on Report from the Auditors on the Audit of the Company's 2023 Annual Results, the Proposal on Audited Financial Statements in the Previous Year, and the Proposal on Re-appointment of the Company's Auditors were considered and approved by the Audit Committee.

D. 董事會委員會

董事會將若干職責授予不同的委員會。根據中國相關法律、法規、公司章程及上市規則等規定，本公司已成立四個委員會，即：審計委員會、薪酬與考核委員會、提名委員會及戰略與投資決策委員會，並書面訂明其職權範圍。

1. 審計委員會

審計委員會包括三名委員，均為獨立非執行董事。報告期內成員包括查貴良先生(主任委員)、鄭冬渝女士、王競強先生。

審計委員會的主要職責為審閱公司的財務資料，檢討及監督本公司財務申報程序、財務控制、內部監控及風險管理制度、監察本公司內部審計制度及履行企業管治職責，監督審計程序及提議委任或更換外部核數師。審計委員會還負責內外核數師之間的溝通及履行董事會賦予的其他職責與責任。

對於外聘核數師的委任、罷免或核數師辭任事宜，董事會與審計委員會意見一致。

報告期內，審計委員會共召開4次會議，詳情如下：

於2024年1月19日在本公司內召開審計委員會會議，會議審議了包括核數師匯報預審工作情況等共2項議題並獲得審計委員會審議通過。

於2024年3月27日在本公司內召開審計委員會會議，會議審議了包括對核數師就公司2023年度業績審計情況發出之報告、上一年度經審核的財務報表及建議續聘公司核數師等共11項議題並獲得審計委員會審議通過。

On 23 August 2024, a meeting of the Audit Committee was held in the Company, at which 7 proposals including the Proposal on 2024 Interim Results Announcement were considered and approved by the Audit Committee.

於2024年8月23日在本公司內召開審計委員會會議，會議審議了包括2024年中期業績公告等共7項議題並獲得審計委員會審議通過。

On 27 September 2024, a meeting of the Audit Committee was held in the Company, at which 2 proposals including the engagement of a tax service agency by subsidiaries were considered and approved by the Audit Committee.

於2024年9月27日在本公司內召開審計委員會會議，會議審議了包括附屬公司聘用稅務服務機構等共2項議題並獲得審計委員會審議通過。

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
Mr. Zha Guiliang *(Chairperson)*	查貴良先生(*主任委員*)	4/4	100%
Ms. Zheng Dongyu	鄭冬渝女士	4/4	100%
Mr. Ong King Keung	王競強先生	4/4	100%

2. Remuneration and Appraisal Committee

During the Reporting Period, the Remuneration and Appraisal Committee consisted of three members, including two independent non-executive Directors and one executive Director, and the committee was chaired by an independent non-executive Director. The members include Mr. Ong King Keung (chairperson), Mr. Zeng Feng and Mr. Zha Guiliang.

2. 薪酬與考核委員會

報告期內，薪酬與考核委員會包括三名委員，其中獨立非執行董事兩名，執行董事一名，主任委員由獨立非執行董擔任。包括王競強先生(主任委員)、曾鋒先生、查貴良先生。

The principal responsibilities of the Remuneration and Appraisal Committee are to formulate and review the remuneration policy and structure of the Directors and senior management and advise the Board on the same, to make recommendations to the Board on the remuneration packages of certain executive Directors and senior management, to establish the performance evaluation standards, procedures and system, to annually evaluate the performance of the Directors and senior management and advise the Board on the same, to review and approve compensation payable to the executive Directors and senior management for any loss or termination of office or appointment, to review and approve compensation arrangements relating to dismissal or removal of the Directors for misconduct, to review and approve matters relating to share schemes under Chapter 17 of the Listing Rules and to perform other duties and responsibilities as assigned by the Board.

薪酬與考核委員會的主要職責為制定及檢討董事及高級管理層薪酬政策及結構並向董事會提出建議、向董事會建議個別執行董事及高級管理層的薪酬待遇、制定績效評估標準、程序及體系、每年評估董事及高級管理層的績效並向董事會提出相應建議，檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償、檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排、審閱、批准上市規則第十七章所述有關股份計劃的事宜，以及履行董事會賦予的其他職責與責任。

During the Reporting Period, the Remuneration and Appraisal Committee held 1 meeting, the details of which are as follows:

報告期內，薪酬與考核委員會共召開1次會議，詳情如下：

On 24 July 2024, a meeting of the Remuneration and Appraisal Committee was held in the Company. The meeting considered a proposal of determining the salary of the Director candidates which was approved by the Remuneration and Appraisal Committee. The candidate's remuneration plan will not take effect until the appointment of Director of the candidates is considered and approved by the general meeting.

於2024年7月24日在本公司內召開薪酬與考核委員會會議，會議審議了釐定董事候選人薪酬的議題並獲得薪酬與考核委員會審議通過，候選人薪酬方案待股東會審議通過候選人士擔任董事後方可生效執行。

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
Mr. Ong King Keung *(Chairperson)*	王競強先生*(主任委員)*	1/1	100%
Mr. Zha Guiliang	查貴良先生	1/1	100%
Mr. Zeng Feng	曾鋒先生	1/1	100%

3. Nomination Committee

3. 提名委員會

During the Reporting Period, the Nomination Committee consisted of three members, including two independent non-executive Directors and one executive Director, and the committee was chaired by an independent non-executive Director. The members include Ms. Zheng Dongyu (chairperson), Mr. Ong King Keung and Mr. Zeng Feng.

報告期內，提名委員會包括三名委員，其中獨立非執行董事兩名，執行董事一名，主任委員由獨立非執行董事擔任。包括鄭冬渝女士(主任委員)、王競強先生、曾鋒先生。

The principal responsibilities of the Nomination Committee are to make recommendations to our Board on the scale, structure, and composition of the Board and on the nomination of Directors, to identify and review the Director and senior management candidates, to review the independence of the independent non-executive Directors and the Board diversity policy, and to perform other duties and responsibilities as assigned by the Board.

提名委員會的主要職責為就董事會的規模、架構及組成及提名董事向董事會提出建議、物色檢討董事及高級管理層候選人、檢討獨立非執行董事的獨立性、董事會多元化政策及履行董事會賦予的其他職責與責任。

During the Reporting Period, the Nomination Committee held 2 meetings, the details of which are as follows:

報告期內，提名委員會共召開2次會議，詳情如下：

On 27 March 2024, a meeting of the Nomination Committee was held in the Company, at which 3 proposals of reviewing the scale, structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and reviewing the Diversity Policy of Members of the Board of Directors and the progress on achieving the objectives set for implementing the said policy were considered and approved by the Nomination Committee.

於2024年3月27日在本公司內召開提名委員會會議，會議審議了檢討董事會規模、架構、人數及構成，評核獨立非執行董事的獨立性、檢討董事會多元化政策及該政策所制定的目標的執行進度共3項議題並獲得提名委員會審議通過。

On 24 July 2024, a meeting of the Nomination Committee was held in the Company, at which a proposal of the change of a non-executive Director was considered and approved by the Nomination Committee.

於2024年7月24日在本公司內召開提名委員會會議，會議審議了變更一名非執行董事的議題並獲得提名委員會審議通過。

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)*	2/2	100%
Mr. Zeng Feng	曾鋒先生	2/2	100%
Mr. Ong King Keung	王競強先生	2/2	100%

4. Strategy and Investment Decision Committee

During the Reporting Period, the Strategy and Investment Decision Committee consisted of three members, including two executive Directors and one independent non-executive Director, and the committee was chaired by an executive Director. The members include Mr. Zeng Feng (chairperson), Mr. Chen Changyong and Mr. Zha Guiliang. Except for Mr. Zha Guiliang, who is 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.

During the Reporting Period, the Strategy and Investment Decision Committee held 5 meetings. Details are as follows:

On 29 January 2024, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposals concerning the financing situation of the Company for the year of 2023 and the financing plan of the Company for the year of 2024 which were considered and approved by the Strategy and Investment Decision Committee.

On 20 June 2024, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposal concerning improving the organizational system of the Company's strategic planning which was considered and approved by the Strategy and Investment Decision Committee.

4. 戰略與投資決策委員會

報告期內，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)、陳昌勇先生及查貴良先生。除查貴良先生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。

報告期內，戰略與投資決策委員會共召開5次會議，詳情如下：

於2024年1月29日在本公司內召開戰略與投資決策委員會會議，會議討論並審議了本公司2023年融資情況及2024年度融資計劃的議題並獲得戰略與投資決策委員會審議通過。

於2024年6月20日在本公司內召開戰略與投資決策委員會會議，會議討論並審議了完善本公司戰略規劃組織體系的議題並獲得戰略與投資決策委員會審議通過。

On 8 August 2024, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposal concerning the determination of the Company's main responsibilities and business scope which was considered and approved by the Strategy and Investment Decision Committee.

於2024年8月8日在本公司內召開戰略與投資決策委員會會議，會議討論並審議了核定本公司主責主業範圍的議題並獲得戰略與投資決策委員會審議通過。

On 19 September 2024, a meeting of the Strategy and Investment Decision Committee was held in the Company which reported on the implementation of the Company's strategic plan for the first half of 2024, and discussed and reviewed the proposal concerning the dynamic adjustments to the Company's "14th Five-Year" development strategic plan which was considered and approved by the Strategy and Investment Decision Committee.

於2024年9月19日在本公司內召開戰略與投資決策委員會會議，會議通報了本公司2024年上半年戰略規劃實施情況，及討論並審議了本公司「十四五」發展戰略規劃動態調整的議題並獲得戰略與投資決策委員會審議通過。

On 20 December 2024, a meeting of the Strategy and Investment Decision Committee was held in the Company which discussed and reviewed the proposals concerning the Company's investment plan for new projects in 2025, the formulation of the "Development Strategy Planning Management Measures" by the Company and the dynamic adjustment to the Company's "14th Five-Year" development strategy plan which were considered and approved by the Strategy and Investment Decision Committee.

於2024年12月20日在本公司內召開戰略與投資決策委員會會議，會議討論並審議了本公司2025年新增項目投資計劃、本公司制定《發展戰略規劃管理辦法》及本公司「十四五」發展戰略規劃動態調整的議題並獲得戰略與投資決策委員會審議通過。

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
Mr. Zeng Feng *(Chairperson)*	曾鋒先生*(主任委員)*	5/5	100%
Mr. Chen Changyong	陳昌勇先生	5/5	100%
Mr. Zha Guiliang	查貴良先生	5/5	100%

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

According to the 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 of new or succeeding Directors, the Nomination Committee and the Board will consider the cultural, educational background, professional experience and gender of relevant parties and existing composition of the Board, etc. in accordance with the Diversity Policy of Members of the Board of Directors. They will also consider the business operation models. The final decision will be based on the nominated candidates who will bring about benefits and contributions to the Board. In terms of gender diversity, the Company targets non-single-gender Board members and takes into account the gender ratio of existing Board members when identifying candidates for Director successors. The purpose of the Directors' succession plan is to ensure effective and orderly succession of Directors and maintain a balanced diversity, overall knowledge and skills of Directors, so as to maintain effective governance of the Company. When nominating independent non–executive Directors, in addition to considering relevant elements of the Board's diversity policy, the independence of candidates is checked and the independence of independent non-executive Directors is assessed annually. Details of the appointment of Directors are set out in the section headed "C. BOARD OF DIRECTORS – 4. Appointment of Directors" above.

For purposes of reaching a sustainable balanced development, the Company has regarded the increasing diversity of the members of the Board of Directors as the key element that supports the Company to achieve its strategic objective and to maintain the sustainable development.

E. 董事提名政策、董事會多元化政策及分析

根據公司章程及董事提名相關制度，提名委員會在董事提名方面擔任董事會顧問角色，首先商議新董事／繼任董事的提名人選，然後向董事會推薦，並由董事會決定是否提交股東會選舉。在商議新董事／繼任董事人選時，提名委員會及董事會根據董事會多元化政策考慮有關人士的文化及教育背景、專業經驗、性別、董事會現有人員架構等，同時亦會考慮有關自身的業務運作模式，最終決定乃基於提名人選將帶給董事會的裨益及貢獻。在性別多元化方面，公司以非單一性別董事會成員為目標，在物色董事繼任人選時，會考量現有董事會成員性別佔比情況。董事繼任計劃的目的在於確保有效而有序的董事繼任及保持董事多元化、整體知識及技能均衡，從而維持本公司的有效管治。在提名獨立非執行董事時，除考量董事會多元化政策相關要素外，還會對候選人士的獨立性進行核查，並就獨立非執行董事的獨立性每年進行評核。有關委任董事的詳情載列於上文標題為「C.董事會－4.委任董事」的章節。

為達致可持續的均衡發展，本公司視董事會成員日益多元化為支持其達到戰略目標及維持可持續發展的關鍵要素。

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 of different aspects and achieve the diversity of the member of the Board of Directors. Such aspects shall include but are not limited to gender, age, cultural and educational background, race, professional experience, technique, knowledge and term of service. The Company aims to have a Board with diverse gender composition, and the appointments of the members of the Board of Directors are made on the principle of recruiting meritocratic professional. Meanwhile, the candidates are selected based on objective conditions, fully taking into consideration the benefits brought by the diversity of members of the Board of Directors.

- The Company's selection of candidates will be subject to a series of standards regarding diversity, including but not limited to gender, age, cultural and educational background, race, professional experience, technique, knowledge and term of service. The final decision will be made based on the strengths of the candidates and such contribution they can make to the Board of Directors.

The above measurable objectives were also reviewed and adopted when the Nomination Committee reviewed the composition of the Board. The Nomination Committee has selected new or succeeding Directors pursuant to the requirements of the Diversity Policy of Members of the Board of Directors, while a special meeting was held during the Reporting Period to review the implementation and progress of the Diversity Policy of Members of the Board of Directors, with a view to achieving the objective of diversifying the members of the Board of Directors. During the Reporting Period, the Company's Board members were not comprised of a single gender Director which has realised the goal of gender diversity.

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	6	75.0%
	Female 女性	2	25.0%
Age 年齡	35 to 50 35歲至50歲	3	37.5%
	51 or above 51歲以上	5	62.5%
Post 職銜	Executive Director 執行董事	2	25.0%
	Non-executive Director 非執行董事	3	37.5%
	Independent non-executive Director 獨立非執行董事	3	37.5%
Length of service as Board members 出任公司董事會成員年資	Within 1 year 1年內	1	12.5%
	1 to 3 years (including 3 years) 1至3年(含3年)	3	37.5%
	3 to 10 years 3年至10年	4	50.0%
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)	7	87.5%
	10 to 20 years (including 20 years) 10至20年(含20年)	1	12.5%
Major or expertise 專業或特長	Engineering, project and operational management 工程、項目及運營管理	5	62.5%
	Finance and accounting 金融及財會	2	25.0%
	Law 法律	1	12.5%

In terms of employee diversity, as of 31 December 2024, the Company had a total of 1,115 employees (including senior management), of which 712 were male and 403 were female, accounting for 63.9% and 36.1% 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.

在僱員多元化方面，截至2024年12月31日，本公司員工(包括高級管理人員)共計1,115人，其中男性員工712人、女性員工403人，分別佔總人數的63.9%及36.1%。由於本公司行業的特殊性，在本公司生產單元中一線生產操作類崗位男性員工佔比較大，在非一線生產崗位上，我們會著重考量男女比例的平衡性、多元化。

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 systems include a defined management structure with limits of authority, and are designed for the Group to identify and manage the significant risks to achieve its business objectives, safeguard its assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives. Internal control and risk management systems are reviewed annually and adjusted in a timely manner in line with the Company's business development and operations to ensure their continued effectiveness.

F. 風險管理及內部監控

董事會確認其對本集團風險管理及內部監控系統有效性之責任。本集團已將環境、社會、管治有關的風險納入集團風險管理及內部監控系統。董事會及高級管理層全面負責維持本集團健全及有效之風險管理及內部監控系統，以保障股東及本集團整體利益，並確保嚴格遵守有關法律、規則及條文。有關系統包括界定管理架構及其權限，旨在協助本集團識別及管理實現業務目標所面對之重大風險、保障資產免於未經授權挪用或處置、確保維護妥當之會計記錄以提供可靠之財務資料供內部使用或作發表之用，以及確保遵守相關法律及法規。上述監控系統旨在合理地(但並非絕對地)保證並無重大失實陳述或損失，且管理而非杜絕本集團營運系統的失誤及未能實現業務目標之風險。內部監控和風險管理系統會每年檢視，並根據公司業務發展及運行情況適時調整，以確保其持續有效性。

We have established a set of consolidated risk management policies and measures for purposes of identifying, evaluating and managing the operating risk. Our Audit Committee is responsible for monitoring the Group's financial control, internal control procedures and risk management system and reporting on the same to the Board. The internal audit department establishes a regular internal audit mechanism, a dynamic management mechanism for internal audit and rectification, and a mechanism for the coordinated use of audit results. Regular reports on results of audits and rectification are made to the Audit Committee and the Board of Directors. The Company has integrated its compliance management and review responsibilities into the daily compliance management work of all functional departments, and has proactively carried out compliance risk identification and potential hazard investigation. During the Reporting Period, in order to further enhance the level of lawful and compliant operational management, the Company established a compliance management department on the basis of integrating compliance management, legal, audit and other functions. This department is primarily responsible for organizing the drafting of basic compliance management systems, special systems, annual plans, and work reports; conducting evaluations of the effectiveness of the compliance management system as authorized by the Board; organizing or assisting business departments in conducting compliance training, and promoting the informatization of compliance management.

我們已設立一套綜合風險管理政策及措施，以識別、評估及管理營運風險。我們審計委員會負責監察本集團的財務控制、內部控制程序及風險管理系統，並向董事會匯報。內部審計部門建立內審常態化工作機制、內部審計和整改動態管理機制、審計成果運用聯動機制。定期向審計委員會、董事會匯報審計成果及整改情況。公司將合規管理與審查的職責融貫於各職能部門的日常合規管理工作中，主動開展合規風險識別和隱患排查。報告期內，為進一步提升依法合規經營管理水平，公司在整合合規管理、法務、審計等職能的基礎上，成立了合規管理部，該部门主要負責組織起草合規管理基本制度、專項制度、年度計劃和工作報告等；根據董事會授權開展合規管理體系有效性評價；組織或協助業務部門開展合規培訓，推進合規管理信息化建設。

During the year, the Audit Committee reviewed the effectiveness of the Group's risk management and internal control systems. The internal audit department followed up rectification and reported to the Audit Committee on the operational and financial reports, compliance monitoring and risk management reports provided by the management. The Audit Committee also regularly reviews the Group's performance, risk management and internal control systems and discusses on the same with the Board. During the Reporting Period, the Company accepted relevant special audits in accordance with the relevant regulations and requirements of superior authorities, and also carried out special audits on its subsidiaries. Through internal and external audit and supervision, a synergy was formed to enhance the overall risk management level of the Company. The Board has stated that it has conducted an audit and review of the Company's risk management and internal control system for the year ended 31 December 2024 and no significant issues have been identified so that significant operational risks could be effectively prevented. The Board considers that the Group's risk management and internal control systems are effective and adequate in terms of resources, staff qualifications and operations, training programmes received and the budget thereof.

年內，審計委員會已檢討本集團風險管理及內部監控制度之有效性。內部審計部門針對管理層提供的營運及財務報告、合規監控及風險管理報告，跟進整改情況並向審計委員會進行匯報。審計委員會亦定期審閱本集團的表現、風險管理及內部監控系統，並與董事會討論。報告期內，公司根據上級主管部門的相關規定及要求接受了相關專項審計，同時對附屬公司也開展了專項審計，通過內外部審計監督，形成合力，提升公司整體風險管理水平。董事會聲明已經作出本公司截至2024年12月31日的有關風險管理及內部監控系統的審核、檢討，未顯示出重大問題，有效防範了經營中存在的重大風險。董事會認為本集團的風險管理及內部監控系統在資源、員工資歷及經營，所接受培訓課程及有關預算是有效及足夠的。

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 company level and business level. Under such framework, a mutual mapping between key risk points and control points is established by setting up a 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, focuses 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 procedures by which the Company examines the effectiveness of the risk management and internal supervision system shall include: to formulate an appraisal proposal, to establish an appraisal team, to implement on-site tests, to identify and control defects, to summarise and compile the appraisal results, and to prepare an appraisal report. The Company shall authorise the internal audit department to be responsible for the specific organisation and implementation of the appraisal on internal control. The Company shall put forward some confirmed opinions after conducting comprehensive analysis on the defects in internal control. Then, the Company shall make a final confirmation after it has carried out the review pursuant to the stipulated authority and procedures and shall classify such defects as material defects, important defects and general defects based on the impact produced by such defects. Such confirmed opinions shall be proposed in form of a written report to report to the Board of Directors and the Operating Meeting. Material defects shall be finally confirmed by the Board of Directors. The Company shall timely adopt the corresponding strategies with respect to the material defects and important defects, and practicably control risks within the range that the Company can undertake. In addition, the Company shall pursue the liabilities of the relevant department or personnel.

公司檢查風險管理及內部監督系統有效性的程序包括：制定評價工作方案、組成評價工作組、實施現場測試、認定控制缺陷、匯總評價結果、編報評價報告等環節。公司授權內部審計部門負責內部控制評價的具體組織實施工作。公司對內控缺陷進行綜合分析後提出認定意見，按照規定的權限和程序進行審核後予以最終認定，並按缺陷的影響程度分為重大缺陷、重要缺陷和一般缺陷。提出的認定意見以書面報告的形式向董事會、經營層會議報告，重大缺陷由董事會予以最終認定。本公司對認定的重大、重要缺陷，及時採取應對策略，切實將風險控制在可承受之內，並追究有關部門或相關人員的責任。

We have also appointed and reappointed external professional advisors (including the auditor, legal or other advisors) for provision of professional advice and continuous guidance on how we observe all applicable related laws and regulations.

我們亦已委聘及續聘外部專業顧問(包括審計師、法律或其他顧問)就我們如何遵守所有適用的相關法律法規提供專業建議及持續的指導。

For purposes of such various risks we are exposed to during our operation, we focus on the strengthening of the internal control and risk management systems. We have implemented many policies and measures in order to ensure that effective risk management is conducted in respect of the operation, financial reports and records, fund management and the compliance with applicable laws and regulations of Hong Kong and China. We attach importance to various environmental, social and governance risks and the Board and management have overall responsibility for these risks. In addition, the Company has a safety management department to regularly manage and monitor the environmental and social risks faced by the Company and has established a series of systems and contingency management plans and is responsible for reporting to the Audit Committee and the Board when there are significant changes to the relevant risks so that timely effective measures can be taken to reduce the risks and mitigate the damage in a timely manner. During the Reporting Period, the Board has reviewed the environmental, social and governance structure of the Company and considered that resources, staff qualifications and operations, training programmes received by employees and relevant budget were adequate.

就我們的營運面臨各種風險而言，我們專注於加強內部控制與風險管理系統。我們已實施多項政策及措施，以確保營運、財務報告及記錄、資金管理及遵守香港與中國的適用法律法規等各方面均設有有效的風險管理。我們重視環境、社會及管治面臨的各種風險，董事會及管理層就該等風險負有全面責任，同時，公司設有安全管理部門，就本公司面臨的環境及社會風險進行日常管理及監控，制定了一系列制度及應急管理方案，在相關風險發生重大變化時，負責向審計委員會及董事會進行匯報以便及時採取有效措施，降低風險，及時止損。董事會已對報告期內公司環境、社會及管治架構進行了檢討，認為在資源、員工資歷及經營、員工接受的培訓課程及有關預算方面是足夠的。

In addition, the Company places a great emphasis on inside information management. For the purposes of strengthening the confidentiality of inside information, maintaining the fairness of information disclosure and protecting the legal interests and rights of the general investors, the Company formulated the Information Disclosure System of Kunming Dianchi Water Treatment Co., Ltd. (《昆明滇池水務股份有限公司信息披露制度》), the Internal Reporting System of Material Information of Kunming Dianchi Water Treatment Co., Ltd. (《昆明滇池水務股份有限公司重大信息內部報告制度》) and other internal documents and formed the lawful and compliant information disclosure mechanism in accordance with the requirements of relevant laws and regulations, the Listing Rules and other regulatory documents. During the Reporting Period, the Company carried out information disclosure strictly pursuant to the regulatory requirements and expressly stipulated that the Board of Directors shall manage in a uniform manner and be responsible for the information disclosure. The Chairperson is the first officer in charge of the information disclosure and the company secretary is the main person in charge of the Company's information disclosure. Moreover, detailed provisions in respect of the managerial responsibility of the Directors, Supervisors, senior management and officers in charge of branches or subsidiaries shall be made.

此外，本公司高度重視內幕信息管理工作，為加強內幕信息保密工作，維護信息披露的公平，保護廣大投資者的合法權益，根據相關法律法規、上市規則、其他規範性文件等要求，制定了《昆明滇池水務股份有限公司信息披露制度》、《昆明滇池水務股份有限公司重大信息內部報告制度》等內部文件，形成了合法合規的信息披露機制。報告期內，本公司嚴格根據監管要求開展信息披露工作，明確規定信息披露工作由董事會統一管理並負責，董事長是本公司信息披露工作的第一責任人，公司秘書為信息披露工作的主要責任人，並對董事、監事、高管及分支機構負責人的信息披露管理責任進行詳細規定。

G. DIVIDEND POLICY

According to the Company Law and the Articles of Association, the Company can only pay dividends from the after-tax profits after making the following distribution:

- Compensation for accumulated losses (if any);
- Allocating the equivalent of 10% of after-tax profits to the statutory reserve; and
- The amount (if any) approved by the Shareholders at the general meeting will be allocated to arbitrary provident fund.

G. 股息政策

根據《公司法》及公司章程，本公司僅在作出下列分配後方可自除稅後利潤中派付股息：

- 彌補累計虧損(如有)；
- 將相當於除稅後利潤的10%劃撥至法定公積金；及
- 將於股東會上獲股東批准的款項(如有)劃撥至任意公積金。

After the statutory reserve fund has reached and maintained at 50% or above the registered capital, no further transfer is required. The Company's distributable profit in relation to the above transfer and the Company's dividend distribution are expected to be paid by after-tax profit determined in accordance with the Generally Accepted Accounting Principles in China or IFRS, whichever is lower.

法定公積金達到並維持在註冊資本的50%或以上後，毋須再就此進行劃撥。本公司就上述劃撥的可供分派利潤及本公司的股息分派預期以根據中國一般公認會計原則或國際財務報告準則釐定的稅後利潤(以較低者為準)支付。

All Shareholders are entitled the same right to receive dividends and distributions distributed by Shares or cash.

所有股東享有同等權利收取以股票或現金形式派付的股息及分派。

The proposal of payment and the amounts of dividends will be made at the discretion of the Board and will depend on the Company's general business condition and strategies, cash flows, operating results and capital needs, the interests of Shareholders, taxation conditions, statutory and regulatory restrictions, and other factors that our Board deems relevant. Any dividend distribution shall also be subject to the approval of our Shareholders in a Shareholders' general meeting.

股息派付建議及其金額由董事會酌情釐定，並視乎本公司的整體業務狀況及策略、現金流量、經營業績及資金需求、股東的權益、稅務狀況、法定及監管限制以及董事會視作相關的其他因素而定。任何股息派付亦須在股東會上獲得股東批准後方可作實。

H. THE DIRECTORS ' LIABILITY TO THE FINANCIAL STATEMENTS

H. 董事對財務報表承擔的責任

The Board of Directors is unaware of any material uncertainties relating to any events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. The Board of Directors has confirmed to undertake its responsibility for the preparation of the Group's financial statements as of 31 December 2024.

董事會並不知悉有任何重大不明朗事件或情況可能會嚴重影響本公司持續經營的能力。董事會確認其承擔編製本集團截至2024年12月31日止財務報表的責任。

I. REMUNERATION OF AUDITORS

I. 審計師酬金

Auditors engaged by the Company shall be openly selected and nominated by the Board and approved by or with the authorisation of the general meeting of Shareholders. Their remuneration is determined by the Board as authorised by the general meeting of Shareholders. The Company appointed Forvis Mazars as its international auditor and engaged Zhongshen Zhonghuan to handle its PRC domestic audit work in 2024. The remuneration paid or payable to Zhongshen Zhonghuan and Forvis Mazars in respect of statutory annual audit services and non-audit services (namely non-audit services related to the Group's continuing connected transactions reporting, reviewing preliminary announcement of annual results, and attendance at annual general meeting) amounts to approximately RMB1.95 million, and RMB0.03 million respectively.

本公司聘請之審計師通過公開方式甄選並由董事會提名，由股東會批准或授權批准。其酬金由股東會授權董事會釐定。2024年度本公司聘任富睿瑪澤為本公司國際審計師，而中國境內審計工作由中審眾環處理。本集團就法定年度審計服務及非審計服務(即與本集團的持續關聯交易報告、審閱年度業績初步公告及出席股東週年大會相關的非審計服務)支付或應付予中審眾環及富睿瑪澤的酬金分別約為人民幣1.95百萬元及人民幣0.03百萬元。

J. SHAREHOLDERS' RIGHTS

1. Shareholders have the right to initiate and convene the extraordinary general meeting

In accordance with the provisions of the Articles of Association, the Shareholders shall be entitled to the following right: A Shareholder solely holding or Shareholders aggregately holding more than ten percent (inclusive) of Shares having voting powers in the Company may sign a written request to suggest the Board of Directors for convening an extraordinary Shareholders' general meeting. When the Board of Directors disagrees with convening or fails to convene a general meeting as stipulated in the Articles of Association, Shareholders who solely or collectively hold more than ten percent (inclusive) of the Shares with voting rights in the Company may request in writing for the Board of Supervisors to convene the general meeting. If the Board of Supervisors disagrees with convening or fails to convene the general meeting as stipulated in the Articles of Association, Shareholders who have held more than 10% (inclusive of 10%) Shares in the Company individually or collectively for more than 90 consecutive days may convene and hold the meeting themselves, and the reasonable expenses incurred shall be borne by the Company.

2. Shareholders have the right to submit a provisional draft resolution to the Company at the general meeting

It is also provided in the Articles of Association that when the Company is to convene a general meeting, Shareholders individually or collectively holding more than 1% (inclusive of 1%) Shares in the Company shall have the right to submit proposals to the Company. Being located at the Company's registered office in China and the Company's headquarters, the office of the Board of Directors shall be responsible for handling such draft resolution submitted by such Shareholder. If the requirements regarding the time limits stipulated in the Articles of Association are met, and should some items in such provisional draft resolution fall into the scope of the job duties of the general meeting, the Company shall have such items included in the agenda of such meeting.

J. 股東權利

1. 股東有權提請召開臨時股東會

公司章程規定，股東享有如下權利：單獨或者合計持有本公司有表決權股份達百分之十以上(含百分之十)的股東，可以簽署書面要求，提請董事會召集臨時股東會。當董事會不同意召集召開或未按公司章程之約定召集召開股東會，單獨或者合計持有本公司有表決權股份達百分之十以上(含百分之十)的股東可以書面請求監事會召集召開股東會，當監事會不同意召集召開或未按公司章程之約定召集召開股東會，連續90日以上單獨或者合計持有公司10%以上(含10%)股份的股東可自行召集召開並舉行會議，發生的合理費用由公司承擔。

2. 股東有權向公司提出股東會臨時提案

公司章程亦規定，公司召開股東會，單獨或者合計持有公司1%以上(含1%)股份的股東，有權向公司提出提案。公司於其中國註冊辦事處及總部的董事會辦公室負責處理股東的提案，滿足公司章程所規定的時限等要求的，公司應當將臨時提案中屬於股東會職責範圍內的事項，列入該次會議的議程。

3. Shareholders are entitled to the inquiry right

Shareholders have the right to inspect and copy the Articles of Association, the register of Shareholders, the minutes of general meetings, the resolutions of Board meetings, the resolutions of meetings of the Board of Supervisors, and financial and accounting reports. Shareholders who submit an inquiry request shall provide the Company with written documents proving the type and number of Shares they hold in the Company. Upon verification, the Company shall provide the information as requested by the Shareholders. As for the inquiry required to be concerned by the Board, the Shareholders may send an email to the email address at dshbgs@kmdcsw.com for the Board of Directors or a letter to the following address. The Company will timely process all the inquiries in an appropriate manner:

Wastewater Treatment Plant No. 7
Kunming Dianchi Tourist Resort
Kunming City, Yunnan Province, the PRC
(For the attention of the Board)

3. 股東享有的查詢權

股東有權查閱、複製公司章程、股東名冊、股東會會議記錄、董事會會議決議、監事會會議決議、財務會計報告。股東提出查詢需求的，應當向公司提供證明其持有本公司股份種類及持股數量的書面文件，公司經核實後按照股東要求予以提供。股東可將需要董事會關注的查詢電郵(電郵地址：dshbgs@kmdcsw.com)至董事會或致函至以下地址，本公司會及時以適當的方式處理所有查詢：

中國雲南省昆明市
昆明滇池旅遊度假區
第七污水廠
(請註明董事會查收)

K. COMMUNICATIONS WITH SHAREHOLDERS

Effective communications with Shareholders are essential to the enhancement of investor relations and the enhancement of investors' understanding of the Company's business and strategies. The Company highly values Shareholders' opinions and suggestions, encourages Shareholders to attend general meetings to ensure a high level of accountability and to keep them informed of the Company's strategy and objectives. It also carries out investor relations activities through a combination of channels such as setting up an investor hotline, emails and holding results presentations for Shareholders to express their views, in order to keep the communications with Shareholders, and to timely satisfy the reasonable demands of all Shareholders. The Company has evaluated the implementation and effectiveness of its Shareholder communication policy during the Reporting Period. During the Reporting Period, Shareholders' legal rights such as the right to propose the convening of general meetings, the right to make proposals, the right to make enquiries and the right to speak at general meetings have been protected in accordance with the relevant provisions of the Articles of Association and the Listing Rules. The Company's investor hotline, email and other communications are also kept open. During the Reporting Period, the Company's Shareholder communication policy was effective.

K. 與股東的溝通

與股東保持有效溝通對提升投資者關係及使得投資者了解本公司之業務及策略至關重要。本公司高度重視股東的意見和建議，鼓勵股東出席股東會以確保高水平的問責制並使其及時了解本公司的戰略和目標。同時，通過設置投資者熱線、電郵，召開業績發佈會等多途徑相結合的方式以供股東發表意見，開展投資者關係活動，與股東保持溝通，及時滿足各股東的合理需求。公司已對報告期內股東通訊政策的實施和有效性進行了評估，報告期內，已按照公司章程、上市規則相關規定保障了股東在股東會提議召開權、提案權、查詢權及於股東會上的發言權等合法權利，公司投資者熱線、電郵等通訊亦保持開通狀態，報告期內，公司股東通訊政策是有效的。

L. INVESTOR RELATIONS

The Company believes that good investor relations may help build more stable and consolidated shareholder base. As a result, the Company has been and will be dedicated to maintaining a higher degree of transparency, observing the Listing Rules and timely providing investors with comprehensive and accurate information, and constantly performing the obligation of the listed company on information disclosure. Investors can download and review the Company's regular reports, financial statements and trading announcements on the websites of the Stock Exchange and the Company.

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.

L. 投資者關係

本公司認為，良好的投資者關係有助於建立更穩固的股東基礎，因此，本公司一直並將致力於維持較高的透明度，遵照上市規則及時向投資者提供全面、準確的信息，持續履行上市公司的信息披露義務。投資者可於聯交所網站及本公司網站下載、查閱本公司發佈之定期報告、財務報表及交易事項等公告。

本公司將繼續維持開放及有效的投資者溝通政策，在符合相關監管規定的情況下，及時向投資者提供有關本公司業務的最新資料。

M. ARTICLES OF ASSOCIATION

In view of the "Decision of the State Council on Abolishing Certain Administrative Regulations and Documents" (《國務院關於廢止部分行政法規和文件的決定》), the "Trial Measures for the Management of Domestic Enterprises Issuing Securities Overseas and Listing" (《境內企業境外發行證券和上市管理試行辦法》), the "Guiding Opinions on Deepening the Construction of the Chief Legal Advisor System in Municipal Enterprises (Trial) by the Kunming State-owned Assets Supervision and Administration Commission" (《昆明市國資委關於深入推進市屬企業總法律顧問制度建設的指導意見(試行)》), the Company Law, newly amended and effective, and relevant laws, regulations promulgated by China, and the Listing Rules concerning the expansion of paperless listing mechanisms and the latest regulatory requirements for issuers to publish company communications electronically, during the Reporting Period, the Company made corresponding amendments to its Articles of Association. For details, please refer to the Company's announcements dated 8 May 2024 and 25 October 2024, and the circulars dated 7 June 2024 and 4 December 2024, respectively. The resolutions in respect of amendments to the Articles of Association have been approved by way of special resolutions at the 2023 annual general meeting, the 2024 first domestic Shareholders' class meeting, the 2024 first H Shareholders' class meeting and the 2024 fourth extraordinary general meeting.

M. 公司章程

鑒於中國頒佈的《國務院關於廢止部分行政法規和文件的決定》、《境內企業境外發行證券和上市管理試行辦法》、《昆明市國資委關於深入推進市屬企業總法律顧問制度建設的指導意見(試行)》、最新修訂並生效的《公司法》等法律法規及上市規則有關擴大無紙化上市機制及上市發行人以電子方式發佈公司通訊的最新監管規定等，報告期內，本公司對公司章程進行了相應的修訂，詳情請見本公司日期分別為2024年5月8日、2024年10月25日的公告及2024年6月7日、2024年12月4日的通函。建議修訂公司章程的議案已分別經2023年股東年會、2024年第一次內資股類別股東會、2024年第一次H股類別股東會及2024年第四次臨時股東會上以特別決議案形式批准做實。

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.

N. 環境、社會及管治報告

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。環境、社會及管治報告載於本年報之第十三章「環境、社會及管治報告」。

O. CORPORATE CULTURE

The Board of Directors is responsible for the creation, dissemination, promotion and fulfillment of 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 attaches great importance to the creation and inheritance of corporate culture. The Company upholds the business philosophy of "Consummation and Sustainability", and adheres to the value of "Advocating science, daring to be the first, pursuing excellence, serving customers", focusing on the main responsibility and principal business, providing basic protection and professional services for environmental protection and management, ecological civilization construction and economic and social development, and creating wealth for Shareholders and value for society. As a state-owned listed enterprise, we adhere to the principle of "developing an enterprise with integrity and creating our culture with virtues", and adopt integrity and self-discipline as the code of conduct for all management and staff. The Company's corporate culture is communicated through a top-down approach to ensure that it is in line with the Company's development strategy and development stage. The Company conducts annual training for its employees to enable them to understand the corporate culture and their code of conduct at work, so as to achieve unity and clarity of purpose and to ensure that the Company's business strategies and plans are successfully implemented. The Company's objectives, values and strategies are aligned with the corporate culture.

O. 企業文化

董事會負有企業文化的創造、傳播推廣及踐行之職責，企業文化是企業的靈魂，是企業戰略實現的基礎保障之一，是企業保持活力、健康可持續發展的源泉。公司重視企業文化的打造及傳承。公司秉承「臻於至善、源遠流長」的企業哲學，堅持「崇尚科學、敢為人先、追求卓越、服務客戶」的價值觀，聚焦主責主業，為環境保護治理、生態文明建設、經濟社會發展提供基礎保障和專業化服務，以為股東創造財富、為社會創造價值為使命。作為國有上市企業，我們堅持「以廉興企、以德鑄魂」，將廉潔、自律作為所有管理層、員工的行為準則。公司的企業文化自上而下傳導，確保其與本公司發展戰略及發展階段相適應。公司每年會針對員工進行培訓，以便員工能了解企業文化及其在工作中的行為準則，從而做到上下齊一、目標明確，保障公司的經營策略及計劃得以達成。公司的目標、價值及策略與企業文化保持一致。

I. COMPOSITION OF THE BOARD OF SUPERVISORS

As of 31 December 2024, the Board of Supervisors of the Company consists of three Supervisors, of whom one is a shareholder representative Supervisor and two are employee representative Supervisors. The Supervisors are appointed for a term of three years and may be re-elected.

The composition of the Board of Supervisors of the Company is as follows:

一、監事會組成

截至2024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, resigned on 8 January 2025
那志強	監事會主席、職工代表監事	2011年1月19日，於2025年1月8日辭任
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

II. MEETINGS OF THE BOARD OF SUPERVISORS

During the Reporting Period, the Board of Supervisors of the Company convened 2 meetings of the Board of Supervisors in total. All meetings were conducted in accordance with relevant procedures and regulations and all resolutions were legal and valid. The attendance of the Supervisors is as follows:

二、監事會會議情況

報告期內，本公司監事會共召開了2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
Na Zhiqiang 那志強	2/2	100%
Yao Jianhua 姚建華	2/2	100%
Shao Wei 邵偉	2/2	100%

During the Reporting Period, the Board of Supervisors of the Company, by attending the Board meetings and general meetings, in conjunction with the internal audit department and the audit requirements of the superior competent department, made enquiries and reviewed the relevant financial information and reports of the Company in order to diligently perform its supervisory duties to effectively safeguard the interest of the Company and the minority Shareholders. During the year, the Company managed its operations in accordance with the Company Law, the Listing Rules, the Articles of Association and the relevant regulatory requirements of the higher state-owned assets regulatory authorities, with lawful decision-making procedures and a relatively sound internal control system. The resolutions of the Board of Directors and the general meetings were in compliance with the relevant laws and regulations and have been effectively implemented.

報告期內，本公司監事會通過列席董事會會議和股東會會議，結合內部審計部門、上級主管部門審計要求等相關工作，查詢審閱公司相關財務資料及報告，從切實維護公司利益和廣大中小股東的利益出發，認真履行監督職責。本年度內，本公司能夠按照《公司法》、上市規則、公司章程及上級國資監管部門監管規定等相關要求，依法管理運作、決策程序合法、內控制度較為健全；董事會及股東會各項決議符合有關法律法規要求，並得到了有效執行。

III. MAJOR WORK IN 2024

三、 2024年主要工作情況

(1) Monitoring the operation of the Company

（一） 監察公司經營情況

The members of the Board of Supervisors of the Company review the proposals submitted to the Board of Directors and the general meetings for consideration by attending all the Board meetings and general meetings of the Company, and integrate internal audit and external audit into day-to-day supervision and examine the operating activities of the Company through internal self-inspection and external inspection mechanism. The Board of Supervisors believes that the operating activities of the Company are in compliance with the provisions of the relevant laws and regulations of the state and the Articles of Association, the decision-making procedures are legal, and the Company has not engaged in any operating activities that are in violation of laws and regulations or exceed the scope of business operation as prescribed in laws and regulations.

本公司監事會成員通過列席公司歷次董事會、股東會，對提交董事會及股東會審議的各項議案進行審閱，同時，將內部審計、外部審計工作與日常監督工作相結合，通過內部自查與外部審查機制，對本公司的經營活動進行審查。監事會認為，公司的經營活動符合國家有關法律法規和公司章程的規定，決策程序合法，公司未從事任何違法、違規或超出依法核定的經營範圍的經營活動。

(2) Monitoring the Directors and senior management of the Company for their performance of duties

The members of the Board of Supervisors of the Company monitor the Directors and senior management of the Company performing their duties by attending the Board meetings, reviewing various proposals of the Board and examining the daily operation and management of the Company.

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.

(3) Monitoring the financial position of the Company

As of 31 December 2024, 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 2024 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.

（二） 監察公司董事及高級管理人員履行職責情況

本公司監事會成員通過列席董事會，審閱董事會各項議案，以及檢查公司日常經營管理，監察公司董事、高級管理人員的履行職責情況。

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。

（三） 監察公司財務狀況

截至2024年12月31日，本公司監事會認真審查了本公司的有關財務資料和審計報告。監事會認為，報告期內，公司認真貫徹執行《會計法》、《企業會計準則》、《國際會計準則》等有關財務制度，會計核算規範，財務管理到位。2024年度已出具的各期財務會計報告在所有重大方面公允、真實地反映了公司財務狀況和經營成果，不存在任何虛假記載、誤導性陳述或者重大遺漏。

（四） 監察公司關聯交易情況

監事會審查了報告期內發生的關聯交易事項有關情況，檢查了有關事項的決策程序。監事會認為，該等關聯交易是按照一般商務條款進行的，是公平、公正、合理的，不存在損害本公司及本公司其他股東利益的情況。

(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 been effective on better risk prevention and control over 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.

（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。

(6) Monitoring the information disclosure by the Company

In strict compliance with the Company Law, the Listing Rules 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.

（六） 監察公司信息披露情況

本公司及董事會、經理層嚴格按照公司法、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。

IV. 2025 ANNUAL WORK PLAN

In 2025, the Supervisory Committee will continue to strictly comply with the laws, regulations and the Articles of Association, 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 2025, 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.

(2) Strengthening supervision to prevent risks. The Board of Supervisors will focus on financial supervision and conduct supervision and inspection of the Company's financial position in accordance with the law. It will further advance and strengthen the internal control system, regularly obtain information from the Company and understand the operating conditions of the Company, and make timely recommendations to stop and rectify any problems identified. It will also maintain regular communication and liaison with the internal audit department, the disciplinary inspection and supervision department and the accounting firm engaged by the Company, and make full use of internal and external audit information to understand and grasp the situation in a timely manner.

(3) Strengthening education to enhance the ability to perform duties. In 2025, the Board of Supervisors will continue to actively organise financial, legal and business-related training and learning sessions to enhance its ability of supervision and inspection, broaden its professional knowledge and improve its professional competence, so as to better perform the supervisory functions of the Board of Supervisors.

四、 2025年度工作計劃

2025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。2025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。

（二） 加強監督，防範風險。堅持以財務監督為核心，依法對公司的財務情況進行監督檢查。進一步推進加強內部控制制度，定期向公司了解情況並掌握公司的經營狀況，一旦發現問題，及時提出建議並予以制止和糾正。經常保持與內審部門、紀檢監察部門和公司所聘任的會計事務所進行溝通及聯繫，充分利用內外部審計信息，及時了解和掌握有關情況。

（三） 加強學習，提升履職能力。2025年，監事會將繼續積極組織開展財務、法律及業務相關培訓學習，提升監督檢查的能力，拓寬專業知識和提高業務水平，更好地發揮監事會的監督職能。

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To the members of Kunming Dianchi Water Treatment Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

致昆明滇池水務股份有限公司全體股東
(於中華人民共和國註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Kunming Dianchi Water Treatment Co., Ltd. (the "**Company**") and its subsidiaries (together the "**Group**") set out on pages 169 to 318, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

我們審計了後附第169頁至第318頁昆明滇池水務股份有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的合併財務報表,包括 貴集團於2024年12月31日的合併財務狀況表、截至該日止年度的合併損益及其他全面收益表、合併權益變動表、合併現金流量表、合併財務報表附註以及重大會計政策資料。

我們認為,該等合併財務報表已根據國際會計準則理事會(「**國際會計準則理事會**」)頒佈的國際財務報告準則會計準則真實而中肯地反映了 貴集團於2024年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量,並已遵照《香港公司條例》的披露要求妥為擬備。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "**Code**"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見的基礎

我們按照香港會計師公會(「**香港會計師公會**」)頒佈的《香港審計準則》(「**香港審計準則**」)的規定執行了審計工作。核數師報告的「核數師對合併財務報表審計的責任」部分進一步闡述了我們在這些準則下的責任。按照香港會計師公會頒佈的《職業會計師道德守則》(「**道德守則**」)的要求,我們獨立於 貴集團,並履行了道德守則職業道德方面的其他責任。我們相信,我們獲得的審計證據是充分、適當的,為發表審計意見提供了基礎。

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 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, 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2024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
Recoverability of trade receivables, receivables under service concession arrangements, contract assets and construction contracts Refer to Note 26 "Trade and other receivables", Note 18 "Receivables under service concession arrangements", Note 20 "Contract assets", Note 19 "Amounts due from customers for construction contracts" and Note 2 "Principal accounting policies – Critical judgements and accounting estimates" to the consolidated financial statements. As at 31 December 2024, the net carrying amounts of trade receivables, receivables under service concession arrangements, contract assets and construction contracts were approximately RMB4,428,064,000, RMB1,708,183,000, RMB223,052,000 and RMB575,373,000, respectively, and loss allowance provisions for trade receivables, receivables under service concession arrangements, contract assets and construction contracts were approximately RMB160,861,000, RMB38,783,000, RMB5,064,000 and RMB13,063,000, respectively. Management assesses the recoverability of trade receivables, receivables under service concession arrangements, contract assets and construction contracts based on the risk portfolio, customers' liquidity, historical credit losses, past collection history, subsequent settlement and other current and forward-looking information on macro economy. We identified the above matter as a key audit matter area because of the significant judgement involved in determining the recoverability of trade receivables, receivables under service concession arrangements, contract assets and construction contracts and their significant amounts.	Our audit procedures, among others, included: – evaluating the internal controls over the Group's assessment process in relation to the recoverability of trade receivables, receivables under service concession arrangements, contract assets and construction contracts respectively; – testing, on a sample basis, the accuracy and completeness of the ageing report for trade receivables, and historical credit losses for trade receivables, receivables under service concession arrangements, contract assets and construction contracts respectively; – obtaining management's assessment of future expected credit losses and the change of credit risk of significant balances and evaluated management's assessment against available evidence including but not limited to obtaining market data for our analysis; and – examining subsequent settlements of trade receivables.

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

關鍵審計事項	我們的審計如何處理關鍵審計事項
貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的可回收性 提述綜合財務報表之附註26「應收賬款及其他應收款」、附註18「特許經營權協議下的應收款項」、附註20「合約資產」、附註19「應收客戶建造合同款」及附註2「主要會計政策－關鍵判斷及會計估計」。 於2024年12月31日，貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的賬面淨值分別約為人民幣4,428,064,000元、人民幣1,708,183,000元、人民幣223,052,000元及人民幣575,373,000元，貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的虧損撥備分別約為人民幣160,861,000元、人民幣38,783,000元、人民幣5,064,000元及人民幣13,063,000元。 依據風險組合、客戶的流動性狀況、歷史信貸虧損、過往收款歷史、後續入賬及宏觀經濟的其他當前及前瞻性資料，管理層評估了貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的可回收程度。 我們將上述事項確定為關鍵審計事項領域，原因是確定貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的重大金額可回收程度涉及重大判斷。	我們的審計程序包括但不限於以下內容： – 已評估對 貴集團有關評估程序的內部控制，分別涉及貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的可收回性； – 已分別抽樣測試貿易應收款項、特許經營權協議、合約資產及建造合同下的應收款項的賬齡報告及歷史信貸虧損的準確性及完整性； – 獲得管理層對未來預期信貸虧損的評估以及重大結餘的信貸風險變化，並評價管理層對現有證據的評估，包括但不限於獲取市場數據以供我們分析；及 – 已檢查貿易應收款項的後續入賬。

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

Key Audit Matter	How our audit addressed the Key Audit Matter
Receivables and revenue recognised for service concession arrangements under financial asset model Refer to Note 2 "for the accounting policy" of service concession arrangements under financial asset model. Note 2 "Principal accounting policies - Critical judgements and accounting estimates", and Note 18 "Receivable under service concession arrangements" to the consolidated financial statements. The Group has entered into a number of service concession arrangements with certain governmental authorities or their designators (the "**Grantors**") under Build-Operate-Transfer arrangements and Transfer-Operate-Transfer arrangements in respect of its wastewater treatment, reclaimed water supply and running water supply. Certain of these service concession arrangements are accounted for using "financial asset" model while others are accounted for using "intangible asset" model. For the Group's service concession arrangements under financial asset model, The fair value of receivables and revenue recognised are derived from valuation in which a number of critical assumptions were used. As at 31 December 2024, the carrying amount of receivables under service concession arrangements amounted to approximately RMB1,708,183,000, which accounted for 13.8% of the Group's total assets. Management conducted the valuation for those service concession arrangements under financial asset model at initial recognition, and performed revaluation when there were indicators that the critical assumptions in the initial valuation have been significantly affected and deviated subsequent to initial recognition. Such valuation and revaluation were determined based on the forecasted cash flows to be derived from the related projects which involved critical judgements and assumptions including but not limited to the effective interest rate and forecasted unit price of service fee. With reference to the valuation and revaluation performed by the management, management determined the amount of receivables and revenue to be recognised for service concession arrangements under financial asset model during the year, and the subsequent measurement of receivables and revenue. We identified the above matter as a key audit matter area because of the significant judgement involved in determining the receivables and revenue recognised for service concession arrangements under financial asset model and their significant amounts.	With respect to valuation and revaluation for the service concession arrangements under financial asset model undertaken during the year, we assessed the methodologies used by the management, the valuation processes and significant assumptions adopted. We also evaluated the reasonableness of the methodologies and assumptions used in the valuation and revaluation. We selected samples of service concession arrangements under financial asset model for testing. The key procedures included: 1. Examining the agreements between the Group and the Grantors. 2. Testing the reasonableness and appropriateness of critical assumptions adopted in the cash flow forecasts, mainly in relation to: – checking and making reference of the current unit price at office government website and government announcement; – assessing and analysing the reasonableness of the operating costs by comparing to the actual costs of other existing service concession arrangements of the Group; and – assessing and analysing the profit margins of the operating services by comparing with the average profit margin of the operating services of the industry. We also challenged management's assessment of whether the subsequent measurement of receivables and revenue recognised for the service concession arrangements under financial asset model should be subject to revaluation by comparing the actual outcome, if available, with the critical assumptions applied in the valuation in previous years and assessing the potential impact of reasonably possible changes in the critical assumptions.

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

關鍵審計事項	我們的審計如何處理關鍵審計事項
按金融資產模型核算的特許經營權協議下的應收款項及收入 按綜合財務報表附註2金融資產模型核算的特許經營權協議的會計政策，附註2「主要會計政策－重大判斷及會計估計」，附註18「特許經營權協議下的應收款項」。 貴集團與若干政府機關或其指定機構(「**授予人**」)就提供污水處理、再生水供應及自來水供應的「建設－經營－移交」安排及「移交－經營－移交」安排，訂立了多項特許經營權協議。該等特許經營權協議中有一部分乃按照「金融資產」模型核算，其餘則按照「無形資產」模型核算。就 貴集團按金融資產模型核算的特許經營權協議而言，其確認的應收款項及收入的公允價值由估值得出，其中運用了多項關鍵假設。於2024年12月31日， 貴集團特許經營權協議下的應收款項賬面金額約為人民幣1,708,183,000元，佔資產總額的13.8%。 管理層在初始確認時對按金融資產模型核算的特許經營權協議進行估值，若有跡象表明初始確認時的估值所採用的關鍵假設在初始確認後受到重大影響並出現偏差，則進行重估。該等估值及重估乃根據相關項目將產生的預測現金流量釐定，當中涉及關鍵判斷及假設，包括但不限於實際利率、預測的服務費單價。經參考管理層進行的估值及重估，管理層釐定了年內就按金融資產模型核算的特許經營權協議而確認的應收款項及收入金額，以及應收款項及收入的後續計量。 由於釐定就按金融資產模型核算的特許經營權協議確認的應收款項及收入涉及重大判斷，且其金額巨大，我們將上述事項確定為關鍵審計事項領域。	對於年內進行的按金融資產模型核算的特許經營權協議的估值和重估，我們評估了管理層使用的方法、估值過程及採用的重要假設。我們亦評估了估值及重估所使用方法及假設的合理性。 我們對按金融資產模型核算的特許經營權協議進行了抽樣測試。主要程序包括： 1. 檢查 貴集團與授予人簽署的合約。 2. 對現金流量預測所使用的關鍵假設的合理性及恰當性進行測試，主要包括： – 查詢並參考了在政府官方網站和政府文件中的現時單價； – 對比 貴集團其他現有的特許經營權協議的實際成本，評估並分析經營成本的合理性；及 – 對比同行業經營服務的平均毛利率，評估並分析經營服務的毛利率。 我們亦質疑管理層就按金融資產模型核算的特許經營權協議下的應收款項及收入的後續計量是否需要進行重估而作出的評估，方法是將實際結果(如有)與過往年度估值時應用的關鍵假設進行比較，並評估關鍵假設的合理可能變動的潛在影響。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2024 annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

其他信息

貴公司董事須對其他信息負責。其他信息包括2024年年度報告內的所有信息,但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他信息,我們亦不對該等其他信息發表任何形式的鑑證結論。

結合我們對合併財務報表的審計,我們的責任是閱讀其他信息,在此過程中,考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作,如果我們認為其他信息存在重大錯誤陳述,我們需要報告該事實。在這方面,我們沒有任何報告。

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB, and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

董事及負責監管人士就合併財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的《國際財務報告準則會計準則》及《香港公司條例》的披露要求擬備真實而中肯的合併財務報表,並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備合併財務報表時, 貴公司董事負責評估 貴集團持續經營的能力,並在適用情況下披露與持續經營有關的事項,以及使用持續經營為會計基礎,除非 貴公司董事有意將 貴集團清盤或停止經營,或別無其他實際的替代方案。

負責監管人士須負責監督貴集團的財務報告過程。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

核數師就審計合併財務報表承擔的責任

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告，僅根據我們協定的委聘條款向 閣下(作為整體)作出報告，而不可用作其他用途。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

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)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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.

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.

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.

核數師就審計合併財務報表承擔的責任 *(續)*

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。

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。

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。

Forvis Mazars CPA Limited
Certified Public Accountants
Hong Kong, 21 March 2025

The engagement director on the audit resulting in this independent auditor's report is:
Fung Shiu Hang
Practising Certificate number: P04793

富睿瑪澤會計師事務所有限公司
執業會計師
香港，2025年3月21日

出具本獨立核數師報告的審計項目董事是：
馮兆恆
執業證書編號：P04793

			Year ended 31 December 截至12月31日止年度	
		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
Revenue	**收入**	5	**1,594,164**	1,807,488
Cost of sales	銷售成本	6	**(880,513)**	(1,009,248)
Gross profit	**毛利**		**713,651**	798,240
Selling expenses	銷售費用	6	**(1,139)**	(2,326)
Administrative expenses	行政費用	6	**(76,135)**	(111,878)
Impairment loss on interests in associates	聯營投資減值損失		**–**	(55)
Net impairment losses on financial assets	金融資產減值損失淨額	3.1(b)	**(129,040)**	(110,033)
Net other income	其他收益淨額	7	**23,076**	45,508
Other losses	其他虧損	8	**(5,505)**	(3,861)
Operating profit	**經營利潤**		**524,908**	615,595
Finance income	財務收入	9	**48,038**	39,172
Finance costs	財務成本	9	**(263,627)**	(273,065)
Finance costs – net	財務成本－淨額	9	**(215,589)**	(233,893)
Share of results of associates	聯營公司經營成果份額	22	**5,035**	–
Profit before taxation	**稅前利潤**		**314,354**	381,702
Income tax expense	所得稅費用	11	**(50,426)**	(63,975)
Profit for the year	**年度利潤**		**263,928**	317,727

			Year ended 31 December 截至12月31日止年度	
		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
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 arising from translation of foreign operation	換算海外業務產生的匯兑差額		1,116	860
			1,116	860
Total comprehensive income for the year	**年度全面收益總額**		265,044	318,587
Profit attributable to:	**利潤歸屬：**			
– Equity holders of the Company	–本公司權益持有人		263,222	316,506
– Non-controlling interests	–非控制性權益		706	1,221
			263,928	317,727
Total comprehensive income attributable to:	**全面收益總額歸屬於：**			
– Equity holders of the Company	–本公司權益持有人		264,338	317,366
– Non-controlling interests	–非控制性權益		706	1,221
			265,044	318,587
Earnings per share for profit attributable to equity holders of the Company (expressed in RMB per share)	**歸屬於本公司權益持有人的利潤的每股收益(以每股人民幣元計)**			
– Basic and diluted earnings per share	–基本及稀釋每股收益	14	0.26	0.31

AS AT 31 DECEMBER 2024 於2024年12月31日

		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
Non-current assets	**非流動資產**			
Investment properties	投資物業	15	**246,702**	267,855
Right-of-use assets/land use rights	使用權資產／土地使用權	16	**368,565**	378,384
Property, plant and equipment	不動產、工廠及設備	17	**2,288,351**	2,485,500
Receivables under service concession arrangements	特許經營權協議下的應收款項	18	**1,688,687**	2,528,619
Amounts due from customers for construction contracts	應收客戶建造合同款	19	**550,792**	701,415
Contract assets	合約資產	20	**223,052**	133,203
Intangible assets	無形資產	21	**825,554**	561,337
Interests in associates	聯營投資	22	**65,726**	–
Deferred tax assets	遞延稅項資產	23	**110,075**	96,117
			6,367,504	7,152,430
Current assets	**流動資產**			
Receivables under service concession arrangements	特許經營權協議下的應收款項	18	**19,496**	30,682
Amounts due from customers for construction contracts	應收客戶建造合同款	19	**24,581**	27,116
Inventories	存貨	24	**6,212**	7,570
Financial assets at amortised cost	以攤銷成本計量的金融資產	25	**119,600**	179,800
Trade and other receivables	應收賬款及其他應收款	26	**5,809,617**	4,437,299
Restricted funds	受限制資金	27	**25,965**	54,865
Cash and bank balances	現金及銀行結餘	27	**10,977**	174,088
			6,016,448	4,911,420
Current liabilities	**流動負債**			
Trade and other payables	應付賬款及其他應付款	28	**1,984,442**	1,380,081
Contract liabilities	合同負債	28	**30,127**	7,163
Tax payables	應付稅項		**190,597**	142,462
Borrowings	借款	29	**2,490,841**	3,266,653
			4,696,007	4,796,359
Net current assets	**流動資產淨值**		**1,320,441**	115,061
Total assets less current liabilities	**總資產減流動負債**		**7,687,945**	7,267,491

AS AT 31 DECEMBER 2024 於2024年12月31日

		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
Non-current liabilities	**非流動負債**			
Deferred revenue	遞延收益	*30*	**306,653**	239,728
Borrowings	借款	*29*	**2,098,338**	2,005,485
Deferred tax liabilities	遞延稅項負債	*23*	**40,661**	44,974
			2,445,652	2,290,187
NET ASSETS	**淨資產**		**5,242,293**	4,977,304
Capital and reserves	**資本及儲備**			
Share capital	股本	*31*	**1,029,111**	1,029,111
Other reserves	其他儲備	*32*	**1,644,580**	1,613,774
Accumulated profits	留存收益		**2,558,069**	2,324,597
Equity attributable to equity holders of the Company	**本公司權益持有人應佔權益**		**5,231,760**	4,967,482
Non-controlling interests	**非控制性權益**		**10,533**	9,822
TOTAL EQUITY	**權益總額**		**5,242,293**	4,977,304

The consolidated financial statements on pages 169 to 318 were approved and authorised for issue by the Board of Directors on 21 March 2025 and signed on its behalf by:

第169頁至第318頁之合併財務報表乃經董事會於2025年3月21日批准及授權刊發，並由以下董事代表簽署：

Zeng Feng
曾鋒
Director
董事

Chen Changyong
陳昌勇
Director
董事

FOR THE YEAR ENDED 31 DECEMBER 2024 截至2024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 RMB'000 人民幣千元 (Note 31) (附註31)	Other reserves 其他儲備 RMB'000 人民幣千元 (Note 32) (附註32)	Accumulated profits 留存收益 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元	Non-controlling interests 非控制性權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
At 1 January 2023	**於2023年1月1日**	1,029,111	1,575,452	2,044,427	4,648,990	8,601	4,657,591
Profit for the year	年度利潤	–	–	316,506	316,506	1,221	317,727
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	匯兑差額	–	860	–	860	–	860
Total comprehensive income for the year	年度全面收益總額	–	860	316,506	317,366	1,221	318,587
Transactions with owners:	**與所有者的交易：**						
Contributions and Distributions	注資及分派						
Transfer to statutory reserves *(Note 32(a))*	提取法定儲備*(附註32(a))*	–	38,138	(38,138)	–	–	–
Others	其他	–	(676)	1,802	1,126	–	1,126
At 31 December 2023	**於2023年12月31日**	1,029,111	1,613,774	2,324,597	4,967,482	9,822	4,977,304
At 1 January 2024	**於2024年1月1日**	1,029,111	1,613,774	2,324,597	4,967,482	9,822	4,977,304
Profit for the year	年度利潤	–	–	263,222	263,222	706	263,928
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	匯兑差額	–	1,116	–	1,116	–	1,116
Total comprehensive income for the year	年度全面收益總額	–	1,116	263,222	264,338	706	265,044
Transactions with owners:	**與所有者的交易：**						
Contributions and Distributions	*注資及分派*						
Transfer to statutory reserves *(Note 32(a))*	提取法定儲備*(附註32(a))*	–	29,750	(29,750)	–	–	–
Others	其他	–	(60)	–	(60)	5	(55)
At 31 December 2024	**於2024年12月31日**	1,029,111	1,644,580	2,558,069	5,231,760	10,533	5,242,293

FOR THE YEAR ENDED 31 DECEMBER 2024 截至2024年12月31日止年度

		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
OPERATING ACTIVITIES	**經營活動**			
Cash generated from operations	經營產生的現金	*34(a)*	**535,700**	523,261
Interest paid	已付利息		**(220,099)**	(278,901)
Income tax paid	已付所得稅		**(21,781)**	(23,412)
Net cash from operating activities	**經營活動產生的現金淨額**		**293,820**	220,948
INVESTING ACTIVITIES	**投資活動**			
Purchase of property, plant and equipment	購買不動產、工廠及設備		**(31,943)**	(84,828)
Additions of receivables under new concession agreements	新增特許經營權下的應收款		**(72,461)**	–
Purchase of intangible assets	購買無形資產		**–**	(900)
Proceeds from disposal of property, plant and equipment	出售不動產、工廠及設備所得款		**5,709**	106
Proceeds from disposal of receivables under service concession arrangements	出售特許經營權協議下的應收款項所得款		**50,033**	–
Loans to related parties	借款給關聯方	*36(b)(i)*	**–**	(80,000)
Repayments from related parties	關聯方還款	*36(b)(ii)*	**8,200**	130,200
Receipt of dividends distributed	收到股利分派款			8,440
Interest received	已收利息		**39,477**	44,895
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*		**–**	19,705
Settlement of consideration in respect of subsidiaries previously acquired	清算以前年度之收購附屬公司代價		**–**	(244)
Settlement of associates	清算聯營企業		**–**	6,458
Proceeds from disposal of subsidiaries	出售附屬公司的所得款項	*39*	**76,184**	139,998
Proceeds from disposal of associates	出售聯營公司的所得款項	*22*	**467**	–
Advance received from disposal of equity interests in subsidiaries	預收附屬公司股權處置款		**–**	120,000
Net cash from investing activities	**投資活動產生的現金淨額**		**75,666**	303,830

* During the year, the government grants of RMB74,612,000 relating to purchase of property, plant and equipment was paid to the suppliers directly, which were non-cash transactions

* 於本年度，與購買不動產、工廠及設備相關的政府補助人民幣74,612,000元政府已直接支付予供應商，為非現金交易

		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
FINANCING ACTIVITIES	**融資活動**			
Decrease of restricted funds	減少受限制資金		**28,902**	127,035
New borrowings raised	借款所得款	*34(b)*	**2,324,400**	1,936,025
Repayments of borrowings	償還借款	*34(b)*	**(2,886,137)**	(2,543,612)
Net cash used in financing activities	**融資活動使用的現金淨額**		**(532,835)**	(480,552)
Net (decrease) increase in cash and cash equivalents	**現金及現金等價物淨(減少)增加**		**(163,349)**	44,226
Effect of exchange rate changes	匯率變動影響		**238**	(1,632)
Cash and cash equivalents at the beginning of the reporting period	報告期初的現金及現金等價物		**174,088**	131,494
Cash and cash equivalents at the end of the reporting period, represented by cash and bank balances	**報告期末的現金及現金等價物，以現金及銀行結餘列示**		**10,977**	174,088

1. GENERAL

Kunming Dianchi Water Treatment Co., Ltd. (the "**Company**") was incorporated in Yunnan Province of the People's Republic of China ("**PRC**") on 23 December 2010 as a joint stock company with limited liabilities under the Company Law of the PRC and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office of the Company is located at Wastewater Treatment Plant No. 7, Kunming Dianchi Tourist Resort.

As at 31 December 2024, the directors of the Company consider the Company's immediate and ultimate holding company is Kunming Dianchi Investment Co., Ltd. (昆明滇池投資責任有限公司, "**KDI**"), a state-owned enterprise established in the PRC.

The Company and its subsidiaries (together, the " **Group** ") are principally engaged in the development, design, construction, operation and maintenance of water supply and wastewater treatment facilities in the PRC. The activities of the principal subsidiaries of the Company are set out in Note 37 to the consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**"), which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). There is no significant difference between the data recognised through the IFRS Accounting Standards and the data recognised in accordance with the Chinese Accounting Standards.

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廠。

於2024年12月31日,本公司董事認為本公司的直接及最終控股公司為昆明滇池投資有限責任公司(「**昆明滇池投資**」),其為於中國成立的國有企業。

本公司及其附屬公司(統稱「**本集團**」)在中國主要從事水供給和污水處理設施的開發、設計、施工、運營和維護。本公司主要附屬公司的活動載於合併財務報表附註37。

2. 主要會計政策

合規聲明

該等合併財務報表已按照國際會計準則理事會(「**國際會計準則理事會**」)頒佈的國際財務報告準則會計準則,其包括所有適用的個別國際財務報告準則會計準則、國際會計準則及詮釋,以及香港公司條例的披露規定而編製。本合併財務報表亦遵守聯交所證券上市規則(「**上市規則**」)的適用披露規定。通過國際財務報告會計準則確認的數據與按照中國會計準則確認的數據不存在重大差異。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Application of amendments to IFRS Accounting Standards

The Group has applied, for the first time, the following new/revised IFRS Accounting standards that are relevant to the Group;

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to IAS 1: Non-current Liabilities with Covenants

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

2. 主要會計政策(續)

應用國際財務報告準則會計準則(修訂本)

本集團已首次應用以下與本集團相關的新訂／經修訂國際財務報告準則會計準則：

國際會計準則第1號(修訂本)	將負債分類為即期或非即期
國際會計準則第1號(修訂本)	附有契諾的非流動負債
國際會計準則第7號及國際財務報告準則第7號(修訂本)	供應商融資安排
國際財務報告準則第16號(修訂本)	售後回租的租賃負債

國際會計準則第1號(修訂本)：將負債分類為即期或非即期

該等修訂本旨在透過幫助公司釐定財務狀況表中具有不確定結算日期的債務及其他負債是否應分類為流動(於一年內到期或可能到期結算)或非流動，以提高應用有關規定的一致性。對於公司可透過將其轉換為權益進行結算的債務，該等修訂本亦澄清了分類規定。

採納該等修訂本對合併財務報表沒有重大財務影響。

國際會計準則第1號(修訂本)：附有契諾的非流動負債

該等修訂本訂明於報告日期後遵守的契諾不會影響於報告日期將債務分類為流動或非流動。反之，該等修訂本要求公司於合併財務報表附註披露與該等契諾有關的資料。

採納該等修訂本對合併財務報表沒有重大財務影響。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

The amendments introduce new disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendments require a seller-lessee to subsequently determine lease payments arising from a sale and leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

2. 主要會計政策*(續)*

國際會計準則第7號及國際財務報告準則第7號(修訂本):供應商融資安排

該等修訂本引進提高供應商融資安排透明度及其對實體負債、現金流及流動性風險敞口影響的新披露要求。

採納該等修訂本對合併財務報表沒有重大財務影響。

國際財務報告準則第16號(修訂本):售後回租的租賃負債

該等修訂本要求賣方一承租人於期後以其不會確認與其所保留使用權有關的任何收益或虧損金額的方式,釐定售後租回所產生的租賃付款。新要求不會防止賣方一承租人於損益確認與部分或全面終止租賃有關的任何收益或虧損。

採納該等修訂本對合併財務報表沒有重大財務影響。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Amendments to IFRS Accounting Standards issued but not yet effective

At the date of approving these consolidated financial statements, the IASB has issued a number of revised IFRS Accounting Standards that are not yet effective for the current year and which the Group has not early adopted. These include the followings which may be relevant to the Group.

Amendments to IAS 21	Lack of Exchangeability (1)
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments (2)
Annual Improvements to IFRSs	Volume 11 (2)
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity (2)
IFRS 18	Presentation and Disclosure in Financial Statements (3)
IFRS 19	Subsidiaries without Public Accountability: Disclosures (3)
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (4)

(1) Effective for annual periods beginning on or after 1 January 2025
(2) Effective for annual periods beginning on or after 1 January 2026
(3) Effective for annual periods beginning on or after 1 January 2027
(4) The effective date to be determined

The management of the Group does not anticipate that the adoption of the new/revised IFRS Accounting Standards in future periods will have any material impact on the Group's consolidated financial results.

2. 主要會計政策(續)

已頒佈但未生效之國際財務報告會計準則修訂本

於合併財務報表獲批准日期，國際會計準則理事會已頒佈若干於本年度尚未生效且本集團並無提前採用之國際財務報告準則會計準則修訂本。當中包括可能與本集團相關之以下準則。

國際會計準則第21號(修訂本)	缺乏可兑換性(1)
國際財務報告準則第9號及國際財務報告準則第7號(修訂本)	金融工具分類及計量之修訂(2)
國際財務報告準則之年度改進	第11卷(2)
國際財務報告準則第9號及國際財務報告準則第7號(修訂本)	涉及依賴自然能源生產電力的合同(2)
國際財務報告準則第18號	財務報表之呈列及披露(3)
國際財務報告準則第19號	不具公眾問責之附屬公司(3)
國際財務報告準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或出資(4)

(1) 於2025年1月1日或之後開始之年度期間生效
(2) 於2026年1月1日或之後開始之年度期間生效
(3) 於2027年1月1日或之後開始之年度期間生效
(4) 將予釐定生效日期

本集團管理層預期於未來期間採用該等新訂／經修訂國際財務報告準則會計準則對本集團之合併財務業績並無任何重大影響。

2. PRINCIPAL 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 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 IFRS Accounting Standards.

2. 主要會計政策(續)

計量基礎

編製合併財務報表所用的計量基礎為歷史成本基準，但誠如下文所載會計政策所述，投資物業乃按其公允價值計量。

合併基礎

合併財務報表包括本公司及其附屬公司的財務報表。附屬公司的財務報表採用一致的會計政策，與公司報告年度相同。

集團內公司間之所有結餘、交易以及集團內公司間交易產生的收支及盈虧均全數對銷。附屬公司之業績自本集團獲得其控制權當日起合併入賬，並持續合併入賬至該控制權終止為止。

非控股權益於合併損益及其他全面收益表內與本公司股權持有人分開呈列，並在合併財務狀況表中的權益內呈列。於被收購方的屬現時擁有權權益及賦予其持有人在清盤時可按比例分得被收購方淨資產的非控股權益，乃初步以公允價值或目前所有權文書於被收購方可辨認淨資產已確認金額的應佔比例計算。計量基準依個別收購事項而選擇。其他類別的非控股權益初步以公允價值計量，惟國際財務報告準則會計準則規定須按其他計量基準除外。

2. PRINCIPAL 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. PRINCIPAL ACCOUNTING POLICIES *(continued)*

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 40 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.

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 interests 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.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

2. 主要會計政策(續)

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40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。

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代付款，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。

收購聯營公司產生的商譽乃按投資成本超出本集團於所收購聯營公司應佔之可識別資產機負債的公平淨值計量。該等商譽計入聯營投資。另一方面，任何超出投資成本的本集團應佔可識別資產及負債的公平淨值會隨即於損益中確認為收入。

2. PRINCIPAL 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.

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.

As described in Note 31(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.

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。

不動產、工廠及設備

除在建工程外，不動產、工廠及設備以成本減累計折舊及累計減值虧損列賬。不動產、工廠及設備項目的成本包括其購買價及為使資產達至其營運狀況及運抵營運地點作擬定用途之任何直接應佔成本。維修及保養會於其發生年度內於損益內扣除。

如合併財務報表附註31(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)。鑑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。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment *(continued)*

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

Construction in progress represents property, plant and equipment under construction or pending installation and is stated at cost less provision for impairment loss, if any. Cost includes the costs of construction and acquisition as well as interest expenses during the periods of construction and installation. When the assets concerned are available for use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated above.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other gains"/"other losses" in the consolidated statement of profit or loss and other comprehensive income.

2. 主要會計政策*(續)*

不動產、工廠及設備*(續)*

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

不動產、工廠及設備項目於出售時或預期繼續使用該資產不會產生未來經濟利益時終止確認。任何因該資產終止確認而產生之收益或虧損(按項目出售所收款項淨額與賬面值之差額計算)於終止確認該項目之年度計入損益。

在建工程是指建設當中或待安裝的不動產、工廠及設備，按成本減減值損失準備(如有)列賬。成本包括在建築和安裝期間的建築成本、收購成本以及利息費用。當資產達到可使用狀態時，成本結轉計入不動產、工廠及設備並按上述政策計提折舊。

資產的剩餘價值及可使用年限在每個報告期末進行檢討，及在適當時調整。

若資產的賬面價值高於其估計可收回價值，其賬面價值實時撇減至可收回金額。

處置的利得和損失按所得款與賬面價值的差額釐定，並在合併損益及其他全面收益表內「其他收益」／「其他虧損」中確認。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment *(continued)*

The Group transfers a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use, include:

(a) commencement of owner-occupation, or of development with a view to owner-occupation, for a transfer from investment property to owner-occupied property;

(b) commencement of development with a view to sale, for a transfer from investment property to inventories;

(c) end of owner-occupation, for a transfer from owner-occupied property to investment property; and

(d) inception of an operating lease to another party, for a transfer from inventories to investment property.

The Group uses the fair value model for investment property.

If an owner-occupied property becomes an investment property that will be carried at fair value, the Group applies IAS 16 up to the date of change in use. The Group treats any difference at that date between the carrying amount of the property in accordance with IAS 16 and its fair value in the same way as a revaluation in accordance with IAS 16.

2. 主要會計政策(續)

不動產、工廠及設備(續)

當且僅當出現用途變動時，本集團會將物業轉至或轉出投資物業。當物業符合或不再符合投資物業定義及存在用途變動證據時，視作發生用途變動。獨立而言，管理層關於物業用途的意向變更不構成用途變更之證據，包括：

(a) 業主開始自用時，或進行開發以作自用，將投資物業轉撥至自用物業；

(b) 進行開發用以出售時，將投資物業轉撥至存貨；

(c) 業主終止自用時，將自用物業轉撥至投資物業；及

(d) 開始向另一方進行經營租賃時，將存貨轉撥至投資物業。

本集團對投資物業採用公允價值模型。

如果一項業主自用物業成為將以公允價值計價的投資物業，本集團採用國際會計準則第16號，直至用途變動之日。本集團將該日根據國際會計準則第16號規定的物業賬面金額與其公允價值之間的任何差額，以與根據國際會計準則第16號進行重新估值相同的方式處理。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are buildings that are held by owner or lessee to earn rental income and/or for capital appreciation. These include properties held for a currently undetermined future use.

Investment properties are stated at fair value at the end of the reporting period. Any gain or loss arising from a change in fair value is recognised in profit or loss. The fair value of investment properties is based on valuations by independent valuer who hold recognised professional qualification and have recent experience in the location and category of property being valued. The fair value reflects, among other things, rental income from current leases and other assumptions that market participants would use when pricing investment properties under current market conditions, and is adjusted based on separately recognised assets or liabilities to avoid double counting assets or liabilities.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the item is derecognised.

Intangible assets

(i) Operating concession right

The Group engages with government authorities in the development, financing, operating and maintenance of wastewater treatment, water supply and other services (the "**Concession Services**") over a specified period of time (the "**Service Concession Period**"). The Group has access to operate the wastewater treatment, water supply and other facilities to provide the Concession Services in accordance with the terms specified in the arrangement.

2. 主要會計政策*(續)*

投資物業

投資物業乃由業主持有或承租人持有以賺取租金收入及╱或實現資本增值的樓宇，包括持有現時未釐定未來用途的物業。

投資物業在報告期末按公允價值列賬。因公允價值變動而產生的任何收益或虧損於損益確認。投資物業公允價值乃根據獨立估值師(持有認可專業資格並於所估值物業的地點及類別方面擁有新近經驗)所作的估值計算。公允價值反映(其中包括)當前租賃的租金收入以及市場參與者於當前市況下為投資物業定價時會使用的其他假設，並根據已單獨確認的資產或負債進行調整，以避免重複計算資產或負債。

當投資物業被出售或永久不再使用，而其出售預期不會產生未來經濟利益時，投資物業將取消確認。取消確認資產所產生的任何收益或虧損(按出售該資產的所得款項淨額與其賬面值的差額計算)計入取消確認該項目的年度損益內。

無形資產

(i) 特許經營權

本集團與政府部門進行合作，在特定期間內(「**特許經營期間**」)內，進行污水處理、供水及其他服務的開發、融資、運營和維護(「**特許經營服務**」)。本集團有權在協議規定的範圍內對污水處理、供水及其他設施進行運營，提供特許經營服務。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Intangible assets *(continued)*

***(i) Operating concession right** (continued)*

The Group recognises the related rights in the service concession arrangements as intangible assets or financial assets. The operator shall recognise an intangible asset to the extent that it receives a right (license) to charge users of the concession service and shall recognise a financial asset to the extent that it has an unconditional contractual right to receive a guaranteed minimum volume from the grantor. Therefore, intangible assets – operating concession rights are recognised for the rights under these service concession arrangements by the Group, which are amortised on a straight-line basis over the Service Concession Period ranging from 20 to 30 years.

(ii) Computer software

Purchased computer software license are capitalised on the basis of the costs incurred to acquire the specific software. These costs are amortised over periods ranging from 5 to 10 years.

Impairment of non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

– property, plant and equipment;

– right-of-use assets/land use rights;

– intangible assets; and

– investments in subsidiaries in the Company's statement of financial position.

2. 主要會計政策*(續)*

無形資產*(續)*

***(i) 特許經營權**(續)*

本集團將特許經營權協議中的相關權利作為無形資產或金融資產予以確認。作為運營方確認的無形資產以獲取的收費權利(經營執照)規定向使用該特許經營服務者可收取金額為限，確認的金融資產以向授予方無條件收取的保底處理量處理費的金額為限。因此本集團將特許經營權協議項下的權利作為無形資產－特許經營權予以確認，並在20至30年的特許經營期間內以直線法進行攤銷。

(ii) 計算機軟件

外購計算機軟件使用權按購買該軟件產生的成本予以資本化。該等成本於5至10年的年限內攤銷。

非金融資產減值

於各報告期末審閱內部及外部資料來源，以確定下列資產可能出現減值或先前確認的減值虧損不再存在或已經減少的跡象：

– 不動產、工廠及設備；

– 使用權資產／土地使用權；

– 無形資產；及

– 於本公司財務狀況表中的於附屬公司的投資。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Impairment of non-financial assets *(continued)*

If any such indication exists, the asset's recoverable amount is estimated. In addition, intangible assets that are not yet available for use, the recoverable amount is estimated annually whether or not there is any indication of impairment.

– *Calculation of recoverable amount*

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

– *Recognition of impairment losses*

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

2. 主要會計政策*(續)*

非金融資產減值*(續)*

倘存在任何上述跡象，則估計資產的可收回金額。此外，就尚未可供使用的無形資產而言，不論是否存在任何減值跡象，均會每年估計可收回金額。

– *計算可收回金額*

資產的可收回金額乃其公允價值減出售成本與使用價值兩者中的較高者。評估使用價值時，估計未來現金流量按可反映當前市場對貨幣時間價值及資產特定風險的評估的稅前折現率，折現至其現值。倘一項資產產生的現金流入基本上不能獨立於其他資產所產生者，則以能獨立產生現金流入的最小資產組別(即現金產生單位)釐定可收回金額。倘分配可按合理及貫徹一致的基準進行，則企業資產(例如總部大樓)的部分賬面值會分配至個別現金產生單位，否則會分配至最小現金產生單位組別。

– *確認減值虧損*

倘資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益確認減值虧損。就現金產生單位確認的減值虧損會予以分配，按比例減少該單位(或單位組別)內其他資產的賬面值，惟資產的賬面值不會減少低於其個別公允價值減出售成本(如可計量)或使用價值(如可釐定)。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Impairment of non-financial assets *(continued)*

– ***Reversals of impairment losses***

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

Service concession arrangements

The Group has entered into certain service concession arrangements with governmental authorities (the "**Grantor**"). The service concession arrangements consist of Build-Operate-Transfer (the "**BOT**") arrangement and Transfer-Operate-Transfer (the "**TOT**") arrangements. Under the BOT arrangements, the Group carries out construction and upgrade work of the wastewater treatment and water supply facilities for the Grantor and receives in return a right to operate the service projects concerned for a specified period of time (the "**Operation Period**") in accordance with the pre-established conditions set by the Grantor, and the service projects should be transferred to the Grantor with nil consideration at the end of the Operation Period. A TOT arrangement is similar to a BOT arrangement except that the Group pays consideration for the right to operate the wastewater treatment and water supply facilities that have been built.

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. PRINCIPAL 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 and International Financial Reporting Interpretations Committee Interpretation 12.

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／或向授予方支付和應付對價時，金融資產(特許經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，或本集團向公共服務使用者收費之金額若少於特定或可確定金額，兩者間不足之差額(如有)。

在本集團獲得向公共服務使用者收費之權利時，對無形資產(特許經營權)予以確認。向公共服務使用者收費之權利並非無條件收取現金之權利，因可收取金額應以使用該公共服務之程度而定。

若本集團提供建造和升級改造服務所獲得之給付，或因向授予方或公共服務使用者收費之權利(根據BOT/TOT協議)而取得的現金付款，部分系金融資產而部分系無形資產，則需對本集團對價之各組成要素分別處理，並根據國際財務報告準則第15號和國際財務報告解釋委員會解釋公告第12號按向授予方收取的或應收取的對價之公允價值進行初始確認。

2. PRINCIPAL 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 average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2. 主要會計政策(續)

特許經營權協議(續)

(b) 建造和升級改造服務

建造服務收入使用投入法根據合約完成百分比隨時間確認，該收益乃按迄今進行工程所產生的合約成本相對估計總合約成本的直接比例釐定。

(c) 營運服務

在特許經營權協議規定的經營期間內，收取的不超過保底污水處理費的部分作為償還金融資產處理。營運服務的成本在產生的期間內費用化。

(d) 將設施重置到特定可使用狀態的合同規定義務

作為特許經營權利的一個條件，本集團須承擔的合同義務包括：(i)將所運營的污水處理站維護在一個特定的可使用狀態以及／或(ii)在特許經營權協議到期時將設施移交給授予方前將設施恢復到特定可使用狀態。關於本集團承擔的除改造升級外，合同中規定的將污水處理站維護或重置的義務，根據管理層對現時義務所需的支出的最佳估計在報告期末予以確認和計量。本公司董事認為，將所運營的污水處理站維護或恢復至一個特定的可使用狀態的合同規定義務對本集團來說都不重大。

存貨

存貨乃以成本值及可變現淨值之較低者入賬。成本(包括一切購入成本，在適用之情況，亦包括將存貨達致現時地點及狀況所支銷之其他成本)乃採用加權平均成本法計算。可變現淨值指日常業務過程中的估計售價減去進行銷售所需的估計成本。

2. PRINCIPAL 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. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets *(continued)*

Classification and measurement (continued)

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the following annual reporting period following the change in the business model.

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of IFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

1) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

(a) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group's financial assets at amortised cost include receivables under service concession arrangements, financial assets at amortised cost, trade and other receivables, cash and bank balances and restricted funds.

2. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量(續)

金融資產於初步確認之分類取決於本集團管理金融資產之業務模式及金融資產之合約現金流量特徵。金融資產於彼等初步確認後不予重新分類，除非本集團改變其管理業務模式，而在此情況下所有受影響之金融資產於業務模式變動後以下年度報告期間之首日進行重新分類。

嵌入衍生工具的混合式合約(其主合約為國際財務報告準則第9號範圍內的資產)不得與主合約分開計量。相反，整項混合式合約乃作分類評估。

1) 按攤銷成本計量之金融資產

當金融資產同時符合以下條件，且並無指定為按公允價值計入損益，則該金融資產按攤銷成本計量：

(a) 該金融資產由一個旨在通過持有金融資產收取合約現金流量之業務模式所持有；及

(b) 該金融資產之合約條款使於特定日期產生現金流量僅為支付本金及未償還本金利息。

其後，按攤銷成本計量的金融資產採用實際利率方法計量並須計提減值。因減值、終止確認或進行攤銷時產生之收益及虧損乃於損益中確認。

本集團按攤銷成本計量的金融資產包括特許經營權協議下的應收款項、以攤銷成本計量的金融資產、應收賬款及其他應收款、現金及銀行結餘及受限制資金。

2. PRINCIPAL 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.

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。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities

Recognition and derecognition

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

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.

Classification and measurement

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.

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.

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

(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;

(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

2. 主要會計政策(續)

金融工具(續)

金融負債

確認及終止確認

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。

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。

分類及計量

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。

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。

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) 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) 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. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities *(continued)*

Classification and measurement (continued)

(iii) they contain one or more embedded derivatives, in which case the entire hybrid contract may be designated as a financial liability at FVPL, except where the embedded derivatives do not significantly modify the cash flows or it is clear that separation of the embedded derivatives is prohibited.

Derivatives embedded in a hybrid contract with a host that is not an asset within the scope of IFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their economic characteristics and risks are not closely related to those of the host, and the hybrid contract is not measured at FVPL.

Impairment of financial assets and other items

The Group recognises loss allowances for ECL on financial assets that are measured at amortised cost and contract assets as defined in IFRS 15 (including amounts due from customers for construction contracts) to which the impairment requirements apply in accordance with IFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

2. 主要會計政策*(續)*

金融工具*(續)*

金融負債(續)

分類及計量(續)

(iii) 其包含一個或多個嵌入式衍生工具，在此情況下，整個混合合約可能被指定為按公允價值計入損益的金融負債，惟嵌入式衍生工具不會顯著改變現金流量，或者明顯禁止分離嵌入式衍生工具者除外。

嵌入主合約不屬於國際財務報告準則第9號範圍內資產的混合合約中的衍生工具，當符合衍生工具定義、其經濟特徵及風險與主合約並無密切關係及混合合約並非按公允價值計入損益處理時被視為獨立衍生工具。

金融資產及其他項目的減值

本集團確認按攤銷成本計量的金融資產及國際財務報告準則第15號所定義的合約資產(包括應收客戶建造合同款)的預期信貸虧損之虧損撥備(其減值要求按照國際財務報告準則第9號適用)。除下文詳述的特定處理外，於各報告日期，倘金融資產的信貸風險自初步確認以來顯著增加，本集團會按等同全期預期信貸虧損的金額計量虧損撥備。倘金融資產的信貸風險自初步確認以來無顯著增加，本集團則按等同12個月預期信貸虧損的金額計量該金融資產之虧損撥備。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

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

Measurement of ECL

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.

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.

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.

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

(a) past due status

(b) nature of financial instrument

(c) nature, size and industry of debtors

(d) local economy environment of provinces in the PRC

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

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。

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。

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。

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) 逾期狀況

(b) 金融工具性質

(c) 債務人的性質、規模及行業

(d) 中國各省的當地經濟環境

2. PRINCIPAL 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. 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.

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。就逾期90天以上的貿易應收款項而言，本集團已駁回預期信貸虧損模型下的違約推定，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。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

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

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment:

- the debtor's failure to make payments of principal or interest on the due dates;
- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- actual or expected changes in the technological, market, economic or legal environment that have or may have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

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)

信貸風險顯著增加的評估

評估金融工具的信貸風險自初步確認以來有否顯著增加時，本集團會將截至報告日期金融工具發生違約的風險，與截至初步確認日期金融工具發生違約的風險比較。作出此評估時，本集團會同時考慮合理和可靠的定量及定性資料，包括無須付出過多成本或努力後即可獲得的歷史經驗及前瞻性資料。評估時特別會考慮以下資料：

- 債務人未能於到期日支付本金或利息款項；
- 金融工具的外部及內部信貸評級(如可獲得)有實際或預期的顯著惡化；
- 債務人的經營業績有實際或預期的顯著惡化；及
- 技術、市場、經濟或法律環境方面有實際或預期的變化而會或可能會對債務人履行其對本集團的責任有重大不利影響。

儘管有前述分析，如金融工具於報告日期被釐定為低信貸風險，本集團會假設金融工具的信貸風險自初步確認以來無顯著增加。

2. PRINCIPAL 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. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

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

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit–impaired include observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower.

(b) a breach of contract, such as a default or past due event.

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(e) the disappearance of an active market for that financial asset because of financial difficulties.

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

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)

信貸減值金融資產

金融資產在一項或以上事件(對該金融資產估計未來現金流量構成不利影響)發生時出現信貸減值。金融資產出現信貸減值之證據包括有關下列事件之可觀察數據:

(a) 發行人或借款人的重大財困。

(b) 違反合約(如違約或逾期事件)。

(c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠。

(d) 借款人將可能陷入破產或其他財務重組。

(e) 因財務困難導致金融資產失去活躍市場。

(f) 按反映已產生信貸虧損之大幅折扣購買或發起金融資產。

撇銷

倘本集團並無合理期望全數或部分收回金融資產之合約現金流量,本集團會撇銷金融資產。然而,在考慮會計法律意見(如適用)後,所撇銷金融資產仍可根據本集團收回過期款項之程序實施強制執行。任何其後進行的收回均於損益確認。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

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.

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.

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.

2. 主要會計政策(續)

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)。

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。

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. PRINCIPAL ACCOUNTING POLICIES *(continued)*

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.

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.

2. 主要會計政策(續)

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。

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. PRINCIPAL 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升時所控制的資產(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，且本集團對迄今完成的履約付款具有可強制執行權利。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

Revenue from contracts with customers *(continued)*

Timing of revenue recognition (continued)

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Revenue from wastewater treatment operation and other services is recognised over time when the services are rendered.

Revenue from water supply services is recognised at point in time when a Group entity has delivered water to the customer.

Revenue from construction services is recognised over time 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, at the end of each reporting period. The Group provides construction services under Build-Transfer (the "**BT**") arrangements and Build-Operate-Transfer (the "**BOT**") arrangements. Under these construction arrangements, the Group carries out construction work of the wastewater treatment and water supply facilities and returns the assets to the counter parties of the construction arrangements after completion of the construction or expiry of the operation period. When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

2. 主要會計政策*(續)*

收益確認*(續)*

客戶合約收益(續)

收益確認的時間性(續)

如履約責任不隨時間達致，本集團於客戶取得所承諾資產的控制權時於某個時間點達致履約責任。釐定控制權轉移何時發生時，本集團會考慮控制權概念及諸如法定業權、實質管有、付款權、資產所有權的重大風險與酬報及客戶認受等指標。

經營污水處理和其他服務取得的收入在提供服務時隨時間予以確認。

當本集團主體向客戶供水時，於該時間點確認供水服務收入。

建造服務收入根據合約完成百分比隨時間確認，該收益乃按迄今進行工程所產生的合約成本相對各報告期末估計總合約成本的直接比例釐定。本集團的建造服務存在於建造－轉讓(「**BT**」)合同及建造－運營－移交(「**BOT**」)合同。在上述建造合同下，本集團實施污水處理及水供給等設施的建造並於建造完成後或運營期屆滿後將資產交付予簽署建造合同的另一方。如合約的結果無法合理計量，則收入的確認僅以預期可收回的已產生合約成本為限。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

Revenue from contracts with customers *(continued)*

Timing of revenue recognition (continued)

Revenue from management services is recognised over time based on the volume of wastewater treatment service provided to the customers in each period.

Revenue from thermal power service is recognised at point in time based on the volume of thermal power supplied under the contract.

Revenue from transportation services is recognised over time when services have been provided to the customers in each period.

For wastewater treatment services, management services and transportation services, the Group applies the output method (i.e. based on the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract) to measure the progress towards complete satisfaction of the performance obligation because the method provides a faithful depiction of the Group's performance and reliable information is available to the Group to apply the method.

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.

2. 主要會計政策*(續)*

收益確認*(續)*

客戶合約收益(續)

收益確認的時間性(續)

管理服務收入按各期間向客戶提供的污水處理服務量隨時間確認。

熱電服務根據合約，按供應熱電量於時間點確認收入。

來自運輸業務的收入於各期間服務提供予客戶時隨時間確認。

對於污水處理服務、管理服務及運輸業務，本集團會應用產出法(即直接計量至今已轉移給客戶的貨品或服務的價值相對合約下所承諾剩餘貨品或服務)以計量達致履約責任的完成進度，因為此法可真實反映本集團的履約情況，且本集團有可靠資料以應用此方法。

金融資產財務及利息收入以實際利率法確認。就按攤銷成本計量而無信貸減值的金融資產而言，實際利率應用於資產的賬面總值，如屬有信貸減值的金融資產則應用於攤銷成本(即賬面總值減去虧損撥備)。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

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.

On the consolidated statement of financial position, the Group reports the net contract position for each contract as either an asset or a liability. Amount due from customers for construction contracts represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings.

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.

2. 主要會計政策(續)

合約資產及合同負債

倘本集團於客戶支付代價前或在支付到期應付前將貨品或服務轉移予客戶，合約將呈列為合約資產，不包括呈列為應收款項之任何金額。相反，倘客戶支付代價，或本集團有權無條件取得代價金額，則於本集團向客戶轉讓貨品或服務前，合約將於作出付款或付款到期應付(以較早者為準)時呈列為合同負債。應收款項為本集團無條件僅在支付到期代價前所需時間流逝之取得代價權利。

單一合約或一組相關合約以合約資產淨值或合同負債淨額呈列。無關合約之合約資產及合同負債並不按淨額基準呈列。

在合併財務狀況表上，本集團就每項合同將淨合同狀況報告為資產或負債。當已產生的成本加已確認的利潤(減已確認虧損)超過進度付款時，應收客戶建造合同款相當於一項資產。

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兑收益及虧損於損益內確認。重新換算按公允價值列賬的非貨幣項目產生之外匯收益及虧損於損益內確認，惟就直接於權益確認的重新換算非貨幣項目產生的外匯收益及虧損除外，在此情況下，該等收益或虧損亦直接於權益確認。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Foreign currency translation *(continued)*

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.
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity.
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss.
- On all other partial disposals, which includes partial disposal of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

2. 主要會計政策*(續)*

外幣換算*(續)*

有別於呈列貨幣的所有集團實體(「**海外業務**」)的業績及財務狀況的功能貨幣按下列基準轉換成呈列貨幣:

- 所呈列各財務狀況表的資產及負債,及收購海外業務產生的資產及負債(被視為該海外業務的資產及負債)賬面值的公允價值調整,按報告期末的收市匯率轉換。
- 各全面收益表的收入及開支按平均匯率轉換。
- 因源於上述貨幣項目(構成本集團對海外業務淨投資之部份)之換算及匯兑差異而產生之所有匯兑差異均確認為獨立權益部份。
- 就出售海外業務(包括出售本集團於海外業務之全部權益)而言,倘一項出售涉及失去對一間附屬公司(包括一項海外業務)之控制權或部份出售於包含海外業務之合營安排或聯營公司之權益,而不再以權益會計法處理當中之保留權益時,該海外業務涉及之匯兑差異累計金額於其他全面收入確認,以及於獨立權益成份累計,並於確認出售損益時,從權益重新分類至損益。
- 部份出售本集團於附屬公司(包括海外業務)的權益且該出售不會導致本集團失去對該附屬公司控制權時,於獨立權益部份確認的匯兑差異的累計金額,按比例重新歸入該海外業務的非控股權益,且不會重新分類至損益。
- 就所有其他部份出售(包括部份出售聯營公司或合營公司,而本集團不會因此失去重大影響力或共同控制權)而言,於獨立權益部份確認的匯兑差異的累計金額,按比例重新分類至損益。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Borrowings costs

Borrowings costs which are directly attributable to the acquisition, construction and production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as and included in finance costs in profit or loss in the period in which they are incurred.

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.

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.

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.

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.

2. 主要會計政策(續)

借貸成本

直接由購買、建造及生產合資格資產(即在投入其擬定用途或銷售前需要較長時間準備之資產)產生之借貸成本，均資本化作為該等資產成本之一部份。當該等資產大致上已準備好投入其擬定用途或銷售時，該等借貸成本便停止資本化。所有其他借貸成本於發生期間均於損益中確認並計入融資成本。

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。

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。

如果本集團對某項義務負有連帶責任，預計將由其他各方履行的該部分義務被視為或有負債，且並不在合併財務報表中確認。

本集團不斷進行評估，以釐定體現經濟利益的資源流出是否已經成為可能。如果過往作為或有負債處理的項目很可能需要有未來經濟利益流出，則在可能性發生變化的報告期內在合併財務報表中確認撥備，惟無法作出可靠估計的極少數情況除外。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

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.

Financial guarantees issued are initially recognised at fair value, which is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is included in non-current liabilities as deferred revenue and is released to profit or loss over the expected useful life of the relevant asset under straight line method.

Leases

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

2. 主要會計政策*(續)*

已發出之財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「**持有人**」)因特定債務人未能根據債務工具之條款於到期時付款而蒙受之損失，而向持有人支付特定款項之合約。

所發出的財務擔保初始按公平價值確認，乃參照類似服務在公平磋商交易的過程中所收取的費用(如可獲得該等資料)而釐定，或參照息差釐定，方法是以放款人在接受擔保的情況下實際收取的利率與不接受擔保的情況下放款人將會收取的估計利率作比較(如該等資料能可靠地估計)。倘在發出該擔保時收取或可收取代價，該代價則根據適用於該類資產之本集團政策而予確認。倘沒有有關尚未收取或應予收取之代價，則於初步確認任何遞延收入時，即時於損益內確認開支。

初步確認後，初步確認為遞延收入的金額按擔保年期於損益內攤銷為所發出之財務擔保收入。

政府補貼

倘能合理肯定將收到政府補貼及所有附加條件均將獲履行，政府補貼會按公允價值確認。如補貼與開支項目有關，則按相關年度確認為收入，以按系統基準將補貼與擬補償之相關成本抵銷。倘補貼與資產有關，公允價值則作為遞延收益計入非流動負債，並於有關資產之預期可使用年期按直線法撥入損益。

租賃

於合約開始時，本集團會評估合約是否屬於租賃或包含租賃。倘合約授予以代價為交換，在某一時期內控制使用已識別資產的權利，則該合約屬於租賃或包含租賃。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee

The Group applies the recognition exemption to short-term leases. Lease payments associated with this lease is recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

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

本集團對短期租賃應用確認豁免。與該租賃有關的租賃付款在租賃期內按直線法確認為費用。

本集團已選擇不將非租賃組成部分與租賃組成部分分開，並將每個租賃組成部分和任何相關的非租賃組成部分作為單個租賃組成部分入賬。

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. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee *(continued)*

Land use rights

As described in Note 16 to the consolidated financial statement, all land in the PRC is state-owned or collectively-owned and no individual land ownership exists. The land use rights of certain land of the Group were contributed by KDI. The land use rights are stated at cost less accumulative amortisation and accumulated impairment losses, if any. Land use rights are amortised over the lease period of 48 to 50 years using straight-line method.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

(a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;

(b) variable lease payments that depend on an index or a rate;

(c) amounts expected to be pay able under residual value guarantees;

(d) exercise price of a purchase option if the Group is reasonably certain to exercise that option; and

(e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

2. 主要會計政策*(續)*

租賃*(續)*

作為承租人(續)

土地使用權

如合併財務報表附註16所述，所有土地在中國均為國有或集體所有，無個人擁有土地使用權存在。本集團某些土地的使用權由昆明滇池投資提供。土地使用權按成本減累計攤銷及減值損失(如有)入賬。土地使用權按直線法在48至50年租賃期內攤銷。

租賃負債初步按在合同開始日尚未支付的租賃付款額的現值計量。

租賃付款包括以下租賃期中在開始日期尚未支付的有關標的資產使用權的付款：

(a) 固定租賃款項(包括實質固定款項)減任何應收租賃優惠；

(b) 可變租賃付款，其取決於一項指數或利率；

(c) 承租人根據剩餘價值擔保預期應付金額；

(d) 購買權的行使價(倘本集團合理確定行使該等權利)；及

(e) 終止租賃的罰金付款(倘租賃條款反映本集團行使權利以終止租賃)。

租賃付款使用租賃中隱含的利率折現，或者在無法輕易確定的情況下使用承租人的增量借款利率進行折現。

隨後，通過增加賬面值以反映租賃負債的利息並通過減少賬面值以反映已支付的租賃費用來計量租賃負債。

2. PRINCIPAL 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, 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 commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

2. 主要會計政策(續)

租賃(續)

作為承租人(續)

當重新評估本集團是否合理確定將行使購買、延期或終止行使權利而產生的租賃付款發生變化時，將使用修訂後的折現率對租賃負債進行重新計量。

當剩餘價值保證及因指數或利率變動(浮動利率除外)而產生的實物固定租賃付款額或未來租賃付款額發生變化時，使用原始折現率重新計量租賃負債。倘浮動利率變動導致未來租賃付款有所變動，本集團會使用經修訂的折現率重新計量租賃負債。

當對租賃負債進行上述重新計量時，本集團相應調整使用權資產的賬面金額；如果使用權資產的賬面金額已經減至零，則將調整金額計入損益。

如果發生以下情況，則租約修改作為單獨租約入賬：

(a) 該項修改通過增加使用一項或多項相關資產的權利擴大了租賃範圍；及

(b) 租賃代價增加，所增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee *(continued)*

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

(a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.

(b) the Group determines the lease term of the modified contract.

(c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.

(d) for lease modifications that decrease the scope of the lease,the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.

(e) for all other lease modifications, the Group accounts for there measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

2. 主要會計政策*(續)*

租賃*(續)*

作為承租人(續)

如租約修改未計入單獨租約，則在該租約修改生效之日，

(a) 本集團按上述相對獨立價格在經修改的合同中分配代價。

(b) 本集團確定經修改合同的租賃期限。

(c) 本集團通過在修訂的租賃期內使用修訂的折現率對修訂的租賃付款進行折現來重新計量租賃負債。

(d) 對於減少租賃範圍的租賃修改，本集團通過減少使用權資產的賬面值以反映租賃的部分或全部終止並確認任何損益，對租賃負債進行重新計量有關部分或全部終止租賃的損益。

(e) 對於所有其他租賃修改，本集團通過對使用權資產進行相應調整來對租賃負債進行重新計量。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessor

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and sublease as two separate contracts. The sublease is classified as an operating lease if the head lease is a short-term lease to which the Group has applied the recognition exemption. Otherwise, the sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

2. 主要會計政策(續)

租賃(續)

作為出租人

本集團於租賃開始日期將每項租賃分類為融資租賃或經營租賃。倘租賃實際上將相關資產所有權附帶的所有風險及回報轉移，則獲分類為融資租賃。所有其他租賃獲分類為經營租賃。

如本集團為中間出租人，則將首租與分租記賬為兩項獨立合約。倘首租為本集團應用確認豁免之短期租賃，則分租獲分類為經營租賃。否則，分租經參考首租產生之使用權資產獲分類為融資租賃或經營租賃。

租金收入於租期內按直線法列賬，且由於其經營性質而計入損益表內其他收入。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值，並於租期內按相同基準確認為租金收入。或然租金乃於所賺取的期間內確認為收入。

本集團對租賃合約中每項租賃成分記賬為與該合約之非租賃成分獨立之租賃。本集團按相對獨立價格基準將合約代價分配至各租賃成分。

2. PRINCIPAL 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 liability in respect of these funds is limited to the contributions payable in each period.

(c) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present contractual or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

2. 主要會計政策(續)

僱員福利

(a) 退休金義務

本集團在中國的全職員工享有多項政府資助定額供款退休金計劃，據此，僱員有權每月取得按公式計算的退休金。相關政府機構負責退休員工的退休金責任。本集團按月向這些退休金計劃供款。根據這些計劃，本集團沒有義務承擔提存退休金以外的退休後的福利。這些計劃的供款在發生時計入費用，即使員工離開本集團，支付給退休金計劃的供款金額不能用於減少本集團對退休金計劃的將來義務。除上述政府資助的定額供款退休金計劃外，本集團設有一項額外職工退休金計劃，於2014年1月1日起生效。根據該計劃，本集團在中國的全職員工有權享有總額為前一年工資8%的額外退休金。除額外職工退休金計劃外，本集團概無其他責任。

(b) 住房公積金、醫療保險和其他社會保險

本集團在中國的員工有權加入政府規定的住房公積金、醫療保險和其他社會保險計劃。本集團根據員工工資的一定比例(不超過上限)按月向這些基金繳存供款。就該等公積金而言，本集團的責任只限於在每一期間作出供款。

(c) 獎金權利

員工提供勞務而使本集團負有現時合同義務或推定義務，且該義務能夠被可靠計量，則預計的獎金支付成本應計為一項負債。

2. PRINCIPAL 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 interests 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:

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group.

2. 主要會計政策(續)

稅項

即期所得稅支出乃根據期內業績計算，並就毋須課稅或不可扣減項目作出調整。計算時所使用之稅率為於各報告期末已頒行或實際上已頒行之稅率。

遞延稅項乃就資產及負債之稅基與其於合併財務報表之賬面值於報告期末之所有暫時性差額，採用負債法作出撥備。然而，初步確認一項交易(業務合併除外)中之資產或負債所產生之任何遞延稅項，倘於交易時不影響會計溢利或應課稅溢利或虧損，則不會予以確認。

遞延稅項資產及負債乃根據於報告期末已頒行或實際上已頒行之稅率及稅法，按收回資產或清償負債之期間預期適用之稅率計量。

倘可能有未來應課稅溢利可用作抵銷可扣減暫時性差額、稅項虧損及抵免，則會確認遞延稅項資產。

遞延稅項按於附屬公司之投資及聯營投資所產生之暫時性差額作出撥備，惟本集團可控制暫時性差額之撥回時間，以及暫時性差額不大可能於可見未來撥回之情況除外。

關聯方

關聯方為與本集團有關聯之人士或實體。

(a) 倘一名人士符合以下條件，該名人士或其近親即為與本集團有關聯：

  (i) 對本集團有控制權或共同控制權；

  (ii) 對本集團有重大影響力；或

  (iii) 為本集團之主要管理人員。

2. PRINCIPAL 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 third entity and the other entity is an associate of the third entity.

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan,the sponsoring employers are also related to the Group.

(vi) the entity is controlled or jointly controlled by a person identified in (a).

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

2. 主要會計政策*(續)*

關聯方(續)

(b) 倘一間實體符合以下條件，其即為與本集團有關聯：

(i) 該實體與本集團為同一集團之成員公司(即各控股公司、附屬公司及同系附屬公司彼此互有關聯)。

(ii) 一間實體為另一間實體之聯營公司或合營公司(或一間實體為另一間實體所屬集團成員公司之聯營公司或合營公司)。

(iii) 兩間實體均為同一第三方之合營公司。

(iv) 一間實體為一名第三方實體之合營公司，而另一間實體為該第三方實體之聯營公司。

(v) 該實體為本集團或與本集團有關聯之實體之僱員福利而設之退休福利計劃。倘本集團本身為該計劃，提供資助之僱主亦為與本集團有關聯。

(vi) 該實體為受(a)項所識別人士控制或共同控制。

(vii) (a)(i)項所識別對實體有重大影響力或為該實體(或該實體之控股公司)主要管理人員之人士。

(viii) 向本集團提供主要管理人員服務之實體或其所屬集團之任何成員公司。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Related parties *(continued)*

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's chief operating decision maker for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individual material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Critical judgements and accounting estimates

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. 主要會計政策(續)

關聯方(續)

一名人士之近親指於該人士與實體的交易中預期可能會影響該名人士或受該名人士影響之家庭成員,並包括:

(a) 該名人士之子女及配偶或同居伴侶;

(b) 該名人士之配偶或同居伴侶之子女;及

(c) 該名人士或該名人士配偶或同居伴侶之受養人。

於關聯方之定義中,聯營公司包括該聯營公司之附屬公司,而合營公司包括該合營公司之附屬公司。

分部報告

合併財務報表內所呈報經營分部及各分部項目之金額,與定期就本集團各業務線及地域之資源分配及表現評估而向本集團主要運營決策者提供之財務資料一致。

就財務報告而言,個別重大經營分部不會匯集計算,惟擁有類似經濟特徵及在產品及服務性質、生產過程性質、客戶類別或種類、分銷產品或提供服務之方法以及監管環境性質方面類似之分部除外。個別不重大之經營分部倘具備大部分該等特質,亦可以彙集計算。

重大判斷及會計估計

判斷及估計會被持續評估,並根據過往經驗和其他因素進行評價,包括在有關情況下相信對未來事件的合理預測。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Critical judgements and accounting estimates *(continued)*

Critical judgements

In the process of applying the Group's accounting policies, management has made the following judgement:

(i) Scope of applying IFRIC 12 for certain facilities

The Group entered into BOT, TOT, Build-Own-Operate ("**BOO**") and Transfer-Own-Operate ("**TOO**") arrangements in wastewater treatment, water supply and other facilities.

The Group has concluded that all the BOT, TOT, BOO and TOO arrangements are service concession arrangements under IFRIC 12, because (i) the grantors control and regulate the services that the Group must provide with the infrastructure at a pre-determined service charge; and (ii) the grantors control significant residual interest in the infrastructure at the end of the term of the arrangements. In respect of BOT and TOT arrangements, upon expiry of concession right agreements, the infrastructure has to be transferred to the local government at nil consideration. Infrastructure for BOO and TOO arrangements is expected to be used in the service concession arrangements for its entire or substantially entire useful life.

Critical accounting estimates

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Estimated useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the depreciation charges where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation charges in future periods.

2. 主要會計政策(續)

重大判斷及會計估計(續)

重大判斷

於應用本集團的會計政策過程中，管理層已作出以下判斷：

(i) 就部分設施應用國際財務報告詮釋委員會第12號的範疇

本集團就污水處理、供水及其他設施訂立BOT、TOT、建設－擁有－經營(「**BOO**」)及轉讓－擁有－經營(「**TOO**」)協議。

本集團認為，所有BOT、TOT、BOO及TOO協議均為國際財務報告詮釋委員會第12號下的特許經營權協議，因為(i)授予者控制及規範本集團必須以預先確定的服務費提供的基礎設施服務；及(ii)授予方於協議期限結束時控制基礎設施的重大剩餘權益。就BOT及TOT協議而言，在特許經營權協議到期後，基礎設施必須無償轉讓予當地政府。BOO及TOO協議的基礎設施在其整個或幾乎整個使用期限內將預計用於特許經營權協議。

重大會計估計

本集團對未來作出估計和假設。所得會計估計數字，因其性質使然，很少等同於有關實際結果。有重大風險導致下個財政年度的資產及負債賬面價值作出重大調整之估計及假設詳述如下：

(i) 不動產、工廠及設備的預計可使用年限和殘值

本集團管理層經參考本集團擬獲得未來經濟利益的預計期間來確定不動產、工廠及設備的預計可使用年限、殘值和相關折舊費用。當使用壽命與之前估計的使用壽命不同時，管理層將修改折舊費用，或將經已棄置或出售的技術陳舊或非戰略資產核銷或計提減值。實際經濟年期可能不同於估計可使用年限，實際殘值也可能有別於預計殘值。定期檢查可折舊年限、殘值可能會使其發生變化以及影響未來期間折舊費用發生變化。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Critical judgements and accounting estimates *(continued)*

Critical accounting estimates *(continued)*

(ii) Impairment of trade and other receivables, receivables under service concession arrangements, contract assets and amounts due from customers for construction contracts

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the risk portfolio, customers' liquidity, historical credit losses, past collection history and other current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in Note 3.1(b) to the consolidated financial statements.

(iii) Current and deferred income tax

The Group is subject to income taxes in different areas in the PRC. Judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation charges in the period in which such estimate is changed.

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)

(ii) 應收賬款及其他應收款、特許經營權協議下的應收款項、合約資產及應收客戶建造合同款的減值

金融資產虧損撥備乃基於有關違約風險及預期虧損率之假設作出。於各報告期末，本集團根據風險組合、客戶的流動性狀況、歷史信貸虧損、過往收款歷史及影響客戶結清應收賬款能力的宏觀經濟因素的其他當前及前瞻性資料，通過判斷作出該等假設及選擇減值計算之輸入數據。所使用的關鍵假設及輸入數據的詳情在合併財務報表附註3.1(b)的表格中披露。

(iii) 當期及遞延所得稅

本集團需要在中國不同地區繳納所得稅。於確定各個司法權區的所得稅計提時須作出判斷。在日常業務過程中涉及最終稅額確定的某些交易及計算是不確定的。如果這些事項的最終稅務結果不同於最初記錄的金額，這將影響決定期內所得稅及遞延稅項。

當管理層認為未來很可能有應稅利潤抵扣暫時性差異或稅務虧損，則確認與暫時性差異及稅務虧損相關的遞延稅項資產。當預期結果與原先估計不同時，這種差異將影響遞延稅項資產的確認以及該等估計變動時的期內稅務費用。

2. PRINCIPAL 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.

When the Group receives a payment during the concession period, it will apportion such payment between (i) a repayment of the financial receivable (if any), which will be used to reduce the carrying amount of financial receivables on the consolidated statement of financial position, (ii) interest income, which will be recognised as revenue in the consolidated statement of profit or loss and other comprehensive income, and (iii) revenue from operating and maintaining the water and other treatment plants in the consolidated statement of profit or loss and other comprehensive income.

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。

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。

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Critical judgements and accounting estimates *(continued)*

Critical accounting estimates *(continued)*

(v) Service concession arrangements (continued)

Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and impairment losses. The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

The net amounts of the operating concession carried as intangible assets in the consolidated statement of financial position as at 31 December 2024 was approximately RMB821,179,000 (2023: approximately RMB554,687,000), while the receivables under service concession arrangements was approximately RMB1,708,183,000 (2023: approximately RMB2,559,301,000).

(vi) Valuation of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuer. In determining the fair value, the valuer has based on a method of valuation which involves certain estimates of market conditions including unobservable inputs. In relying on the valuation report, the directors of the Company have exercised their judgements and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair value of the Group's investment properties and the corresponding adjustments to the amount of gain or loss that would be recognised in profit or loss. Details of these are set out in Note 15 to the consolidated financial statements.

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)

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2024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821,179,000元(2023年：約人民幣554,687,000元)，而特許經營權協議下的應收款項則約為人民幣1,708,183,000元(2023年：約人民幣2,559,301,000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。有關詳情載於綜合財務報表附註15。

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and interest rate risk), credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group currently does not use any derivative financial instruments to hedge certain risk exposures.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk primarily arising from currency exposure with respect to Hong Kong dollars ("**HKD**") and United States dollars ("**USD**"). Foreign exchange risk arises mainly from cash and cash equivalents and borrowings denominated in HKD and USD.

As at 31 December 2024, if HKD had strengthened/weakened by 1% (2023: 1%) against RMB, with all other variables held constant, profit before taxation for the year would have been approximately RMB5,490,000 lower/higher (2023: RMB6,709,000 lower/higher) as a result of foreign exchange losses/gains on translation of HKD denominated assets and liabilities.

As at 31 December 2024, if USD had strengthened/weakened by 1% (2023: 1%) against RMB, with all other variables held constant, profit before taxation for the year would have been approximately RMB634,000 lower/higher (2023: RMB823,000 lower/higher) as a result of foreign exchange losses/gains on translation of USD denominated assets and liabilities.

3. 財務風險管理

3.1 財務風險因素

本集團的活動面臨多種財務風險：市場風險(包括外匯風險、現金流量及利率風險)、信用風險及流動資金風險。本集團的整體風險管理政策專注於金融市場的不可預見性，並尋求盡量減低對本集團財務業績的潛在不利影響。本集團目前沒有利用任何衍生金融工具以對沖若干風險。

(a) 市場風險

(i) 外匯風險

本集團由於業務中使用多種貨幣導致面臨外匯風險，涉及的貨幣主要為港元(「**港元**」)及美元(「**美元**」)。外匯風險主要產生自以港元及美元計的現金及現金等價物及借貸。

於2024年12月31日，如果港元兑人民幣升值／貶值1%(2023年：1%)，在所有其他變量保持不變的情況下，本年度的税前利潤將因換算以港元計值的資產及負債產生的匯兑損失／收益而減少／增加約人民幣5,490,000元(2023年：減少／增加人民幣6,709,000元)。

於2024年12月31日，如果美元兑人民幣升值／貶值1%(2023年：1%)，在所有其他變量保持不變的情況下，本年度的税前利潤將因換算以美元計值的資產及負債產生的匯兑損失／收益而減少／增加約人民幣634,000元(2023年：減少／增加人民幣823,000元)。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings.

Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest-rate risk.

The interest rates and terms of repayments of borrowings are disclosed in Note 29 to the consolidated financial statements.

As at 31 December 2024, if the interest rate on floating interest rate borrowings had been higher/lower by 0.5% (2023: 0.5%), the Group's profit before taxation for the year would have changed mainly as a result of higher/lower interest expenses on floating rate borrowings. Details of changes are as follows:

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允價值利率風險

利率風險是指由於市場利率變化造成的金融工具公允價值或未來現金流量波動的風險。本集團承受因市場利率變化帶來的風險主要在於借款。

浮動利率下的借款使本集團承受現金流量利率風險。按固定利率取得的借款則使本集團承受公允價值利率風險。

利率及借款償還期限在合併財務報表附註29中披露。

於2024年12月31日，如浮動利率借款的利率上升／下降0.5%(2023年：0.5%)，則本集團該年度的稅前利潤將發生變化，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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Net profit (decrease)／increase	淨利潤(減少)／增加		
– Higher 0.5%	－增加0.5%	**(16,722)**	(26,361)
– Lower 0.5%	－減少0.5%	**16,722**	26,361

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 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, contract assets and financial assets at amortised cost, 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.

Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment are summarised as below:

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

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、合約資產及以攤銷成本計量的金融資產，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：

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk and impairment assessment (continued)

Trade receivables

In order to minimise the credit risk, the management of the Group is responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue trade receivables. In addition, the management of the Group reviews the recoverable amount of each individual debt regularly. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At 31 December 2024, the Group had a certain concentration of credit risk as 66% (2023: 64%) and 89% (2023: 87%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

In addition, the Group applies the IFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables, which are assessed on collective basis by using a provision matrix except for items that are subject to individual assessment. The Group categorises its trade receivables based on past due status. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. Impairment loss of approximately RMB53,238,000 (2023: approximately RMB30,288,000) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

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)

貿易應收款項

為盡量減低信用風險，本集團管理層負責釐定信貸限額、信貸審批及其他監察程序，以確保跟進有關逾期貿易應收款項的追討事宜。此外，本集團管理層定期檢討各項獨立債務的可收回金額。就此而言，本集團管理層認為，本集團的信用風險已大為減少。

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2024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66%(2023年：64%)及89%(2023年：87%)，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。年內已確認減值虧損約人民幣53,238,000元(2023年：約人民幣30,288,000元)。有關量化披露的詳情載於本附註下文。

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 RMB333,000 (2023: approximately RMB4,969,000) was recognised and impairment loss on amount due from customers for construction contracts approximately RMB3,478,000 was reversed (2023: impairment loss of approximately RMB2,024,000 was recognised) during the year. 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. Impairment loss on contract assets of approximately RMB2,040,000 (2023: RMB3,024,000) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

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)

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，並根據毋須付出過渡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。

年內確認特許經營權協議下的應收款項的減值虧損約人民幣333,000元(2023年：約人民幣4,969,000元)及撥回應收客戶建造合同款的減值虧損約人民幣3,478,000元(2023年：確認減值虧損約人民幣2,024,000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。年內確認合約資產的減值虧損約人民幣2,040,000元(2023年：人民幣3,024,000元)。有關量化披露的詳情載於本附註下文。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk and impairment assessment (continued)

Other receivables

For other receivables, the management of the Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive available forward-looking information. The management of the Group believes that there are no significant increase in credit risk of these balances since initial recognition and the Group provided impairment based on 12-month ECL, except certain balance of other receivables of approximately RMB33,124,000 (2023: approximately RMB203,123,000) which was specifically assessed for impairment based on lifetime ECL and the recovery was considered to be remote by the management of the Group due to unfavourable event, reversal of impairment loss on certain balance of approximately RMB8,189,000 (2023: impairment loss of approximately RMB11,187,000) was recognised during the year. The total impairment loss on other receivables of approximately RMB16,907,000 (2023: approximately RMB9,728,000) was recognised during the year.

Other financial assets at amortised cost

The management makes periodic individual assessment on their recoverability based on historical settlement records and also quantitative and qualitative information that is reasonable and supportive forward-looking information. At 31 December 2024, the Group had made an accumulated lifetime loss allowance on credit-impaired balance of approximately RMB180,000,000 (2023: approximately RMB120,000,000). Details of quantitative disclosures are set out below in this note.

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 of the Company believe are of high credit quality. Therefore, the Group's exposure to credit risk arising from these balances is limited.

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)

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33,124,000元(2023年：約人民幣203,123,000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，於年內確認若干結餘約人民幣8,189,000元的減值虧損撥回(2023年：約人民幣11,187,000元減值虧損)。年內確認其他應收款項的減值虧損總額約人民幣16,907,000元(2023年：約人民幣9,728,000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2024年12月31日，本集團已就已出現信貸減值的餘額作出累計全期虧損撥備約人民幣180,000,000元(2023年：約人民幣120,000,000元)。量化披露的詳情載於本附註下文。

銀行餘額及受限制資金

所有的現金及銀行餘額及受限制資金都存放於中國及香港的主要金融機構，本公司董事認為其信用質量高。因此，本集團因該等結餘面臨的信用風險有限。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3. 財務風險管理*(續)*

3.1 Financial risk factors *(continued)*

3.1 財務風險因素*(續)*

(b) Credit risk and impairment assessment (continued)

(b) 信用風險及減值評估(續)

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.

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。

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

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	The counterparty has a low risk of default and does not have any past–due amounts	Lifetime ECL – not credit-impaired	12-month ECL
低風險	交易對手的違約風險較低，且並無任何逾期款項	整個存續期預期信貸虧損－未發生信貸減值	12個月預期信貸虧損
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12-month ECL
觀察名單	債務人經常於到期日後還款，惟通常會全額結清	整個存續期預期信貸虧損－未發生信貸減值	12個月預期信貸虧損
Doubtful	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
存疑	信用風險自初始確認以來顯著增加(透過內部或外部資源開發之信息)	整個存續期預期信貸虧損－未發生信貸減值	整個存續期預期信貸虧損－未發生信貸減值

3. FINANCIAL RISK MANAGEMENT *(continued)* 3. 財務風險管理*(續)*

3.1 Financial risk factors *(continued)* 3.1 財務風險因素*(續)*

(b) Credit risk and impairment assessment (continued) *(b) 信用風險及減值評估(續)*

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
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示有關資產已發生信貸減值	Lifetime ECL – credit-impaired 整個存續期預期信貸虧損－已發生信貸減值	Lifetime ECL – credit-impaired 整個存續期預期信貸虧損－已發生信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團不認為日後可收回有關款項	Amount is written off 撇銷有關金額	Amount is written off 撇銷有關金額

3. FINANCIAL RISK MANAGEMENT *(continued)*

3. 財務風險管理*(續)*

3.1 Financial risk factors *(continued)*

3.1 財務風險因素*(續)*

(b) Credit risk and impairment assessment (continued)

(b) 信用風險及減值評估(續)

The tables below detail the credit risk exposures of the Group's financial assets and contract assets (including amounts due from customers for construction contracts), which are subject to ECL assessment:

下表詳列本集團須進行預期信貸虧損評估的金融資產及合約資產(包括應收客戶建造合同款)面臨用風險:

	Note 附註	Internal credit rating 內部信貸評級	12-month or lifetime ECL 12個月或整個存續期預期信貸虧損	2024 Gross carrying amount 賬面總值 RMB'000 人民幣千元	2023 Gross carrying amount 賬面總值 RMB'000 人民幣千元
Cash and bank balances 現金及銀行結餘	27	N/A 不適用	12-month ECL 12個月預期信貸虧損	10,977	174,088
Restricted funds 受限制資金	27	N/A 不適用	12-month ECL 12個月預期信貸虧損	25,965	54,865
Trade receivables 貿易應收款項	26	(Note (i)) (附註(i))	Lifetime ECL – not credit-impaired 整個存續期預期信貸虧損–未發生信貸減值	4,584,115	3,651,525
		Loss 虧損	Lifetime ECL – credit impaired 整個存續期預期信貸虧損–已發生信貸減值	4,810	4,810
Other receivables 其他應收款項	26	Low risk 低風險	12-month ECL 12個月預期信貸虧損	1,324,601	636,925
		Loss 虧損	Lifetime ECL – credit impaired 整個存續期預期信貸虧損–已發生信貸減值	33,124	203,123
Receivables under service concession arrangements 特許經營權協議下的應收款項	18	Low risk 低風險	12-month ECL 12個月預期信貸虧損	1,746,966	2,617,408
Amounts due from customers for construction contracts 應收客戶建造合同款	19	Low risk 低風險	12-month ECL 12個月預期信貸虧損	588,436	745,072

3. FINANCIAL RISK MANAGEMENT *(continued)* 3. 財務風險管理(續)

3.1 Financial risk factors *(continued)* 3.1 財務風險因素(續)

***(b) Credit risk and impairment assessment** (continued)* ***(b)** 信用風險及減值評估(續)*

	Note 附註	Internal credit rating 內部信貸評級	12-month or lifetime ECL 12個月或整個存續期預期信貸虧損	2024 Gross carrying amount 賬面總值 RMB'000 人民幣千元	2023 Gross carrying amount 賬面總值 RMB'000 人民幣千元
Contract asset 合約資產	20	Low risk 低風險	12-month ECL 12個月預期信貸虧損	228,116	136,227
Financial asset at amortised cost 以攤銷成本計量的金融資產	25	Loss 虧損	Lifetime ECL – credit-impaired 整個存續期預期信貸虧損－已發生	299,600	299,800

(i) For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the ECL on these items on a collective basis, grouped by past due status.

(i) 對於貿易應收款項，本集團採用國際財務報告準則第9條中的簡化方法，以整個存續期預期信貸虧損計量虧損撥備。除有大量未償還結餘或出現信用減值的債務人外，本集團按集體基準釐定該等項目的預期信貸虧損，並按逾期狀況分組。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3. 財務風險管理*(續)*

3.1 Financial risk factors *(continued)*

3.1 財務風險因素*(續)*

(b) Credit risk and impairment assessment (continued)

(b) 信用風險及減值評估(續)

(i) Trade receivables

(i) 貿易應收款項

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers because these customers have common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed on collective basis by using provision matrix within lifetime ECL (not credit-impaired). Debtors with credit-impaired with gross carrying amounts of approximately RMB4,810,000 as at 31 December 2024 (2023: approximately RMB4,810,000) were assessed individually.

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，能夠代表客戶按照合同條款支付所有到期款項的能力。下表提供有關貿易應項的信用風險敞口的資料，該等貿易應收款過使用整個存續期預期信貸虧損(未出現信貸虧損)內的撥備矩陣進行集體評估。於2024年12月31日，賬面總值約為人民幣4,810,000元(2023年：人民幣4,810,000元)的已出現信貸減值的債務單獨評估。

		Not yet past due 尚未逾期	Past due 已逾期		
		Up to 1 year 長達一年	1 to 2 years 1至2年	2 to 3 years 2至3年	Total 合計
Ageing by due date	**基於到期日的賬齡分析**				
As at 31 December 2024	**於2024年12月31日**				
Expected loss rate	預期虧損率	**1.7%**	**2.4%**	**5.1%**	
Gross carrying amount *(RMB'000)*	總賬面值(*人民幣千元*)	**1,370,811**	**1,162,766**	**2,050,538**	**4,584,115**
Loss allowance provision *(RMB'000)*	虧損撥備(*人民幣千元*)	**(23,457)**	**(27,545)**	**(105,049)**	**(156,051)**
		1,347,354	**1,135,221**	**1,945,489**	**4,428,064**

		Not yet past due 尚未逾期	Past due 已逾期		
		Up to 1 year 長達一年	1 to 2 years 1至2年	2 to 3 years 2至3年	Total 合計
Ageing by due date	**基於到期日的賬齡分析**				
As at 31 December 2023	於2023年12月31日				
Expected loss rate	預期虧損率	1.7%	2.6%	5.0%	
Gross carrying amount *(RMB'000)*	總賬面值(*人民幣千元*)	1,341,523	1,471,773	838,229	3,651,525
Loss allowance provision *(RMB'000)*	虧損撥備(*人民幣千元*)	(22,665)	(38,723)	(42,139)	(103,527)
		1,318,858	1,433,050	796,090	3,547,998

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk and impairment assessment (continued)

(i) Trade receivables (continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

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(續)

估計虧損率乃根據過往觀察到的債務人預期年期內的違約率進行估計，並根據毋須付出過渡成本或努力即可獲得的前瞻性資料進行調整。管理層對分組情況進行定期審查，以確保特定債務人的相關資料得到更新。

下表顯示根據簡化方法確認的貿易應收款項的整個存續期預期信貸虧損的變動情況。

		Lifetime ECL (not credit-impaired) 整個存續期預期信貸虧損（未發生信貸減值） *RMB'000 人民幣千元*	Lifetime ECL (credit-impaired) 整個存續期預期信貸虧損（已發生信貸減值） *RMB'000 人民幣千元*	Total 合計 *RMB'000 人民幣千元*
At 1 January 2023	**於2023年1月1日**	69,677	12,035	81,712
Impairment losses recognised, net	已確認減值虧損淨額	37,513	(7,225)	30,288
Disposal of subsidiaries	出售附屬公司	(3,663)	–	(3,663)
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	103,527	4,810	108,337
Impairment losses recognised, net	已確認減值虧損淨額	53,238	–	53,238
Disposal of subsidiaries	出售附屬公司	(714)	–	(714)
At 31 December 2024	**於2024年12月31日**	**156,051**	**4,810**	**160,861**

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over five years past due, whichever occurs earlier.

當有資料表明債務人陷入嚴重的財務困難且日後不太可收回有關款項，例如債務人被清算或進入破產程序，或貿易應收款項逾期五年以上時(以較早發生者為準)，本集團將撇銷貿易應收款項。

3. FINANCIAL RISK MANAGEMENT *(continued)* 3. 財務風險管理(續)

3.1 Financial risk factors *(continued)* 3.1 財務風險因素(續)

(b) Credit risk and impairment assessment (continued) *(b) 信用風險及減值評估(續)*

(ii) Financial asset at amortised cost and other receivables *(ii) 以攤銷成本計量的金融資產及其他應收款項*

The following tables show reconciliation of loss allowances that has been recognised for financial asset at amortised cost and other receivables.

下表顯示就以攤銷成本計量的金融資產及其他應收款項已確認的虧損撥備的對賬。

		Other receivables 12-month ECL 其他應收款項 12個月預期信貸虧損 RMB'000 人民幣千元	Other receivables Lifetime ECL – credit-impaired 其他應收款項 整個存續期預期信貸虧損–已發生信貸減值 RMB'000 人民幣千元	Financial asset at amortised cost Lifetime ECL – credit-impaired 以攤銷成本計量的金融資產 整個存續期預期信貸虧損–已發生信貸減值 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2023	**於2023年1月1日**	14,889	8,782	60,000	83,671
Transfer to credit-impaired	轉撥至已發生信貸減值	(2,034)	2,034	–	–
Impairment losses recognised, net	已確認減值虧損淨額	(1,459)	11,187	60,000	69,728
Disposal of subsidiaries	出售附屬公司	(65)	–	–	(65)
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	11,331	22,003	120,000	153,334
Impairment losses recognised, net	已確認減值虧損淨額	25,096	(8,189)	60,000	76,907
At 31 December 2024	**於2024年12月31日**	**36,427**	**13,814**	**180,000**	**230,241**

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 RMB1,324,601,000 (2023: RMB636,925,000) for which 12-month ECL has been provided, resulted in recognition of ECL of approximately RMB25,096,000 (2023: reversal of ECL of approximately RMB1,459,000) during the year.

(ii) Certain other receivables with gross carrying amount totalling approximately RMB33,124,000 (2023: approximately RMB203,123,000) that have become credit-impaired for which lifetime ECL has been provided, resulted in reversal of ECL of approximately RMB8,189,000 (2023: recognition of ECL of approximately RMB11,187,000) during the year.

(iii) As at 31 December 2024, financial assets at amortised cost of RMB299,600,000 (2023: RMB299,800,000) 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 management's estimated results of expected credit losses for the financial asset in each year. Consequently, further loss allowance of RMB60,000,000 (2023: RMB60,000,000) 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1,324,601,000元(2023年：人民幣636,925,000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25,096,000元(2023年：轉回預期信貸虧損約人民幣1,459,000)。

(ii) 若干其他應收款項賬面總值約人民幣33,124,000元(2023年：約人民幣203,123,000元)已發生信貸減值並計提整個存續期預期信貸虧損，於年內導致轉回預期信貸虧損約人民幣8,189,000元(2023年：確認預期信貸虧損約人民幣11,187,000元)。

(iii) 於2024年12月31日，以攤銷成本計量的金融資產人民幣299,600,000元(2023年：人民幣299,800,000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，參考各年度管理層對該金融資產預期信用損失的估計結果。因此，於年內已確認進一步虧損撥備人民幣60,000,000元(2023年：人民幣60,000,000元)。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk and impairment assessment (continued)

(iii) Receivables under service concession arrangements, amounts due from customers for construction contracts and contract assets

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)

(iii) 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

The following tables show reconciliation of loss allowances that has been recognised for receivables under service concession arrangements, amounts due from customers for construction contracts and contract assets.

下表顯示就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已確認的虧損撥備的對賬。

		Receivables under service concession arrangements 12-month ECL 特許經營權協議下的應收款項 12個月預期信貸虧損 *RMB'000 人民幣千元*	Amounts due from customers for construction contracts 12-month ECL 應收客戶建造合同款 12個月預期信貸虧損 *RMB'000 人民幣千元*	Contract assets 12-month ECL 合約資產 12個月預期信貸虧損 *RMB'000 人民幣千元*	Total 合計 *RMB'000 人民幣千元*
At 1 January 2023	**於2023年1月1日**	55,096	14,517	–	69,613
Impairment losses recognised, net	已確認減值虧損淨額	4,969	2,024	3,024	10,017
Disposal of subsidiaries	出售附屬公司	(1,978)	–	–	(1,978)
Exchange realignment	匯兑調整	20	–	–	20
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	58,107	16,541	3,024	77,672
Impairment losses recognised, net	已確認減值虧損淨額	333	(3,478)	2,040	(1,105)
Disposal of subsidiaries	出售附屬公司	(19,657)	–	–	(19,657)
At 31 December 2024	**於2024年12月31日**	**38,783**	**13,063**	**5,064**	**56,910**

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(c) Liquidity risk

The Group's objective is to maintain sufficient cash and sources of funding through committed credit facility and maintain flexibility in funding by maintaining committed credit lines. To manage the liquidity risk, management monitors rolling forecasts of the Group's liquidity reserve (comprising undrawn banking facilities) and cash and cash equivalents on the basis of expected cash flows. All the borrowings are in compliance with relevant covenant terms if any and the Group expected to fund the future cash flow needs through internally generated cash flows from operations and borrowings from financial institutions.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Note 29 to the consolidated financial statements presents more analysis of liquidity risk and undrawn bank borrowings facilities.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

本集團的目標是通過承諾的信貸維持充足的現金和資金來源，並通過維持承諾信貸額度來保持資金的靈活性。為管理流動資金風險，管理層監督本集團關於流動資金儲備(包括未提取的銀行融資)的滾動預測和基於預計現金流量的現金及現金等價物。所有借款均遵守相關契約條款(如有)且本集團預期通過內部經營活動產生的現金流量以及向金融機構的借款來滿足未來現金流量需求。

下表對本集團根據於報告日期至合約到期日的剩餘期限相關的到期組合淨額基準結算的金融負債進行分析。在表內披露的金額為未經貼現的合同現金流量。

合併財務報表附註29對流動資金風險及未動用的銀行借貸額度進行更多分析。

		Weighted average effective interest rate 加權平均實際利率 %	Less than 1 year 1年以內 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現現金流量總額 RMB'000 人民幣千元	Carrying amount at 31 December 於2024年12月31日的賬面值 RMB'000 人民幣千元
As at 31 December 2024	**於2024年12月31日**							
Borrowings	借款	5.77	2,718,459	936,496	1,132,241	275,269	5,062,465	4,589,179
Financial liabilities included in trade and other payables	包含在應付賬款及其他應付款中的金融負債		1,971,905	-	-	-	1,971,905	1,971,905
Financial guarantee issued (note 33)	已發出的財務擔保(附註33)		110,000	-	-	-	110,000	110,000
			4,800,364	936,496	1,132,241	275,269	7,144,370	6,671,084

3. FINANCIAL RISK MANAGEMENT *(continued)*

3. 財務風險管理*(續)*

3.1 Financial risk factors *(continued)*

3.1 財務風險因素*(續)*

(c) Liquidity risk (continued)

(c) 流動資金風險(續)

		Weighted average effective interest rate 加權平均實際利率 %	Less than 1 year 1年以內 *RMB'000* *人民幣千元*	Between 1 and 2 years 1至2年 *RMB'000* *人民幣千元*	Between 2 and 5 years 2至5年 *RMB'000* *人民幣千元*	More than 5 years 5年以上 *RMB'000* *人民幣千元*	Total undiscounted cash flows 未貼現現金流量總額 *RMB'000* *人民幣千元*	Carrying amount at 31 December 2023 於2023年12月31日的賬面值 *RMB'000* *人民幣千元*
As at 31 December 2023	於2023年12月31日							
Borrowings	借款	5.17	3,523,111	158,117	1,456,106	768,053	5,905,387	5,272,138
Financial liabilities included in trade and other payables	包含在應付賬款及其他應付款中的金融負債		1,255,575	–	–	–	1,255,575	1,255,575
			4,778,686	158,117	1,456,106	768,053	7,160,962	6,527,713

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.

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 Capital risk management

3.2 資本風險管理

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.

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。

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.

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。

3. FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Capital risk management *(continued)*

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 2024 and 2023 is as follow:

3. 財務風險管理*(續)*

3.2 資本風險管理*(續)*

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2024年及2023年12月31日，淨資產負債比率如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Total borrowings *(Note 29)*	總借款*(附註29)*	**4,589,179**	5,272,138
Less: Cash and bank balances *(Note 27)*	減：現金及銀行結餘*(附註27)*	**(10,977)**	(174,088)
Restricted funds *(Note 27)*	受限制資金*(附註27)*	**(25,965)**	(54,865)
Net debt	債務淨額	**4,552,237**	5,043,185
Total equity	權益總額	**5,242,293**	4,977,304
Total capital	總資本	**9,794,530**	10,020,489
Gearing ratio	淨資產負債比率	**46.5%**	50.3%

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 Level1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 (lowest level): unobservable inputs for the asset or liability.

3.3 金融工具的公允價值估計

以下為呈列於根據國際財務報告準則第13號定義之公允價值層級三個級別內，按公允價值計量或須於該等財務報表內按經常性基準披露其公允價值之負債。整體公允價值計量根據對整體計量而言屬重大之最低層輸入數據進行分類。輸入數據之級別定義如下：

- 第一級(最高級別)：本集團於計量日期可取得相同資產或負債於活躍市場上之報價(未經調整)；
- 第二級：第一級所包括報價以外，就資產或負債可直接或間接觀察所得之輸入數據；及
- 第三級(最低級別)：資產或負債之不可觀察輸入數據。

3. FINANCIAL RISK MANAGEMENT *(continued)*

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

During the years ended 31 December 2024 and 2023, 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.

The carrying amounts of the Group's other financial assets and liabilities at cost or amortised cost are not materially different from their fair values as at 31 December 2024 and 2023.

3. 財務風險管理*(續)*

3.3 金融工具的公允價值估計*(續)*

截至2024年及2023年12月31日止年度，第1層與第2層公允價值計量之間並無轉移，亦無轉入第3層公允價值計量及自第3層公允價值計量轉出。本集團之政策是於報告期末確認層級之間之轉移。

按成本或攤銷成本計量的金融資產和負債的公允價值

特許經營權安排下的非流動應收款項、應收客戶建造合同款的非流動金額、非流動合約資產及非流動借款的公允價值依據本集團可獲取的類似金融工具的現行市場利率對未來現金流量進行折現估計。

於2024年及2023年12月31日，本集團其他按成本或攤銷成本計量的金融資產和負債的賬面值與其公允價值並無重大差異。

4. SEGMENT INFORMATION

The directors of the Company have been identified as the chief operating decision-maker of the Company. The management has determined the operating segments based on reports reviewed by the directors of the Company for the purpose of allocating resources and assessing performance.

The directors of the Company determine the business from the product and service perspective. The Group's reportable segments are as follows:

- Wastewater treatment;
- Water supply; and
- Others, including management services, transportation services, construction services, thermal production and treasury functions.

The directors of the Company assess the performance of the operating segments based on the measurement of revenue and operating profit.

This measurement basis excludes fair value gain on financial liabilities at FVPL, finance income, finance costs, impairment loss on interests in associates and share of results of associates.

Unallocated assets consist of deferred tax assets and interests in associates. Unallocated liabilities consist of financial liabilities at FVPL, deferred tax liabilities and income tax payable.

Capital expenditure comprises mainly additions to right-of-use assets/land use rights, property, plant and equipment and intangible assets.

4. 分部信息

本公司董事已被確定為本公司的主要經營決策者。管理層已根據本公司董事審議的、用於分配資源和評估表現的報告釐定經營分部。

本公司董事從產品和服務的角度確定業務。本集團的報告分部如下：

- 污水處理；
- 水供給；及
- 其他，包括管理業務、運輸業務、建造服務、熱力生產及財務職能。

本公司董事根據收入計量和營業利潤評估經營分部的表現。

該計量基準不包括按公允價值計入損益的金融負債的公允價值收益、財務收入、財務成本、聯營投資減值損失及聯營公司經營成果份額。

未分配資產包括遞延稅項資產和聯營投資。未分配負債包括按公允價值計入損益的金融負債、遞延稅項負債和應付所得稅。

資本開支主要包括使用權資產／土地使用權、不動產、工廠及設備和無形資產的增加。

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

(a) Segment information (a) 分部信息

Segment revenue and result (i.e. the operating profit) and other information for the year ended 31 December 2024 are presented as below:

截至2024年12月31日止年度的分部收入和業績(即營業利潤)及其他資料如下:

		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*
Revenue from external customers	外部客戶收入	1,151,793	174,379	267,992	1,594,164
Segment gross profit	分部毛利	501,713	60,042	151,896	713,651
Segment profit	分部利潤	364,118	37,905	122,885	524,908
Finance income	財務收入				48,038
Finance costs	財務成本				(263,627)
Share of results of associates	聯營公司經營成果份額				5,035
Profit before taxation	税前利潤				314,354
Income tax expense	所得税費用				(50,426)
Profit for the year	年內利潤				263,928
Other segment information included in the measurement of segment profit or segment assets:	**計入分部利潤或分部資產計量的其他分部資料:**				
Depreciation of property, plant and equipment	不動產、工廠及設備的折舊	199,701	12,036	604	212,341
Depreciation of right-of-use assets	使用權資產折舊	9,748	71	–	9,819
Fair value loss on investment properties	投資物業公允價值損失	–	–	21,153	21,153
Impairment loss on trade receivables	應收賬款減值損失	22,666	28,388	2,184	53,238
Impairment loss on financial assets at amortised cost	以攤銷成本計量的金融資產減值損失	–	–	60,000	60,000
Impairment loss on other receivables	其他應收款項減值損失	12,215	1,849	2,843	16,907
Impairment loss on (reversal of) receivables under service concession arrangements	特許經營權下的應收款項減值損失(撥回)	822	616	(1,105)	333
Impairment loss on contract assets	合約資產減值損失	2,040	–	–	2,040
Impairment loss on (reversal of) amounts due from customers for construction contracts	應收客戶建造合同款減值損失(撥回)	157	(3,635)	–	(3,478)
Amortisation of intangible assets	無形資產攤銷	9,626	42,431	14,495	66,552
Capital expenditures	資本開支	28,007	45,238	87,945	161,190

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 2024 are presented below:

截至2024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**	**9,607,259**	**1,814,154**	**786,738**	**12,208,151**
Unallocated:	未分配的:				
Deferred tax assets	遞延稅項資產				**110,075**
Interests in associates	聯營投資				**65,726**
Total assets	**資產總額**				**12,383,952**
Segment liabilities	**分部負債**	**5,178,196**	**549,797**	**1,182,408**	**6,910,401**
Unallocated:	**未分配的:**				
Deferred tax liabilities	遞延稅項負債				**40,661**
Tax payables	應付稅項				**190,597**
Total liabilities	**負債總額**				**7,141,659**

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

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

Segment revenue and result (i.e. the operating profit) and other information for the year ended 31 December 2023 are presented as below:

截至2023年12月31日止年度的分部收入及業績(即營業利潤)及其他資料如下:

		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*
Revenue from external customers	外部客戶收入	1,233,095	129,440	444,953	1,807,488
Segment gross profit	分部毛利	580,581	63,841	153,818	798,240
Segment profit	分部利潤	456,015	50,765	108,870	615,650
Finance income	財務收入				39,172
Finance costs	財務成本				(273,065)
Impairment loss on interests in associates	聯營投資減值損失				(55)
Profit before taxation	税前利潤				381,702
Income tax expense	所得税費用				(63,975)
Profit for the year	年內利潤				317,727
Other segment information included in the measurement of segment profit or assets:	**計入分部利潤或資產計量的其他分部資料:**				
Depreciation of property, plant and equipment	不動產、工廠及設備的折舊	158,835	16,673	57,314	232,822
Depreciation of right-of-use assets	使用權資產折舊	10,210	72	344	10,626
Fair value gain on investment properties	投資物業公允價值收益	–	–	848	848
Impairment loss on trade receivables	應收賬款減值損失	19,284	9,615	1,389	30,288
Impairment loss on financial assets at amortised cost	以攤銷成本計量的金融資產減值損失	–	–	60,000	60,000
Impairment loss on (reversal of) other receivables	其他應收款項減值損失(撥回)	(7,290)	(620)	17,638	9,728
Impairment loss on (reversal of) receivables under service concession arrangements	特許經營權下的應收款項減值損失(撥回)	5,445	(1,919)	1,443	4,969
Impairment loss on contract assets	合約資產減值損失	3,024	–	–	3,024
Impairment loss on amounts due from customers for construction contracts	應收客戶建造合同款減值損失	107	1,083	834	2,024
Amortisation of intangible assets	無形資產攤銷	11,114	10,974	9,691	31,779
Capital expenditures	資本開支	77,493	31,555	3,687	112,735

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 2023 are presented below:

截至2023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**	9,180,312	1,762,831	1,024,590	11,967,733
Unallocated:	**未分配的：**				
Deferred tax assets	遞延稅項資產				96,117
Total assets	**資產總額**				12,063,850
Segment liabilities	**分部負債**	5,039,664	481,037	1,378,409	6,899,110
Unallocated:	**未分配的：**				
Deferred tax liabilities	遞延稅項負債				44,974
Tax payables	應付稅項				142,462
Total liabilities	**負債總額**				7,086,546

4. SEGMENT INFORMATION *(continued)*

4. 分部信息*(續)*

(b) Geographical information

(b) 地理信息

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

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

(c) 主要客户信息

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

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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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	**N/A不適用**	207,399
Customer B	客戶B	**885,077**	696,460
Customer C	客戶C	**175,225**	N/A不適用*

* The customer contributed less than 10% of the total revenue of the Group for the relevant reporting periods.

* 該客戶在相關報告期內對集團總收入的貢獻不足10%。

5. REVENUE 5. 收入

		For the year ended 31 December 截至12月31日止年度	
		2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
Revenue disaggregated by major products or service lines	**按主要產品或服務線劃分的收入**		
Wastewater treatment	污水處理	**1,151,793**	1,233,095
Operating services – under TOO/BOO model	營運服務－TOO/BOO模式下	**897,723**	910,089
Operating services – under TOT/BOT model	營運服務－TOT/BOT模式下	**117,989**	151,067
Construction services – under BT model	建造服務－BT模式下	**20,714**	232
Construction services – under BOT model	建造服務－BOT模式下	**64,241**	74,768
Finance income	財務收入	**51,126**	96,939
Reclaimed water supply and running water supply	再生水供應及自來水供應	**174,379**	129,440
Operating services – under TOO/BOO model	營運服務–TOO/BOO模式下	**28,251**	40,949
Operating services – under TOT/BOT model	營運服務–TOT/BOT模式下	**73,597**	37,496
Construction services – under BT model	建造服務－BT模式下	**7,192**	6,278
Construction services – under BOT model	建造服務－BOT模式下	**30,190**	5,598
Finance income	財務收入	**35,149**	39,119
Others	其他	**267,992**	444,953
Management services	管理服務	**177,629**	176,783
Transportation services	運輸服務	**462**	3,094
Construction services – under BT model	建造服務－BT模式下	**1,790**	1,413
Construction services – under BOT model	建造服務－BOT模式下	**8,619**	55,424
Thermal production	熱力生產	**13,476**	151,689
Others	其他	**66,016**	56,550
		1,594,164	1,807,488

Except for the finance income, all the other revenue represent revenue from contracts with customers within the scope of IFRS 15.

除財務收入外，所有其他收入指國際財務報告準則第15號內來自客戶合約的收入。

All the above revenue is recognised over time except for revenue from water supply operation and thermal production, which are recognised at a point in time.

上述所有收入均隨時間確認，惟水供應營運及熱力生產收入於時間點確認。

6. EXPENSES BY NATURE 6. 按性質分類的費用

		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	不動產、工廠及設備的折舊	17	212,341	232,822
Utilities and office expenditures	公用事業及辦公室支出		10,900	27,936
Employee benefit expenses	僱員福利開支	10	171,608	193,015
Costs of wastewater and water supply services	污水處理和水供給服務的成本		269,732	281,379
Cost of construction services	建造服務成本		124,727	135,661
Other taxes and levies	其他稅金及附加		28,512	25,906
Repair and maintenance costs	維修及維護成本		31,192	34,081
Depreciation of right-of-use assets	使用權資產折舊	16	9,819	10,626
Professional expenses	專業服務費		12,872	12,706
Amortisation of intangible assets	無形資產攤銷	21	66,552	31,779
Fuels expenses	燃料費用		14,239	128,147
Miscellaneous	雜項		5,293	9,394
Total cost of sales, selling expenses and administrative expenses	銷售成本、銷售費用及行政費用合計		957,787	1,123,452

Note: During the year, the payment for audit services and non-audit services as the remuneration of auditor were approximately RMB1,950,000 and RMB30,000 respectively.

附註： 本年度作為審計師酬金支付審計服務及非審計服務分別為約人民幣1,950,000元及人民幣30,000元。

7. NET OTHER INCOME 7. 其他收益淨額

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Government grants:	政府補助:	**8,774**	14,079
– relating to purchase of property, plant and equipment *(Note 30)*	– 與購買不動產、工廠和設備有關*(附註30)*	**7,687**	10,037
– relating to tax refund *(Note)*	– 與稅費返還有關*(附註)*	**1,087**	4,042
Gain on disposal of a subsidiary *(Note 39)*	出售附屬公司之收益*(附註39)*	**10,312**	5,352
Interest income from bank deposits	銀行存款之利息收入	**838**	3,506
Fair value (loss) gain on investment properties *(Note 15)*	投資物業之公允價值(損失)收益*(附註15)*	**(21,153)**	848
Gross rental income*	租金收入總額*	**8,935**	11,496
Gain on disposal of property, plant and equipment – net	處置不動產、工廠及設備的收益 – 淨額	**5,795**	–
Gain on disposal of interest in an associate *(Note 22)*	出售聯營公司權益的收益*(附註22)*	**467**	–
Others	其他	**9,108**	10,227
		23,076	45,508

Note: Pursuant to Notice on Issuing the Catalogue of Preferential Value-added Tax ("**VAT**") Policies for Products Made through and Labor Services for Integrated Utilisation of Resources issued by the State Administration of Taxation in the PRC, companies which sell self-produced products made with integrated utilised resources or provides labor services for integrated utilisation of resources can enjoy the policy of value-added tax refund upon collection from 1 July 2015. The wastewater treatment business and the reclaimed water supply business of the Group which fall into the catalogue are qualified to enjoy 70% (2023: 70%) VAT refund.

附註: 中國國稅總局頒佈的《資源綜合利用產品和勞務增值稅(「**增值稅**」)優惠目錄》規定,自2015年7月1日起,從事資源綜合利用自營產品銷售或為資源綜合利用提供勞務的企業可在繳納增值稅後享受增值稅退稅政策。本集團的污水處理業務和再生水供應業務為優惠目錄項目,合資格享受70%(2023年:70%)的增值稅費退稅。

* The direct operating expenses incurred for investment properties that generated rental income were minimal in both of the years.

* 兩年內產生租金收入的投資物業產生的直接經營開支均較小。

8. OTHER LOSSES

8. 其他虧損

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Loss on disposal of property, plant and equipment – net	處置不動產、工廠及設備的虧損－淨額	–	806
Others	其他	5,505	3,055
		5,505	3,861

9. FINANCE COSTS – NET

9. 財務成本－淨額

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Finance income:	**財務收入：**		
– Interest income charged to related parties *(Note 36(b)(iii))*	－向關聯方收取的利息收入 *(附註36(b)(iii))*	**47,987**	38,651
– Interest income charged to a third party	－向第三方收取的利息收入	**51**	521
		48,038	39,172
Finance costs:	**財務成本：**		
– Interest expenses on unsecured borrowings	－未擔保借款利息支出	**(44,042)**	(48,152)
– Interest expenses on secured borrowings	－擔保借款利息支出	**(228,973)**	(234,591)
Total interest expenses on borrowings	借款利息總支出	**(273,015)**	(282,743)
– Less: borrowing costs capitalised in property, plant and equipment *(Note 17(d))*	－減：資本化計入不動產、工廠及設備的借款成本 *(附註17(d))*	**23,680**	20,747
– Interest expenses – net	－利息費用－淨額	**(249,335)**	(261,996)
– Exchange loss – net	－匯兑損失－淨額	**(13,479)**	(10,638)
– Others	－其他	**(813)**	(431)
		(263,627)	(273,065)
Finance costs – net	財務成本－淨額	**(215,589)**	(233,893)

10. EMPLOYEE BENEFIT EXPENSES 10. 僱員福利開支

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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	**124,180**	140,848
Contributions to pension plans *(Note (a))*	退休金計劃供款*(附註(a))*	**23,000**	25,927
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))*	**24,428**	26,240
		171,608	193,015

Notes:

(a) As stipulated by rules and regulations in the PRC, the Group contributes to state-sponsored retirement schemes for its full-time employees in the PRC. The Group's full-time employees make monthly contributions to the schemes at approximately 16% of the relevant income (comprising wages, salaries, allowances and bonus, and subject to maximum caps), while the Group has no further obligations for the actual payment of post-retirement benefits beyond the contributions. The state-sponsored retirement schemes are responsible for the entire post-retirement benefit obligations payable to the retired employees.

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 Group makes contributions to the additional pension scheme at 8% of previous year's salaries. The Group has no further obligation for this additional employee pension plan beyond the contribution made.

(b) 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 approximately 6.3% to 23.6% (2023: approximately 6.3% to 23.6%) of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period.

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。本集團按全職員工的相關收入包括工資、薪金、津貼及獎金(不超過一定上限)的16%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,本集團設有一項額外職工退休金計劃。本集團按上年度工資的8%向該額外退休金計劃供款。除額外職工退休金計劃外,本集團概無其他責任。

(b) 本集團在中國的職工加入政府規定的住房公積金,醫療保險和其他社會保險計劃。本集團每月按職工薪金的6.3%至23.6%左右(2023年:6.3%-23.6%左右)向該等基金供款(不超過一定上限)。就該等公積金而言,本集團的責任只限於在每一期間作出供款。

10. EMPLOYEE BENEFIT EXPENSES *(continued)*

Notes: (continued)

(c) Five highest paid individuals

The five highest paid individuals during the year included 3 directors (2023: 2 directors), details of whose remuneration are set out in Note 12. The aggregate of the emoluments in respect of the other two individuals (2023: three individuals) (for the years ended 31 December 2024 and 2023, 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三位董事(2023年:兩位董事),其薪酬載於附註12。其餘兩名個人(2023年:三名個人)的薪酬總額(於截至2024年及2023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:

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Salaries, wages and bonuses	工資、獎金和津貼	**590**	558
Contributions to pension plans	退休計劃供款	**245**	217
Housing funds, medical insurance and other social insurance	住房公積金、醫療保險和其他社會保險	**200**	181
		1,035	956

(d) The emoluments of remaining two individuals (2023: three individuals) fell within the following band:

(d) 其餘兩名個人(2023年:三名個人)的薪酬範圍如下:

		2024 2024年 *Number of individuals* *人數*	2023 2023年 *Number of individuals* *人數*
Range of remuneration (HKD)	薪酬範圍(港幣)		
Nil to 500,000	零至500,000	**1**	3
500,001 to 1,000,000	500,001至1,000,000	**1**	–

11. INCOME TAX EXPENSE

11. 所得稅費用

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
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	51,391	85,915
Underprovision in respect of prior years	過往年度撥備不足	21,872	2,007
		73,263	87,922
Deferred tax *(note 23)*	遞延稅項*(附註23)*	(22,837)	(23,947)
Income tax expenses	所得稅開支	50,426	63,975

For the only Hong Kong incorporated subsidiary, Hong Kong Profits Tax is calculated at 8.25% (2023: 8.25%) of the first HKD2 million of estimated assessable profit and at 16.5% (2023: 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 incurred 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%(2023年：8.25%)的稅率及餘下估計應課稅溢利按16.5%(2023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% since 1 January 2008. The income tax rate of 25% is applicable to all of the Group's PRC subsidiaries during the years ended 31 December 2024 and 2023, except for certain subsidiaries that enjoy tax exemption or a preferential income tax rate as approved by the respective local tax authorities, which was discussed as follows:

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2024年和2023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) China's western region development policy (the "**Western Region Development Policy**") is a preferential tax ruling issued by the State Administration of Taxation of the PRC for companies whose business fall into the catalogue of encouraged industries and located in western region of China. During the years ended 31 December 2024 and 2023, the Company and certain subsidiaries qualified for the Western Region Development Policy were granted the preferential income tax rate of 15%.

(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2024年和2023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) 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.

(c) Certain PRC subsidiaries use the resources stipulated in the catalogue for comprehensive utilisation of resources project qualified for 10% of revenue not subject to CIT.

11. 所得稅費用*(續)*

(b) 由若干中國附屬公司擁有的部分新升級污水處理設施滿足合資格享受企業所得稅優惠稅率的公共基礎設施項目目錄中的標準。針對本集團從此類新項目產生的相關應稅收入，該等中國附屬公司有資格享受「三免三減半」的企業所得稅稅收優惠。

(c) 部分中國附屬公司使用合資格享受企業所得稅優惠稅率的資源綜合利用項目目錄中規定的資源。該附屬公司10%的收入無需繳納企業所得稅。

Reconciliation of income tax expenses 所得稅開支之對賬

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Profit before taxation	稅前利潤	**314,354**	381,702
Income tax at applicable tax rate of 25% (2023: 25%)	按適用稅率25%(2023年：25%)計算的所得稅	**78,589**	95,426
Tax effect of non-deductible expenses	不可扣除的費用的稅務影響	**9,613**	2,073
Tax effect of preferential tax rates of the Company and certain subsidiaries	本公司及部分附屬公司的優惠稅率的稅務影響	**(49,649)**	(42,954)
Tax effect of non-taxable income	毋須課稅收入的稅務影響	**(7,859)**	(4,928)
Underprovision in respect of prior years	過往年度撥備不足	**21,872**	2,007
Tax effect of share of results of associates	聯營公司經營成果份額的稅務影響	**(1,259)**	–
Tax effect of tax losses not recognised	尚未確認的稅項虧損的稅務影響	**575**	8,896
Temporary differences not recognised	未確認暫時差額	**–**	3,657
Utilisation of temporary differences previously not recognised	利用前期未確認暫時差額	**(557)**	–
Utilisation of tax loss previously not recognised	利用前期未確認的稅務虧損	**(899)**	(202)
Income tax expense	所得稅費用	**50,426**	63,975

12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS

12. 董事、監事及僱員酬金

(a) Directors', supervisors' and chief executives' emoluments

(a) 董事、監事及最高行政人員酬金

Directors', supervisors' and chief executives' emoluments for the years ended 31 December 2024 and 2023 are set out as follows:

截至2024年及2023年12月31日止年度董事、監事及最高行政人員薪酬載列如下：

		Fees 袍金 *RMB'000* *人民幣千元*	Salaries 工資 *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 2024	**截至2024年12月31日止年度**					
Executive directors	*執行董事*					
Mr. Zeng Feng (曾鋒) *(Note (a)(vii))*	曾鋒先生 *(附註(a)(vii))*	–	197	79	67	343
Mr. Chen Changyong (陳昌勇) *(Note (a)(i))*	陳昌勇先生 *(附註(a)(i))*	–	197	92	67	356
Mr. Miao Xianjun (苗獻軍) *(Note (a)(xvi))*	苗獻軍先生 *(附註(a)(xvi))*	–	196	74	66	336
Non-executive directors	*非執行董事*					
Mr. Xu Jingdong (徐景東) *(Note (a)(v))*	徐景東先生 *(附註(a)(v))*	–	–	–	–	–
Mr. Zhou Jianbo (周建波) *(Note (a)(vi))*	周建波先生 *(附註(a)(vi))*	–	–	–	–	–
Ms. Cheng Yijing (成怡靜) *(Note (a)(xvii))*	成怡靜女士 *(附註(a)(xvii))*	–	–	–	–	–
Mr. Zhang Yang (張洋) *(Note (a)(iii))*	張洋先生 *(附註(a)(iii))*	–	–	–	–	–
Independent non-executive directors	*獨立非執行董事*					
Mr. Zha Guiliang (查貴良) *(Note (a)(x))*	查貴良先生 *(附註(a)(x))*	150	–	–	–	150
Mr. Ong King Keung (王競強) *(Note (a)(ix))*	王競強先生 *(附註(a)(ix))*	220	–	–	–	220
Ms. Zheng Dongyu (鄭冬渝) *(Note (a)(viii))*	鄭冬渝女士 *(附註(a)(viii))*	150	–	–	–	150
Supervisors	*監事*					
Mr. Na Zhiqiang (那志強) *(Note (a)(xi))*	那志強先生 *(附註(a)(xi))*	–	–	–	–	–
Mr. Yao Jianhua (姚建華) *(Note (a)(xii))*	姚建華先生 *(附註(a)(xii))*	–	–	–	–	–
Mr. Shao Wei (邵偉) *(Note (a)(xiii))*	邵偉先生 *(附註(a)(xiii))*	–	–	–	–	–
Chief executive	*最高行政人員*					
Mr. Mu Yong (穆勇)	穆勇先生	–	160	71	61	292
		520	750	316	261	1,847

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

(a) Directors', supervisors' and chief executives' emoluments *(continued)* (a) 董事、監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*	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 2023	**截至2023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))*	–	409	69	67	545
Mr. Chen Changyong (陳昌勇)	陳昌勇先生					
(Note (a)(i))	*(附註(a)(i))*	–	409	88	70	567
Mr. Luo Yun (羅雲)	羅雲先生					
(Note (a)(ii))	*(附註(a)(ii))*	–	–	45	40	85
Non-executive directors	*非執行董事*					
Mr. Xu Jingdong (徐景東)	徐景東先生					
(Note (a)(v))	*(附註(a)(v))*	–	–	–	–	–
Mr. Zhou Jianbo (周建波)	周建波先生					
(Note (a)(vi))	*(附註(a)(vi))*	–	–	–	–	–
Mr. Zhang Yang (張洋)	張洋先生					
(Note (a)(iii))	*(附註(a)(iii))*	–	–	–	–	–
Ms. Ren Na (任娜)	任娜女士					
(Note (a)(xiv))	*(附註(a)(xiv))*	–	–	–	–	–
Ms. Song Hong (宋紅)	宋紅女士					
(Note (a)(xv))	*(附註(a)(xv))*	–	–	–	–	–
Independent non-executive directors	*獨立非執行董事*					
Mr. Zha Guiliang (查貴良)	查貴良先生					
(Note (a)(x))	*(附註(a)(x))*	20	–	–	–	20
Mr. Ong King Keung (王競強)	王競強先生					
(Note (a)(ix))	*(附註(a)(ix))*	220	–	–	–	220
Ms. Zheng Dongyu (鄭冬渝)	鄭冬渝女士					
(Note (a)(viii))	*(附註(a)(viii))*	150	–	–	–	150
Ms. Wang Dongfang (王東方)	王東方女士					
(Note (a)(iv))	*(附註(a)(iv))*	108	–	–	–	108
Supervisors	*監事*					
Mr. Na Zhiqiang (那志強)	那志強先生					
(Note (a)(xi))	*(附註(a)(xi))*	–	78	–	–	78
Mr. Yao Jianhua (姚建華)	姚建華先生					
(Note (a)(xii))	*(附註(a)(xii))*	–	–	–	–	–
Mr. Shao Wei (邵偉)	邵偉先生					
(Note (a)(xiii))	*(附註(a)(xiii))*	–	–	–	–	–
Chief executive	*最高行政人員*					
Mr. Mu Yong (穆勇)	穆勇先生	–	13	–	3	16
		498	909	202	180	1,789

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

12. 董事、監事及僱員酬金*(續)*

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

(a) 董事、監事及最高行政人員酬金*(續)*

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.

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。

Directors, supervisors and chief executives' emoluments for the years ended 31 December 2024 and 2023 are set out as follows:

截至2024年及2023年12月31日止年度董事、監事及最高行政人員薪酬載列如下：

(i) Mr. Chen Changyong was appointed as an executive Director of the Company on 19 June 2020.

(i) 陳昌勇先生於2020年6月19日獲委任為本公司執行董事。

(ii) On 7 February 2023, the Board removed Mr. Luo Yun as a deputy general manager and the member of the Strategy and Investment Decision Committee. The removal of Mr. Luo as an executive Director has been reviewed and considered at the 2023 First EGM.

(ii) 於2023年2月7日，董事會免除了羅雲先生副總經理、戰略於投資決策委員會委員職務；於2023年第一次臨時股東會審議免除了羅先生執行董事職務。

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

(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) Ms. Wang Dongfang tendered her resignation to the Board on 20 September 2023 to resign from independent non-executive Director, chairperson of the Audit Committee and member of the Remuneration and Appraisal Committee and the Strategy and Investment Decision Committee of the Company and her resignation became effective on the same day.

(iv) 王東方女士於2023年9月20日向董事會提交辭呈，辭去本公司獨立非執行董事、審計委員會主任委員、薪酬與考核委員會及戰略與投資決策委員會委員職務，其辭任已於當日生效。

(v) Mr. Xu Jingdong was appointed as a non-executive Director of the Company on 29 June 2023.

(v) 徐景東先生於2023年6月29日獲委任為本公司非執行董事。

(vi) Mr. Zhou Jianbo tendered his resignation to the Board on 24 July 2024 to resign from non-executive Director in the Company and his resignation became effective on 21 August 2024.

(vi) 周建波先生已於2024年7月24日向董事會提交辭呈，辭去本公司非執行董事職務，其辭呈已於2024年8月21日生效。

(vii) Mr. Zeng Feng was appointed as an executive director and the chairperson of the Company on 16 September 2021.

(vii) 曾鋒先生於2021年9月16日獲委任為本公司執行董事、董事長。

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

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

(viii) Ms. Zheng Dongyu was appointed as an independent non-executive Director of the Company on 18 June 2021.

(ix) Mr. Ong King Keung was appointed as an independent non-executive Director of the Company on 12 November 2021.

(x) Mr. Zha Guiliang was appointed as an independent non-executive Director of the Company on 13 November 2023.

(xi) Mr. Na Zhiqiang was appointed as the chairman of the Board of Supervisors and an employee representative Supervisor on 19 January 2011.

(xii) Mr. Yao Jianhua was appointed as an employee representative Supervisor of the Company on 19 January 2011.

(xiii) Mr. Shao Wei joined the Group on 7 May 2016 as a Supervisor of the Company.

(xiv) Ms. Ren Na tendered her resignation to the Board on 7 March 2023 to resign from non-executive Director in the Company and her resignation became effective on 6 April 2023.

(xv) Ms. Song Hong tendered her resignation to the Board on 24 April 2023 to resign from non-executive Director in the Company and her resignation became effective on 24 April 2023.

(xvi) Mr. Miao Xianjun was newly appointed as an executive Director after being approved at the 2024 First EGM held on 4 January 2024, and resigned from his position as an executive Director due to retirement on 20 December 2024. His resignation became effective on the same day.

(xvii) Ms. Cheng Yijing was newly appointed as a non-executive Director after being approved at the 2024 Third EGM held on 21 August 2024.

During the years ended 31 December 2024 and 2023, no director and supervisor received any emolument from the Group as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office.

12. 董事、監事及僱員酬金*(續)*

(a) 董事、監事及最高行政人員酬金*(續)*

(viii) 鄭冬渝女士於2021年6月18日獲委任為本公司獨立非執行董事。

(ix) 王競強先生於2021年11月12日獲委任為本公司獨立非執行董事。

(x) 查貴良先生於2023年11月13日獲委任為本公司獨立非執行董事。

(xi) 那志強先生於2011年1月19日獲委任為監事會主席及職工代表監事。

(xii) 姚建華先生於2011年1月19日獲委任為本公司職工代表監事。

(xiii) 邵偉先生於2016年5月7日加入本集團，擔任本公司監事。

(xiv) 任娜女士已於2023年3月7日向董事會提交辭呈，辭去本公司非執行董事職務，其辭呈已於2023年4月6日生效。

(xv) 宋紅女士已於2023年4月24日向董事會提交辭呈，辭去本公司非執行董事職務，其辭呈已於2023年4月24日生效。

(xvi) 苗獻軍先生是經2024年1月4日召開的2024年第一次臨時股東會獲批准後新委任的執行董事，於2024年12月20日因退休辭任執行董事職務，其辭任已於當日生效。

(xvii) 成怡靜女士是經2024年8月21日召開的2024年第三次臨時股東會批准後新委任的非執行董事。

於截至2024年及2023年12月31日止年度，並無董事及監事從本集團收取任何酬金作為吸引其加入或在加入時、離開本集團的獎勵或作為離職賠償。

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

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

There was no arrangement under which an executive or non-executive director and supervisor waived or agreed to waive any remuneration during both years. In addition, no emoluments were paid by the Group to any of the directors and supervisors as an inducement to join, or upon joining the Group or a compensation for loss of office for the years ended 31 December 2024 and 2023.

(b) Directors', supervisors' and chief executives' retirement benefits

4 out of 14 directors, supervisors and chief executives (2023: 3 out of 16 directors, supervisors and chief executives) enjoyed retirement benefits by a defined pension plan operated by the Group during the year.

(c) Directors', supervisors' and chief executives' termination benefits

There are no directors', supervisors' and chief executives' termination benefits operated by the Group.

(d) Consideration provided to third parties for making available directors', supervisors' and chief executives' services

During the year ended 31 December 2024, no consideration was provided to third parties for making available directors', supervisors' and chief executives' services (2023: Nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, bodies corporate controlled by directors and supervisors or entities connected with directors, supervisors and chief executives

During the year ended 31 December 2024, there were no loans, quasi-loans and other dealings in favour of directors, supervisors and chief executives, bodies corporate controlled by or entities connected with directors (2023: Nil).

(f) Directors', supervisors' and chief executives' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director, supervisor and chief executive of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2024 (2023: Nil).

12. 董事、監事及僱員酬金*(續)*

(a) 董事、監事及最高行政人員酬金*(續)*

於兩個年度內，並無執行或非執行董事及監事放棄或同意放棄任何薪酬的安排。此外，截至2024年及2023年12月31日止年度，本集團並無向任何董事及監事支付酬金吸引其加入或在加入本集團時的獎勵或作為離職補償。

(b) 董事、監事及最高行政人員的退休福利

年內，14名董事、監事及最高行政人員中有4名(2023年：16名董事、監事及最高行政人員中有3名)享有本集團定額退休金計劃的退休福利。

(c) 董事、監事及最高行政人員離職福利

本集團並無董事、監事及最高行政人員離職福利。

(d) 就提供董事、監事及最高行政人員服務而向第三方支付的對價

截至2024年12月31日止年度期間，概無就提供董事，監事及最高行政人員服務而向第三方支付任何對價(2023年：無)。

(e) 有關以董事、董事控制的法團及董事、監事及最高行政人員的關連實體為受益人的貸款、準貸款及其他交易的資料

截至2024年12月31日止年度期間，概無以董事、監事及最高行政人員、董事控制的法團及董事的關連實體為受益人而訂立貸款、準貸款及其他交易安排(2023年：無)。

(f) 董事、監事及最高行政人員於交易、安排或合約中的重大權益

本年度年結時或在截至2024年12月31日止年度期間的任何時間，本公司概無訂有任何涉及本集團業務而本公司董事，監事及最高行政人員直接或間接在其中擁有重大權益的重要交易、安排或合約(2023年：無)。

13. DIVIDENDS

The Board of the Company does not recommend the distribution of a final dividend for the financial year 2024 (2023: Nil).

13. 股息

本公司董事會不建議就2024財政年度派發末期股息(2023年:無)。

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。

		2024 2024年	2023 2023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)*	**263,222**	316,506
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)*	**0.26**	0.31

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 2024 and 2023.

在截至2024年及2023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

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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	**267,855**	277,462
Change in fair value	公允價值變動	**(21,153)**	848
Disposal of subsidiaries	出售附屬公司	**–**	(10,455)
At the end of the Reporting Period	於報告期末	**246,702**	267,855

All the Group's property interests held under 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. During the year, the change in fair value is due to the decline in real estate market prices. 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。本年度公允價值變動的原因為房地產市場價格下降導致。投資物業位於中國並根據中期租賃持有。

15. INVESTMENT PROPERTIES *(continued)*

15. 投資物業(續)

Valuation techniques

估值技術

Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

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。

At 31 December 2024 and 2023, all investment properties were included in level 3 in the fair value hierarchy.

於2024年及2023年12月31日，所有投資物業已歸入公允價值層級第三級。

There were no transfers among the fair value hierarchy during the year.

年內公允價值層級之間並無轉撥。

Information about fair value measurements using significant unobservable inputs:

有關使用重大無法觀察輸入數據進行公允價值計量的資料：

	2024 Fair value 2024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	234,201	Income capitalisation	RMB30.76 to RMB37.94 per square meter	N/A	5.80%
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30.76元至人民幣37.94元	不適用	5.80%
Six management buildings of the Kunming No. 3 Water Purification Plant	8,901	Income capitalisation	RMB36.65 per square meter	N/A	5.80%
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36.65元	不適用	5.80%
One piece of land located at the Paper Making Industry Base in Dayao Town, Liuyang City	3,600	Income capitalisation	RMB4.67 per square meter	N/A	6.89%
位於瀏陽市大瑤鎮造紙工業基地的一塊土地		收入資本化	每平方米人民幣4.67元	不適用	6.89%
	246,702				

15. INVESTMENT PROPERTIES *(continued)*

15. 投資物業(續)

Valuation techniques *(continued)*

估值技術(續)

	2023 Fair value 2023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 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)	252,183	Income capitalisation 收入資本化	RMB29.30 to RMB48.00 per square meter 每平方米人民幣29.30元至人民幣48.00元	N/A 不適用	6.71% 6.71%
Six management buildings of the Kunming No. 3 Water Purification Plant 昆明第三水質淨化廠六幢管理樓	12,172	Income capitalisation 收入資本化	RMB29.30 to RMB48.00 per square meter 每平方米人民幣29.30元至人民幣48.00元	N/A 不適用	6.17% 6.17%
Two pieces of lands located at the Paper Making Industry Base in Dayao Town, Liuyang City 位於瀏陽市大瑤鎮造紙工業基地的兩塊土地	3,500	Income capitalisation 收入資本化	RMB2.47 to RMB4.67 per square meter 每平方人民幣2.47元至人民幣4.67元	N/A 不適用	7 .13% 7 .13%
	267,855				

15. INVESTMENT PROPERTIES *(continued)*

At the end of the reporting period, the fair value of the investment properties located in the PRC was approximately RMB246,702,000 (2023: approximately RMB267,855,000). They were revalued by Beijing Yachao Asset Appraisal Co., Ltd., independent professional qualified valuer, with appropriate qualification and recent experience in the valuation of similar properties in the relevant location.

The Group's entire property interests were valued based on the held under leases to earn rentals income or for capital appreciation which were measured using fair value model and were classified and accounted for as investment properties.

Leasing arrangement – as lessor

The investment properties are leased to tenants on a non-cancellable term of 1 year to 12 years (2023: 3 years to 12 years). The leases do not contain any renewal option. Monthly rental charges are fixed payments, none of the leases includes variable lease payments. The tenants also bear the management fees and amounts charged by the government such as the Goods and Services Tax levied on the Group.

The investment properties are subject to residual value risk. The lease contracts, as a result, include a provision on residual value guarantee based on which the Group has the right to charge the tenants for any damage to the investment properties at the end of the lease. Besides, the Group has collected rental deposits to protect certain investment properties against any loss that may arise from accidents or physical damages of the properties.

The details of the lease income from operating leases are set out in Note 7 to the consolidated financial statements.

15. 投資物業(續)

於報告期末,位於中國的投資物業的公允價值為約人民幣246,702,000元(2023年:約人民幣267,855,000元),乃由獨立專業合資格估值師北京亞超資產評估有限公司進行重估,該公司具備通當資格且近期於有關地點類似物業的估值方面擁有經驗。

本集團全部物業權益乃根據租賃持有以賺取租金收入或資本增值進行估值,並使用公允價值模式計量以及分類及入賬為投資物業。

租賃安排－作為出租人

本集團將其投資物業出租予租戶,租期為1年至12年(2023年:3年至12年)且不可撤銷租賃。該租賃不含任何續租選填。每月租金按固定款額收取,且概無租賃包含可變租賃付款。租戶亦承管理費以及向本集團徵收的商品及服務稅等政府收費。

投資物業須承受剩除價值風險。因此,租賃合同包括一項剩餘價值保證條款,據此,本集團有在租賃期結束時向租戶收取投資物業的任何損失。此外,本集團已收取租金保證金,以保障若干投資物業免受因意外或物業實體損壞而可能產生的任何損失。

經營租賃所得租賃收入之詳情載列於合併財務報表附註7。

16. RIGHT-OF-USE ASSETS/LAND USE RIGHTS

The Group's right-of-use assets represents the prepaid lease payments for land located in the PRC.

16. 使用權資產／土地使用權

本集團的使用權資產為：位於中國的土地預付租賃付款。

		Land use rights 土地使用權 RMB'000 人民幣千元
Reconciliation of carrying amount – year ended 31 December 2023	**賬面值對賬 —截至2023年12月31日止年度**	
At the beginning of the reporting period	於報告期初	411,454
Depreciation	折舊	(10,626)
Disposal of subsidiaries	出售附屬公司	(22,444)
At the end of the reporting period	於報告期末	378,384
Reconciliation of carrying amount – year ended 31 December 2024	**賬面值對賬 —截至2024年12月31日止年度**	
At the beginning of the reporting period	於報告期初	**378,384**
Depreciation	折舊	**(9,819)**
At the end of the reporting period	於報告期末	**368,565**
At 31 December 2023	**於2023年12月31日**	
Cost	成本	519,438
Accumulated depreciation	累計折舊	(141,054)
		378,384
At 31 December 2024	**於2024年12月31日**	
Cost	成本	**519,438**
Accumulated depreciation	累計折舊	**(150,873)**
		368,565

(a) The Group has no leased office premises as at 31 December 2024 and 2023.

(a) 於2024年及2023年12月31日，本集團並無租賃辦公場所。

(b) The Group has not incurred any expenses relating to short-term leases or low-value assets.

(b) 本集團並無產生任何與短期租賃或低價值資產有關的開支。

(c) There were no cash outflow for leases for the years ended 31 December 2024 and 2023.

(c) 於截至2024年及2023年12月31日止年度，概無租賃的現金流出。

17. PROPERTY, PLANT AND EQUIPMENT 17. 不動產、工廠及設備

		Buildings and facilities 樓宇及設施 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Office and electronic equipment 辦公設備及電子設備 RMB'000 人民幣千元	Motor vehicles 車輛 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Year ended 31 December 2023	**截至2023年12月31日止年度**						
At the beginning of the reporting period	報告期初	1,837,525	555,318	36,539	17,635	269,633	2,716,650
Additions	增加	276	14,033	1,250	56	76,429	92,044
Transferred from construction in progress	自在建工程轉入	83,549	–	11,584	–	(95,133)	–
Disposals	處置	–	(26)	(1)	(863)	–	(890)
Disposal of subsidiaries	出售附屬公司	(54,731)	(30,878)	(175)	(2,933)	(75)	(88,792)
Depreciation	折舊	(131,977)	(84,093)	(12,957)	(3,795)	–	(232,822)
Other	其他	1,271	(785)	(362)	177	(991)	(690)
At the end of the reporting period	報告期末	1,735,913	453,569	35,878	10,277	249,863	2,485,500
At 31 December 2023	**於2023年12月31日**						
Cost	成本	2,738,831	1,384,388	149,253	34,023	249,863	4,556,358
Accumulated depreciation	累計折舊	(1,002,918)	(930,819)	(113,375)	(23,746)	–	(2,070,858)
Net book value	賬面淨值	1,735,913	453,569	35,878	10,277	249,863	2,485,500
Year ended 31 December 2024	**截至2024年12月31日止年度**						
At the beginning of the reporting period	報告期初	**1,735,913**	**453,569**	**35,878**	**10,277**	**249,863**	**2,485,500**
Additions	增加	**55**	**7,515**	**613**	**4**	**23,756**	**31,943**
Transferred from construction in progress	自在建工程轉入	**47,541**	**880**	**1,031**	**–**	**(49,452)**	**–**
Disposals	處置	**(427)**	**(3,983)**	**(2,082)**	**(87)**	**(1,793)**	**(8,372)**
Disposal of subsidiaries *(Note 39)*	出售附屬公司 *(附註39)*	**(177)**	**(6,210)**	**(1,050)**	**(942)**	**–**	**(8,379)**
Depreciation	折舊	**(116,722)**	**(81,436)**	**(12,178)**	**(2,005)**	**–**	**(212,341)**
Other	其他	**–**	**(178)**	**178**	**–**	**–**	**–**
At the end of the reporting period	報告期末	**1,666,183**	**370,157**	**22,390**	**7,247**	**222,374**	**2,288,351**
At 31 December 2024	**於2024年12月31日**						
Cost	成本	**2,785,616**	**1,366,263**	**143,417**	**29,962**	**222,374**	**4,547,632**
Accumulated depreciation	累計折舊	**(1,119,433)**	**(996,106)**	**(121,027)**	**(22,715)**	**–**	**(2,259,281)**
Net book value	賬面淨值	**1,666,183**	**370,157**	**22,390**	**7,247**	**222,374**	**2,288,351**

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:

(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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Buildings and facilities	樓宇及設施	**319,736**	353,833
Machinery and equipment	機器及設備	**337,460**	385,267
Office and electronic equipment	辦公設備及電子設備	**5,408**	6,108
Motor vehicles	車輛	**130**	152
		662,734	745,360

(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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Cost of sales	銷售成本	**210,372**	220,439
Administrative expense	行政費用	**1,969**	12,383
		212,341	232,822

(c) As at 31 December 2024, the Group was still in the process of applying for the ownership certificates for certain buildings with an aggregate carrying amount of approximately RMB21,055,000 (2023: RMB25,647,000).

(c) 於2024年12月31日，本集團仍在為某些樓宇申請所有權證，這些樓宇的賬面價值合計約為人民幣21,055,000元(2023年：人民幣25,647,000元)。

(d) During the year ended 31 December 2024, the Group has capitalised borrowing costs amounting to approximately RMB23,680,000 (2023: approximately RMB20,747,000) on qualifying assets. Borrowing costs were capitalised at the weighted average rate of its general borrowings of 5.77% p.a. (2023: 5.17% p.a.) during the year.

(d) 截至2024年12月31日止年度期間，本集團的資本化利息約為人民幣23,680,000元(2023年：約人民幣20,747,000元)。年內，借款成本按一般借款的加權平均利率每年5.77%(2023年：每年5.17%)來進行資本化。

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 wastewater treatment and water supply and other services (the "**Facilities**"). These service concession arrangements generally involve the Group as an operator (i) paying a specific amount for those arrangements under TOT models; (ii) constructing the Facilities for those arrangements under BOT models; and (iii) operating and maintaining the Facilities at a specified level of service ability on behalf of the relevant governmental authorities for the periods from 18 to 30 years (the "**Service Concession Periods**"), and the Group will be paid for its services over the Service Concession Periods at prices stipulated through a pricing mechanism. The Group is generally entitled to use all the property, plant and equipment of the Facilities, however, the relevant governmental authorities as grantors will control and regulate the scope of service that the Group must provide with the Facilities, and retain the beneficial entitlement to any residual interest in the Facilities at the end of the term of the Service Concession Periods. Each of these service concession arrangements is governed by a contract and, where applicable, supplementary agreements entered into between the Group and the relevant governmental authorities in the PRC that set out, inter alia, performance standards, mechanisms for adjusting prices for the services rendered by the Group, specific obligations levied on the Group to restore the Facilities to a specified level of service ability at the end of the Service Concession Periods and arrangements for arbitrating disputes.

18. 特許經營權協議下的應收款項

本集團在中國已就污水處理以及供水及其他服務(「**處理設施**」),按TOT或BOT模式同政府部門訂立若干協議。此等特許經營權協議中,本集團通常作為營運者(i)針對TOT模式下的協議,支付特定金額;(ii)針對BOT模式下的協議,建造處理設施;及(iii)代表相關政府部門在18至30年期間(「**特許經營期間**」)內經營並維護處理設施,使其達到特定服務水平,本集團將在特許經營期間按定價機制制定的價格收取服務費。本集團通常有權使用處理設施的不動產、工廠及設備,但作為授予方的相關政府部門將控制和監管本集團使用處理設施提供的服務範圍,並有權在特許經營期間屆滿後實益享有處理設施的剩餘權益。各項特許經營權協議受本集團與中國相關政府部門簽訂的合同(如適用)和補充協議(載列了(其中包括)業績標準、調整本集團所提供服務價格的機制、在特許經營期間屆滿後恢復處理設施使其達到特定服務水平的特定義務,以及對於仲裁糾紛的安排)所規範。

The effective interest rate fell within the range from 5.93% p.a. to 9.23% p.a. (2023: 5.93% p.a. to 9.23% p.a.).

實際利率為每年5.93%至每年9.23%區間內(2023年:每年5.93%至每年9.23%)。

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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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	**19,939**	31,379
Loss allowance	虧損撥備	**(443)**	(697)
		19,496	30,682
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	**1,727,027**	2,586,029
Loss allowance	虧損撥備	**(38,340)**	(57,410)
		1,688,687	2,528,619
		1,708,183	2,559,301

As at 31 December 2024 and 2023, the carrying amounts of receivables under services concession arrangements are principally denominated in RMB.

於2024年及2023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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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	25,139	27,732
Loss allowance	虧損撥備	(558)	(616)
		24,581	27,116
Non-current portion:	非流動部分：		
Amounts due from customers for construction contracts	應收客戶建造合同款	563,297	717,340
Loss allowance	虧損撥備	(12,505)	(15,925)
		550,792	701,415
		575,373	728,531

As at 31 December 2024 and 2023, the carrying amounts of amounts due from customer for construction contracts are principally denominated in RMB.

於2024年及2023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

20. 合約資產

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Non-current portion:	非流動部分：		
Wastewater treatment construction business	污水治理建設業務	**228,116**	136,227
Loss allowance	虧損撥備	**(5,064)**	(3,024)
		223,052	133,203

Note:

Contract assets relating to concession agreements for wastewater treatment, water supply and other construction services under BOT arrangements, which are not yet collectible from the customer until the construction of new wastewater treatment, water supply and other infrastructure or upgrade services are completed.

As a result, a contract asset is recognised over the period in which the construction of new wastewater treatment, water supply and other infrastructure or upgrade services are performed to represent the entity's right to consideration for the services transferred to date. The contract asset will be reclassified as receivables under service concession arrangements or intangible assets after completion of construction of new wastewater treatment, water supply and other infrastructure or upgrade services.

The movements (excluding those arising from increases and decreases both occurred within the same year) from contracts with customer within IFRS 15 is RMB23,133,000 (2023: RMB27,106,000) recognised in revenue in 2024.

At 31 December 2024, the contract assets that are expected to be recovered after more than 12 months are RMB223,052,000 (2023: RMB133,203,000).

As at 31 December 2024 and 2023, the carrying amounts of contract assets are principally denominated in RMB.

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

附註：

於新污水處理、水供給處理、其他基建建設或升級服務完成之前，客戶就BOT協議下污水處理、水供給處理、其他建設服務有關特許服務安排之合約資產尚未到期付款。

因此，合約資產於進行新污水處理、水供給處理、其他基建建設或升級服務之期間內確認，以代表實體對收取迄今已轉移服務之代價之權利。將於新污水處理、水供給處理、其他基建建設或升級服務完成後重新分類為特許經營權協議下的應收款項或無形資產。

國際財務報告準則第15號中來自客戶合約的變動(不包括於同年內增減所產生者)為於2024年確認為收入的人民幣23,133,000元(2023年：人民幣27,106,000元)。

截至2024年12月31日，預計超過12個月後收回的合同資產為人民幣223,052,000元(2023年：人民幣133,203,000元)。

於2024年及2023年12月31日，合約資產的賬面值主要以人民幣計值。

有關本集團信貸政策的資料載於附註3.1(b)。

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 2023	**截至2023年12月31日止年度**			
At the beginning of the reporting period	報告期初	7,876	539,304	547,180
Additions	增加	2,563	134,767	137,330
Disposal of subsidiaries	出售附屬公司	–	(11,689)	(11,689)
Transfer to receivables under service concession agreements	轉移至特許經營協議下的應收賬款	–	(79,705)	(79,705)
Amortisation	攤銷	(3,789)	(27,990)	(31,779)
At the end of the reporting period	報告期末	6,650	554,687	561,337
At 31 December 2023	**於2023年12月31日**			
Cost	成本	38,626	629,034	667,660
Accumulated amortisation	累計攤銷	(31,976)	(74,347)	(106,323)
Net book value	賬面淨值	6,650	554,687	561,337
Year ended 31 December 2024	**截至2024年12月31日止年度**			
At the beginning of the reporting period	報告期初	**6,650**	**554,687**	**561,337**
Additions*	增加*	**–**	**334,705**	**334,705**
Disposal of subsidiaries *(Note 39)*	出售附屬公司*(附註39)*	**–**	**(3,936)**	**(3,936)**
Amortisation	攤銷	**(2,275)**	**(64,277)**	**(66,552)**
At the end of the reporting period	報告期末	**4,375**	**821,179**	**825,554**
At 31 December 2024	**於2024年12月31日**			
Cost	成本	**38,537**	**958,724**	**997,261**
Accumulated amortisation	累計攤銷	**(34,162)**	**(137,545)**	**(171,707)**
Net book value	賬面淨值	**4,375**	**821,179**	**825,554**

* Included in the additions of intangible assets was RMB54,076,000 and RMB145,647,000 transferred from receivables under service concession arrangements and amounts due from customers for construction contracts respectively during the year.

* 本年度無形資產增加額中有人民幣54,076,000元和人民幣145,647,000元，是根據服務特許權安排自應收款項和應收客戶建造合同款轉入。

21. INTANGIBLE ASSETS *(continued)*

Amortisation of intangible assets has been charged to the consolidated statement of profit or loss and other comprehensive income as follows:

21. 無形資產(續)

無形資產攤銷於合併損益及其他全面收益表中支銷如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Cost of sales	銷售成本	**65,570**	31,056
Administrative expense	行政費用	**982**	723
		66,552	31,779

22. INTERESTS IN ASSOCIATES

Investments accounted for using the equity method refer to the interests in associates held by the Group and the Company, a movement of which is set out as follows:

22. 聯營投資

按權益法計量的投資是指由本集團和本公司持有的聯營投資，其變動載列如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Unlisted shares	**非上市股份**		
Share of net assets	淨資產份額	**65,726**	–

Fair value of investments

At the end of the reporting period, all of the Group's associates are private companies and there was no quoted market price available for the investments.

投資之公允價值

於報告期末，本集團所有聯營公司均為私營公司，故該等投資並無掛牌市價提供。

22. INTERESTS IN ASSOCIATES *(continued)*

Relationship with associates

Yunnan Dianchi Information Construction Management Co., Ltd. ("**Dianchi Information**") is mainly engaged in the construction of recycled water pipelines, communication pipelines, municipal and other projects in Yunnan Province, which enables the Company to participate in the construction of sewage treatment related projects. The associate was disposed of in 2024 with consideration of RMB467,200, resulting in a gain of RMB467,200.

Kunming Zaojing Quanxiang Biological Technology Co., Ltd.* ("**Kunming Zaojing**") (昆明藻井泉香生物科技有限公司) is mainly engaged in the cultivation, subsequent reprocessing and sale of primary and finished products of haematococcus pluvialis in Yunnan. The astaxanthin contained in haematococcus pluvialis is a raw material for health products and cosmetics.

Zhaotong Guorun Water Treatment Co., Ltd.* (昭通國潤水務有限公司, "**Zhaotong Guorun Water**"), Suijiang Guorun Water Treatment Co., Ltd.* (綏江國潤水務有限公司, "**Suijiang Guorun Water**"), and Yiliang Guorun Water Treatment Co., Ltd.* (彝良國潤水務有限公司, "**Yiliang Guorun Water**") were engaged in the wastewater treatment business, all of which are wholly-owned subsidiaries of the Group as at 31 December 2023. The Group retains 20% equity interests as associates after the disposal of the 80% equity interests in 2024, details of which have been set out in Note 39 to the consolidated financial statements.

Financial information of associates

Summarised financial information of the associates of the Group is set out below, which represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards and adjusted by the Group for equity accounting purposes including any differences in accounting policies.

22. 聯營投資(續)

與聯營公司的關係

雲南滇池信息建設管理有限公司(「**滇池信息**」)主要從事位於雲南省的再生水管道、通信管道、市政等工程建設,可令本公司參與污水處理相關的工程建設。該聯營公司已於2024年出售,代價為人民幣467,200元,從而產生收益人民幣467,200元。

昆明藻井泉香生物科技有限公司(「**昆明藻井**」)主要於雲南從事雨生紅球藻養殖、後續再加工,相關初級產品及產成品的銷售。雨生紅球藻內蘊含的蝦青素是保健品、化妝品的原材料。

昭通國潤水務有限公司(「**昭通國潤水務**」)、綏江國潤水務有限公司(「**綏江國潤水務**」)以及彝良國潤水務有限公司(「**彝良國潤水務**」),均從事污水處理業務,上述三家公司於2023年12月31日為本集團的全資子公司,2024年出售80%股權後,均保留20%股權成為聯營企業,詳情載於綜合財務報表附註39。

聯營公司之財務資料

本集團聯營公司的概要財務資料載於下文,代表聯營公司按照國際財務報告準則會計準則編製的財務報表中所示金額,並經本集團為權益會計目的作出調整,包括會計政策及公允價值調整的任何差額。

22. INTERESTS IN ASSOCIATES *(continued)*

22. 聯營投資*(續)*

Financial information of associates *(continued)*

聯營公司之財務資料*(續)*

Details of the associates at the end of the reporting period are as follows.

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* *人民幣千元*	Proportion of ownership interest held by the Group 本集團持有的所有者權益比例 2024 2024年	2023 2023年	Principal activities 主營業務
Zhaotong Guorun Water	Zhaotong, the PRC 23 October 2019	100,000	20% *(Note 39)*	N/A	Wastewater treatment
昭通國潤水務	中國，昭通 2019年10月23日	100,000	20% *(附註39)*	不適用	污水處理
Suijiang Guorun Water	Zhaotong, the PRC 9 December 2015	22,000	20% *(Note 39)*	N/A	Wastewater treatment
綏江國潤水務	中國，昭通 2015年12月9日	22,000	20% *(附註39)*	不適用	污水處理
Yiliang Guorun Water	Zhaotong, the PRC 4 June 2015	21,000	20% *(Note 39)*	N/A	Wastewater treatment
彝良國潤水務	中國，昭通 2015年6月4日	21,000	20% *(附註39)*	不適用	污水處理
Kunming Zaojing	Kunming, the PRC 12 August 2010	8,000	35%	35%	Research and development of biological
昆明藻井	中國，昆明 2010年8月12日	8,000	35%	35%	生物製品的研發
Dianchi Information	Kunming, the PRC 14 May 2012	2,500	N/A	40%	Construction of communication pipeline
滇池信息	中國，昆明 2012年5月14日	2,500	不適用	40%	通信管道的建設

22. INTERESTS IN ASSOCIATES *(continued)*

Financial information of associates *(continued)*

The key financial information of the material associates to the Group for the year ended 31 December 2024 (2023: no material associates) are as follows:

22. 聯營投資(續)

聯營公司之財務資料(續)

截至2024年12月31日止年度，本集團重大聯營公司(2023年：無重大聯營公司)的關鍵財務資料如下：

	The Group's proportion 集團佔比 2024 2024年	Assets 資產 *RMB'000* *人民幣千元*	Liabilities 負債 *RMB'000* *人民幣千元*	Net assets 淨資產 *RMB'000* *人民幣千元*	Post-acquisition revenue for the year 收購後年度收入 *RMB'000* *人民幣千元*	Post-acquisition profit for the year 收購後年度利潤 *RMB'000* *人民幣千元*
Zhaotong Guorun Water 昭通國潤水務	20%	968,720	672,923	295,797	89,215	23,877
Suijiang Guorun Water 綏江國潤水務	20%	30,644	9,203	21,441	7,365	985
Yiliang Guorun Water 彝良國潤水務	20%	75,861	64,469	11,392	8,675	314
Kunming Zaojing 昆明藻井	35%	278	4,423	–*	–	–*
Total 合計				328,630		25,176
The Group's share 集團份額				65,726		5,035

Unrecognised share of losses of associates

The unrecognised share of losses of associates for the current year and cumulatively up to the end of the reporting period amounted to RMB197,000 (2023: RMB606,000) and RMB1,451,000 (2023: RMB1,254,000) respectively.

* As at 31 December 2024 and 31 December 2023, share of net liabilities of Kunming Zaojing was limited to zero.

未確認的聯營企業損失份額

聯營企業未確認損失份額於本年度及截至報告期末累計分別為人民幣197,000元(2023年：人民幣606,000元)和人民幣1,451,000元(2023年：人民幣1,254,000元)。

* 截至2024年12月31日及2023年12月31日，昆明藻井的淨負債份額限制為零。

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

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Deferred tax assets	遞延稅項資產	**110,075**	96,117
Deferred tax liabilities	遞延稅項負債	**40,661**	44,974

Movements in deferred tax assets and liabilities during the year ended 31 December 2024 without taking into consideration the offsetting of balance within the same tax jurisdiction, are as follows:

在截至2024年12月31日止年度期間的遞延稅項資產和負債(沒有考慮結餘可在同一徵稅區內抵銷)的變動如下:

Deferred tax assets	**遞延稅項資產**	**Tax losses carried forward** *(Note a)* **結轉的稅務虧損** *(附註a)* *RMB'000* *人民幣千元*	**Government grants** **政府補助** *RMB'000* *人民幣千元*	**Depreciation and amortisation differences arising from the revaluation results** *(Note b)* **重估結果產生的折舊和攤銷差異** *(附註b)* *RMB'000* *人民幣千元*	**Impairment** **減值** *RMB'000* *人民幣千元*	**Total** **合計** *RMB'000* *人民幣千元*
At 1 January 2023	**於2023年1月1日**	2,579	34,476	3,842	40,131	81,028
Arising from disposal ofsubsidiaries	出售附屬公司所產生	–	–	–	(2,195)	(2,195)
Recognised in profit or loss *(Note 11)*	於損益中確認*(附註11)*	(1,682)	1,483	(414)	17,897	17,284
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	897	35,959	3,428	55,833	96,117
Arising from disposal of subsidiaries *(Note 39)*	出售附屬公司所產生*(附註39)*	–	–	–	(4,566)	(4,566)
Recognised in profit or loss *(Note 11)*	於損益中確認*(附註11)*	199	(1,153)	(414)	19,892	18,524
At 31 December 2024	**於2024年12月31日**	**1,096**	**34,806**	**3,014**	**71,159**	**110,075**

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

23. 遞延税項資產和負債*(續)*

(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 2025 to 31 December 2029.

As at 31 December 2024, the Group has cumulative tax losses of approximately RMB48,445,000 (2023: approximately RMB45,418,000). Of which, the Group has recognised deferred tax assets in respect of these tax losses to the extent of approximately RMB5,656,000 (2023: approximately RMB4,928,000). The Group has not recognised deferred tax assets in respect of the remaining tax losses of approximately RMB42,789,000 (2023: approximately RMB40,490,000) due to the unpredictability of future profit streams, which will be expired in the fifth year of the respective tax losses.

(a) 對以税務虧損確認的遞延税項資產，在未來很可能產生應課税利潤而實現相關税務利益時方可確認。這些税務虧損的結轉，如未使用，將於截至2025年12月31日至2029年12月31日止年度到期。

於2024年12月31日，本集團的累計税項損失為約人民幣48,445,000元(2023年：約人民幣45,418,000元)。其中，本集團已確認與該等税項損失有關的遞延税項資產約人民幣5,656,000元(2023年：約人民幣4,928,000元)。由於無法預測未來溢利流，本集團並無就餘下税項損失約人民幣42,789,000元(2023年：約人民幣40,490,000元)確認遞延税項資產，該等損失將於發生税務虧損的第五年到期。

(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 recognised in profit or loss.

(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，與該等資產的税基存在差異。該等差異產生的遞延所得税資產於損益中確認。

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.

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. DEFERRED TAX ASSETS AND LIABILITIES (continued) 23. 遞延稅項資產和負債(續)

Deferred tax liabilities	遞延稅項負債	Fair value adjustment arising from acquisition of subsidiaries 收購附屬公司產生的公允價值調整 RMB'000 人民幣千元	Differences arising from service concession receivables 特許經營權應收款產生的差異 RMB'000 人民幣千元	Change in fair value of investment properties 投資物業公允價值變動 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2023	**於2023年1月1日**	44,330	160	7,413	51,903
Arising from disposal of subsidiaries	出售附屬公司所產生	–	–	(266)	(266)
Recognised in profit or loss *(Note 11)*	於損益中確認(*附註11*)	(6,790)	–	127	(6,663)
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	37,540	160	7,274	44,974
Recognised in profit or loss *(Note 11)*	於損益中確認(*附註11*)	(989)	(160)	(3,164)	(4,313)
At 31 December 2024	**於2024年12月31日**	**36,551**	**–**	**4,110**	**40,661**

24. INVENTORIES

24. 存貨

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Materials for wastewater treatment and water supply services	污水處理及水供給服務的材料	3,682	5,391
Spare parts	零部件	2,530	2,179
		6,212	7,570

The cost of inventories recognised as cost of sales amounted to approximately RMB87,007,000 for the year ended 31 December 2024 (2023: approximately RMB215,273,000).

截至2024年12月31日止年度，存貨成本中結轉為銷售成本的金額約人民幣87,007,000元(2023年：約人民幣215,273,000元)。

25. FINANCIAL ASSETS AT AMORTISED COST

25. 以攤銷成本計量的金融資產

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Unlisted investment *(Note)*	非上市投資*(附註)*	299,600	299,800
Loss allowance	虧損撥備	(180,000)	(120,000)
		119,600	179,800

25. FINANCIAL ASSETS AT AMORTISED COST *(continued)*

25. 以攤銷成本計量的金融資產*(續)*

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. ("**KADI**").

附註： 於2021年9月29日，本公司(作為資產委託人)奧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資產管理合同，本公司同意委託人民幣300,000,000元委託資產，其將以本公司的內部資源授付。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。

Such investments carried an interest rate at 8% p.a., and the principal is repayable within 1 year. As the directors intends solely for collection of payments of principal and interest, it is classified as financial assets at amortised cost.

該等投資的年利率為8%，本金須於1年內償還。由於董事擬僅收取本金及利息付款，故將其分類為按攤銷成本計量的金融資產。

According to the relevant provisions of the Mutual Trust No. 5 Asset Management Agreement and the supplemental agreement for extension of term of the asset management agreement, the asset management plan purchased by the Company has expired on 10 April 2022 (the "**Maturity Date**"). 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.

根據互信5號資產管理合同、資管合同延長存續期補充協議的相關約定，本公司所購置的資產管理計劃已於2022年4月10日(「**到期日**」)到期。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填下資產現向本公司進行分配。

The carrying value of financial assets at amortised cost was RMB299,600,000 (2023: RMB299,800,000) and stated at the amortised cost less impairment loss. As at 31 December 2024, provision of loss amounted to RMB180,000,000 (2023: RMB120,000,000) was made.

按攤銷成本計量的金融資產的賬面值為人民幣299,600,000元(2023年：人民幣299,800,000元)，並按銷成本減值損列。於2024年12月31日，該筆計提壞賬金額為人民幣180,000,000元(2023年：人民幣120,000,000元)。

26. TRADE AND OTHER RECEIVABLES 26. 應收賬款及其他應收款

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Trade receivables *(Note)*:	**應收賬款**(*附註*):		
– Third parties	–第三方	**222,636**	194,924
– Related parties *(Note 36(d)(i))**	–關聯方(*附註36(d)(i)*)*	**228,337**	228,236
– Local government	–地方政府	**4,137,952**	3,233,175
– Loss allowance	–虧損撥備	**(160,861)**	(108,337)
Trade receivables – net	**應收賬款–淨額**	**4,428,064**	3,547,998
Other receivables:	**其他應收款:**		
– Third parties	–第三方	**174,436**	97,942
– Related parties *(Note 36(d)(i))**	–關聯方(*附註36(d)(i)*)*	**1,154,707**	713,921
– Local government	–地方政府	**28,582**	28,185
– Loss allowance	–虧損撥備	**(50,241)**	(33,334)
Other receivables – net	**其他應收款–淨額**	**1,307,484**	806,714
Prepayments:	**預付款:**		
– Others	–其他	**74,069**	82,587
Prepayments–net	**預付款–淨額**	**74,069**	82,587
Trade and other receivables – net	**應收賬款及其他應收款–淨額**	**5,809,617**	4,437,299

Note: The trade and other receivables of RMB5,809,617,000 (2023: RMB 4,437,299,000) are expected to be recovered within one year.

註: 貿易應收款及其他應收款共計人民幣5,809,617,000元(2023年:人民幣4,437,299,000元),預計在一年內收回。

26. TRADE AND OTHER RECEIVABLES *(continued)*

As at 31 December 2024 and 2023, the carrying amounts of trade and other receivables are principally denominated in RMB.

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

Note:

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

26. 應收賬款及其他應收款(續)

於2024年及2023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。

有關本集團信貸政策的資料載於附註3.1(b)。

附註：

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：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
– Within one year	－1年以內	**1,370,811**	1,341,523
– Over one year and within two years	－1至2年	**1,162,766**	1,471,773
– Over two years	－超過2年	**2,055,348**	843,039
		4,588,925	3,656,335

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 and continuous settlement of trade receivables. 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. In view of the fact that the balances are derived from local governments, PRC state-owned entities and quasi-government organisations. Management considered that the ageing over 12 months are not credit-impaired.

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及持續結算貿易應收款項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。鑒於相關款項源自中國地方政府、國有實體及准政府機構，管理層認為賬齡超過12個月的應收款不存在信用減值。

27. CASH AND BANK BALANCES AND RESTRICTED FUNDS

27. 現金及銀行結餘及受限制資金

		Notes 附註	2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	(a)	10,977	174,088
Restricted funds	受限制資金	(a), (b)	25,965	54,865

(a) Cash and bank balances and restricted funds are denominated in:

(a) 現金及銀行結餘及受限制資金以如下貨幣計值：

		2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元
RMB	人民幣	22,606	207,835
HKD	港元	3,850	12,170
USD	美元	10,486	8,948
		36,942	228,953

(b) All cash at bank are deposits with original maturity within 3 months. The Group earns interest on cash at bank at floating bank deposit rates ranged from 0.01% to 0.88% during the year ended 31 December 2024 (2023: 0.01% to 2.25%).

Under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to convert RMB into other currencies through banks to conduct foreign exchange business.

(b) 所有銀行存款原定到期日都在3個月內。在截至2024年12月31日止年度期間，本集團按0.01%至0.88%之間的浮動銀行存款利率賺取銀行現金利息(2023年：0.01%至2.25%)。

根據中國內地的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲允許通過銀行將人民幣兑換為其他貨幣以開展外匯業務。

(c) As at 31 December 2024 and 2023, the restricted funds were mainly comprised of guarantee deposits for construction projects and other frozen bank balances.

(c) 於2024年及2023年12月31日，受限制資金主要包括建設項目的保證金及其他凍結款項。

28. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES 28. 應付賬款及其他應付款／合同負債

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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)*	**789,715**	454,721
Other payables due to:	其他應付款，應付：	**849,277**	464,099
– related parties *(Note 36(d) (ii))*	－關聯方*(附註36(d)(ii))*	**455,370**	9,808
– local government	－地方政府	**90,039**	94,657
– third parties	－第三方	**303,868**	359,634
Staff salaries and welfare payables	應付職工工資和福利	**112,863**	60,919
Payables for acquisition of property, plant and equipment due to:	購置不動產、工廠及設備的應付款，應付：	**167,706**	225,308
– related parties *(Note 36(d)(ii))*	－關聯方*(附註36(d)(ii))*	**28,942**	28,942
– third parties	－第三方	**138,764**	196,366
Payables for acquisition of land use rights from related parties *(Note 36(d)(ii))*	向關聯方購買土地使用權的應付款項*(附註36(d)(ii))*	**31,000**	31,000
Accrued taxes other than income tax	除所得稅外的應計稅款	**33,881**	24,034
Advance received from disposal of equity interests in subsidiaries	預收附屬公司股權處置款	**–**	120,000
Total trade and other payables	應付賬款及其他應付款總額	**1,984,442**	1,380,081

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Contract liabilities *(Note d)*	合同負債*(附註d)*		
– related parties *(Note 36(d)(iii))*	－關聯方*(附註36(d)(iii))*	**2,921**	3,184
– third parties	－第三方	**27,206**	3,979
		30,127	7,163

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

28. 應付賬款及其他應付款／合同負債*(續)*

Notes:

附註：

(a) As at 31 December 2024 and 2023, the trade payables are normally granted with credit terms ranging from 90 to 180 days.

(a) 於2024年及2023年12月31日，應付賬款一般授出的信貸期為90至180天。

(b) As at 31 December 2024 and 2023, the Group's trade and other payables are principally denominated in RMB.

(b) 於2024年及2023年12月31日，本集團的應付賬款及其他應付款主要以人民幣為單位。

(c) Ageing analysis of trade payables to third parties based on the invoice dates at the end of the reporting period is as follows:

(c) 於報告期末，根據發票日期的應付第三方賬款賬齡分析如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
– Within one year	－1年以內	**559,120**	197,904
– Over one year and within two years	－1至2年	**133,547**	165,679
– Over two years	－超過2年	**97,048**	91,138
		789,715	454,721

(d) The movements (excluding those arising from increases and decreases 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 are as follows:

(d) 於各報告期內在國際財務報告準則第15號範圍內的預收客戶合同款的變動情況(不包括於同年內增減所產生者)如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
At the beginning of the reporting period	於報告期初	**7,163**	6,839
Recognised as revenue	確認為收益	**(1,788)**	(4,187)
Receipt of advances or recognition of receivables	預收款項或確認應收款項	**24,752**	4,511
At the end of the reporting period	於報告期末	**30,127**	7,163

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

Notes: (Continued)

(d) (Continued)

Contract liabilities include advances received from customers for rendering operating and construction services in relation to wastewater treatment and reclaimed water supply. When the Group receives advances from customers before provision of promised services, which depends on the specific term of services, this will give rise to contract liabilities at the start of contract.

For the year ended 31 December 2024, the Group received project buyback amounts for from some customers in advance, therefore increasing the amount arising from the receipt of advances of approximately RMB23,012,000.

The amount of revenue recognised for the year that are included in contract liabilities at the beginning of the year is RMB1,788,000 (2023: RMB4,187,000).

At 31 December 2024, the contract liabilities that are expected to be settled after more than 12 months are RMB28,416,000 (2023: RMB5,375,000).

28. 應付賬款及其他應付款／合同負債 *(續)*

附註：(續)

(d) (續)

合同負債包括就提供污水處理及再生水供應的運營及建築服務從客戶收到的預付款。當本集團在提供承諾服務之前收到客戶預付款時，視具體服務期限而定，將在合同開始時產生合同負債。

截至2024年12月31日止年度，本集團提前收到部分客戶的項目回購款，因此增加預收款項金額約人民幣23,012,000元。

年初合同負債年度確認的收入金額為人民幣1,788,000元(2023年：人民幣4,187,000元)。

於2024年12月31日，預期超過12個月後結算的合同負債為人民幣28,416,000元(2023年：人民幣5,375,000元)。

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

28. 應付賬款及其他應付款／合同負債*(續)*

Notes: (continued)

附註：(續)

(e) Performance obligations

(e) 履約責任

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2024 and 2023 are as follows:

於2024年及2023年12月31日已分配至餘下履約責任(未獲履行或部份未獲履行)之交易價格金額如下：

Amounts expected to be recognised as revenue:

預期將會確認為收益之金額：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Total transaction price allocated to the unsatisfied performance obligations	分配至未完成履約責任的交易總價	**17,075,357**	17,816,477

Approximately 95% (2023: 95%) of the remaining performance obligations allocated are expected to be recognised as revenue after one year, which relate to performance obligations that are to be satisfied within 30 years for operation services and construction services. Approximately 5% (2023: 5%) of the remaining performance obligations allocated are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

已分配至餘下履約責任中約95%(2023：95%)預期於一年後確認為收益、其涉及須於三十年內履行有關運營服務及建造服務之履約責任。已分配至餘下履約責任中約5%(2023：5%)預期將於一年內確認為收益。上文所披露之金額並不包括受限制的可變代價。

29. BORROWINGS

29. 借款

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023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	**337,800**	169,200
Secured long-term borrowings *(Note (b))*	擔保的長期借款*(附註(b))*	**1,760,538**	1,836,285
		2,098,338	2,005,485
Current portion:	**流動：**		
Unsecured short-term borrowings	未擔保的短期借款	**705,285**	875,770
Secured short-term borrowings *(Note (b))*	擔保的短期借款*(附註(b))*	**1,785,556**	2,390,883
		2,490,841	3,266,653
		4,589,179	5,272,138

Notes:

(a) All the borrowings were denominated in

附註：

(a) 所有借款以下列貨幣計值

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
RMB	人民幣	**3,990,470**	4,539,423
HKD	港元	**539,189**	658,731
USD	美元	**59,520**	73,984
		4,589,179	5,272,138

29. BORROWINGS *(continued)* 29. 借款(續)

(b) As at 31 December 2024 and 2023, analysis of the secured borrowings are as follows:

(b) 於2024年及2023年12月31日，有擔保的借款分析如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Secured by:	擔保物：		
Corporate guarantee issued by the Company	由本公司發出的公司擔保	**156,815**	18,846
Property, plant and equipment	不動產、工廠及設備	**535,714**	596,463
Corporate guarantee issued by related parties	關聯方發出的公司擔保	**308,402**	338,313
Corporate guarantee issued by a shareholder	股東發出的公司擔保	**154,223**	172,709
Waste sanitary landfill construction project revenue (i)	填埋場建設項目收益(i)	**11,209**	187,838
Sewage treatment revenue (ii)	污水處理收益(ii)	**1,679,665**	2,196,133
Pledge of equity of the subsidiary (iii)	子公司股權質押(iii)	**700,066**	716,866
		3,546,094	4,227,168

(i) guarantees over the Group's entire interest in and revenue arising from the waste sanitary landfill managed by the Group with net carrying amount of the borrowing of RMB11,209,000 (2023: approximately RMB187,838,000) as at 31 December 2024 under the relevant waste sanitary landfill concession agreements signed with the grantors.

(i) 於2024年12月31日，由本集團根據與授予人簽訂之相關填埋場特許權協議所管理之填埋場全部權益及收益擔保的借款賬面淨額為人民幣11,209,000元(2023年：約人民幣187,838,000元)。

(ii) guarantees over the Group's entire interest in and revenue arising from certain wastewater treatment (including trade receivables under service concession arrangements) managed by the Group with a net carrying amount of the borrowing amount of RMB1,679,665,000 (2023: approximately RMB2,196,133,000) as at 31 December 2024 under the respective concession agreements signed with the grantors.

(ii) 於2024年12月31日，由本集團根據與授予人簽訂之相關特許權協議所管理之若干污水處理全部權益及收益(包括特許經營權項下的應收賬款)擔保的借款賬面淨額為人民幣1,679,665,000元(2023年：約人民幣2,196,133,000元)。

(iii) the net carrying amount of the borrowing of RMB700,066,000 (2023: approximately RMB716,866,000) was guaranteed by the Group as at 31 December 2024 under the relevant pledge of equity of the subsidiary signed with the grantors.

The net asset value of the subsidiary amounting to RMB1,054,585,000 (2023: approximately RMB1,048,841,000) as at 31 December 2024 has been pledged to secure the borrowings.

(iii) 於2024年12月31日，由本集團根據與授予人簽訂之相關子公司股權質押擔保的借款賬面淨額為人民幣700,066,000元(2023年：約人民幣716,866,000元)。

於2024年12月31日，由本集團子公司提供股權質押對應的公司淨資產份額合計為人民幣1,054,585,000元(2023年：約人民幣1,048,841,000元)。

(c) The maturities of borrowings are as follows:

(c) 借款到期日如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
On demand or within 1 year	即期或1年以內	**2,490,841**	3,266,653
Over 1 year and within 2 years	1至2年	**844,235**	99,100
Over 2 years and within 5 years	2至5年	**1,085,745**	1,369,599
Over 5 years	5年以上	**168,358**	536,786
		4,589,179	5,272,138

29. BORROWINGS *(continued)*

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

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Fixed-rate bank borrowings	定息銀行借款	**1,244,849**	3,105,730
Variable-rate bank borrowings	浮息銀行借款	**3,344,330**	2,166,408
		4,589,179	5,272,138

As at 31 December 2024, the Group's variable rate bank borrowings are carrying interest at PRC Loan Prime Rate, and Secured Overnight Financing 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:

		2024 2024年	2023 2023年
Effective interest rate:	實際利率		
Fixed-rate bank borrowings	定息銀行借款	**4.00% to 6.00%**	3.75% to 6.80%
Variable-rate bank borrowings	浮息銀行借款	**3.40% to 6.93%**	3.75% to 6.93%

(e) 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 prevailing market interest rates available to the Group for financial instruments with substantially the same terms and characteristics. The fair values of non-current borrowings approximated to their carrying amount.

(f) The Group had the following undrawn borrowing facilities:

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
RMB facilities	人民幣額度	**101,642**	1,269,142

29. 借款(續)

(d) 本集團的借款敞口如下:

於2024年12月31日,本集團的浮息銀行借款按中國貸款市場報價利率及擔保隔夜融資利率及香港銀行同業拆息加溢價計息。利息每月重置。

本集團借款的實際利息(等於合同利率)範圍如下:

(e) 由於折現的影響不重大,因此流動借款的公允價值與其賬面價值相等。非流動借款的公允價值按照折現的現金流量,並使用與借款的條款和特點大體相同的金融工具在現行市場的利率進行估計。非流動借款的公允價值與其賬面價值相近。

(f) 本集團有下列未動用的銀行借貸額度:

30. DEFERRED REVENUE

Deferred revenue of the Group included government grants in respect of the Group's or the Company'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 property, plant and equipment 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.

30. 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。

與購買不動產、工廠和設備有關之政府補助按有關資產之預計年期以直線法在合併損益及其他全面收益表中確認。政府補助按實報實銷基準並須經政府批准。

與不動產、工廠及設備有關之政府補助按擬補償之成本配合其所需期間在合併損益及全面收益表中確認。

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Government grants related to:	相關政府補助：		
– property, plant and equipment	–不動產、工廠及設備	**306,653**	239,728

The movements of government grants are set out as follows:

政府補助之變動載列如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
At the beginning of the reporting period	報告期初	**239,728**	230,943
Additions	增加	**74,612**	19,705
Credit to the statement of profit or loss and other comprehensive income *(note 7)*	記入損益及其他全面收益表（*附註7*）	**(7,687)**	(10,037)
Disposal of subsidiaries	出售附屬公司	**–**	(883)
At the end of the reporting period	報告期末	**306,653**	239,728

31. SHARE CAPITAL

31. 股本

		2024 2024年	2023 2023年
Registered, issued and fully paid	**已註冊、發行及繳足**		
Number of ordinary shares *(thousand)*	普通股股數*(千計)*	**1,029,111**	1,029,111
Share capital *(RMB'000)*	股本*(人民幣千元)*	**1,029,111**	1,029,111

Note:

(a) The Company was established on 23 December 2010, with an initial registered share capital of RMB360,000,000, divided into 360,000,000 shares with a nominal value of RMB1.00 each. 344,943,000 shares or 95.82% equity interest amounting to RMB1,260,091,000 were issued to KDI at a premium of RMB915,148,000, in exchange for the property, plant and equipment and land use rights under TOO Model of RMB1,189,277,000, certain investments in subsidiaries of RMB5,814,000, and cash of RMB65,000,000. The remaining 15,057,000 shares or 4.18% equity interest amounting to RMB55,000,000 were issued to other four shareholders, namely Kunming Development Investment Group Co., Ltd. (昆明發展投資集團有限公司, "**Kunming DIG**"), Kunming Industrial Development and Investment Co., Ltd. (昆明產業開發投資有限責任公司, "**IDI**"), Kunming State-owned Assets Management and Operation Co., Ltd. (昆明市國有資產管理運營有限責任公司, "**Kunming State-Owned Asset Management**") and Kunming Xinzhi Investment Development Co., Ltd. (昆明新置投資發展有限公司, "**Xinzhi Investment**") at a premium of RMB39,943,000.

The capital contributions were paid up by two instalments. The first instalment of approximately RMB1,208,841,000 was received upon the establishment of the Company and the second instalment of RMB106,250,000 was received in the year ended 31 December 2012. The excess of the assets or cash consideration received by the Company over the share capital with the amount of approximately RMB955,091,000 was recorded as share premium.

(b) On 12 October 2015, as approved by the shareholders of the Company, based on a total of 360,000,000 shares of the Company as at 31 December 2014, bonus shares of 360,000,000 in total were issued to all shareholders by transfer of capital reserve on the basis of 10 shares for 10 shares. Upon completion of the transfer, total share capital of the Company was increased to 720,000,000 shares.

(c) On 6 April 2017, the Company newly issued 308,572,000 H shares of RMB1.00 each at HKD3.91 per share in connection with the initial listing of H shares of the Company on the Main Board of the Stock Exchange, and raised gross proceeds of approximately HKD1,206,517,000 (equivalent to RMB1,070,421,000). Subsequently on 10 May 2017, after the exercise of the over-allotment option, additional 539,000 H shares of RMB1.00 each were issued at HKD3.91 per share and raised gross proceeds of approximately HKD2,107,000 (equivalent to RMB1,870,000). Net proceeds of approximately RMB997,460,000 (after deducting the underwriting commissions and other listing expenses) was raised by the Company, of which RMB309,111,000 was credited to share capital with remaining approximately RMB688,349,000 credited to share premium.

附註:

(a) 本公司於2010年12月23日成立,初始註冊股本為人民幣360,000,000元,按每股面值人民幣1.00元分為360,000,000股。已向昆明滇池投資發行344,943,000股股份或95.82%權益,共計人民幣1,260,091,000元,溢價為人民幣915,148,000元,以換取TOO模式下的不動產、工廠及設備以及土地使用權計人民幣1,189,277,000元,附屬公司投資計人民幣5,814,000元,以及人民幣65,000,000元的現金。向其餘4個股東昆明發展投資集團有限公司(「**昆明發展投資集團**」)、昆明產業開發投資有限責任公司(「**產業開發投資**」)、昆明市國有資產管理運營有限責任公司(「**昆明國有資產管理運營**」)及昆明新置投資發展有限公司(「**新置投資**」)發行剩餘15,057,000股股份或4.18%權益,換取共計人民幣55,000,000元,溢價為人民幣39,943,000元。

該項出資分兩次付清。在本公司成立時已收到首期付款約人民幣1,208,841,000元;截至2012年12月31日止年度,收到第二期付款人民幣106,250,000元。本公司收到的超過股本的資產或現金對價共計約人民幣955,091,000元,計入股本溢價。

(b) 2015年10月12日,經公司股東批准,公司以截至2014年12月31日公司股份總數360,000,000股為基數,以資本公積金向全體股東每10股轉增10股,合計轉增360,000,000股,轉增完成後公司總股本將增加至720,000,000股。

(c) 2017年4月6日,本公司在聯交所主板首次發行H股,以每股股價3.91港元新發行308,572,000股每股人民幣1.00元的H股,大約收到所得款合計1,206,517,000港元(相當於人民幣1,070,421,000元)。隨後在2017年5月10日,在行使超額配股權後,本公司以每股股價3.91港元額外發行539,000股每股人民幣1.00元的H股,收到所得款合計約2,107,000港元(相當於人民幣1,870,000元)。本公司共籌集人民幣約997,460,000元的所得款淨額(在扣除承銷佣金和其他上市開支後),其中人民幣309,111,000元在股本內確認,而剩餘人民幣約688,349,000元在股本溢價內確認。

32. OTHER RESERVES

32. 其他儲備

		Share premium	Statutory reserve (Note (a))	Capital reserve (Note (b))	Property revaluation reserve (Note (c))	Translation reserve (Note (d))	Total
		股本溢價	法定儲備 (附註(a))	資本儲備 (附註(b))	物業重估儲備 (附註(c))	折算儲備 (附註(d))	合計
		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
At 1 January 2023	**於2023年1月1日**	1,283,440	326,477	(47,793)	11,145	2,183	1,575,452
Transfer to statutory reserves	提取法定儲備	–	38,138	–	–	–	38,138
Exchange differences	貨幣折算差額	–	–	–	–	860	860
Others	其他	–	(676)	–	–	–	(676)
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	1,283,440	363,939	(47,793)	11,145	3,043	1,613,774
Transfer to statutory reserves	提取法定儲備	–	29,750	–	–	–	29,750
Exchange differences	貨幣折算差額	–	–	–	–	1,116	1,116
Others	其他	–	(60)	–	–	–	(60)
At 31 December 2024	**於2024年12月31日**	1,283,440	393,629	(47,793)	11,145	4,159	1,644,580

Note:

附註：

(a) STATUTORY RESERVE

(a) 法定儲備

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.

根據《中華人民共和國公司法》及本集團中國公司(「**中國公司**」)的組織章程，中國公司應按其法定財務報表中載列的歸屬於本公司權益所有者利潤的10%，提取法定盈餘公積，當該法定盈餘公積達到各中國公司註冊資本的50%時，可不再提取。各中國公司必須在向所有者分配股利前提取法定盈餘公積。法定盈餘公積可用於彌補以前年度虧損，如有；部分法定盈餘公積可資本化為各中國公司的股本，惟資本化後該盈餘公積的剩餘金額不低於各中國公司股本的25%。

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 expenditure and improvements of safety incurred, an equivalent amount is transferred from statutory reserve to accumulated profits.

根據中國的相關規定，污水處理以及供水服務公司需提取一定金額的維護費和安全費，從留存收益轉入法定儲備。有關金額隨後可用作污水處理以及供水服務業務的維護費和安全費，而非用於股東分配。當產生符合條件的維護支出及安全改進費時，一筆等值金額從法定儲備轉出至留存收益。

32. OTHER RESERVES *(continued)*

Note: (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.

(c) PROPERTY REVALUATION RESERVE

The reserve has been set up and is dealt with in accordance with the accounting policies adopted for revaluation of property.

(d) TRANSLATION RESERVE

The translation reserve of the Group comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

33. FINANCIAL GUARANTEES ISSUED

At 31 December 2024, the Company had issued corporate guarantees amounting to approximately RMB156,815,000 (2023: approximately RMB18,846,000) in connection with facilities granted to certain subsidiaries within the Group.

At 31 December 2024, the Company had issued corporate guarantees amounting to approximately RMB110,000,000 (2023: N/A) in connection with facilities granted to Kunming Water Supply Group and its subsidiaries. The financial guarantee is initially recognised at fair value. In the opinion of the director of the Company, the fair value of the financial guarantee is minimal.

At 31 December 2024, 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, Kunming Water Supply Group and its subsidiaries of approximately RMB266,815,000 (2023: approximately RMB18,846,000).

32. 其他儲備*(續)*

附註:(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。

(c) 物業重估儲備

根據物業重估所採用的會計政策,已設立儲備並進行處理。

(d) 換算儲備

本集團之換算儲備包括換算海外業務之財務報表所產生之所有匯兑差額。

33. 已發出的財務擔保

於2024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156,815,000元(2023年:約人民幣18,846,000元)的公司擔保。

於2024年12月31日,本公司已就授予昆明自來水集團及其附屬公司的融資發出約人民幣110,000,000元(2023:不適用)的公司擔保。該財務擔保以公允價值進行初始確認。本公司董事認為,該財務擔保的公允價值極低。

於2024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以及昆明自來水集團及其附屬公司提取的融資約人民幣266,815,000元(2023年:約人民幣18,846,000元)。

34. CASH FLOW INFORMATION 34. 現金流信息

(a) Cash generated from operations (a) 經營產生的現金

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Profit before taxation:	稅前利潤：	**314,354**	381,702
Adjustments for:	調整項目：		
– Net impairment losses on financial assets	－金融資產減值損失淨額	**129,040**	110,033
– Impairment loss on interests in associates	－聯營投資減值損失	**–**	55
– Depreciation of property, plant and equipment	－不動產、工廠及設備的折舊	**212,341**	232,822
– Depreciation of right-of-use assets	－使用權資產折舊	**9,819**	10,626
– Amortisation of intangible assets	－無形資產攤銷	**66,552**	31,779
– Fair value change of investment properties	－投資物業的公允價值變動	**21,153**	(848)
– Share of results of associates	－聯營公司經營成果份額	**(5,035)**	–
– Finance cost – net	－財務成本－淨額	**215,589**	233,893
– Amortisation of government grants relating to purchase of property, plant and equipment	－與採購不動產、工廠及設備相關的政府補助攤銷	**(7,687)**	(10,037)
– Gain on disposal of a subsidiary	－出售附屬公司收益	**(10,312)**	(5,352)
– Gain on disposal of an associate	– 出售聯營公司權益的收益	**467**	–
– (Gain) loss on disposal of property, plant and equipment – net	－處置不動產、工廠及設備的(收益)虧損－淨額	**(5,795)**	806
– Exchange differences	－匯兑差額	**13,480**	10,638
		953,966	996,117
Changes in working capital:	營運資金變動：		
– Trade and other receivables	－應收賬款及其他應收款	**(1,447,544)**	(902,961)
– Inventories	－存貨	**1,358**	14,320
– Contract assets	－合約資產	**(89,849)**	(24,082)
– Contract liabilities	－合同負債	**22,964**	324
– Amounts due from customers for construction contracts	－應收客戶建造合同款	**(10,744)**	(17,214)
– Receivables under service concession arrangements	－特許經營權協議下的應收款項	**51,134**	31,248
– Trade and other payables	－應付賬款及其他應付款	**1,054,415**	425,509
Cash generated from operations	經營產生的現金	**535,700**	523,261

34. CASH FLOW INFORMATION *(continued)* 34. 現金流信息(續)

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

Details of the changes in the Group's liabilities from financing activities are as follows:

本集團產生自融資活動負債變動的詳情如下：

		2024 2024年 Borrowings *(Note 29)* 借款 *(附註29)* *RMB'000* *人民幣千元*	2023 2023年 Borrowings *(Note 29)* 借款 *(附註29)* *RMB'000* *人民幣千元*
At the beginning of the reporting period	報告期初	**5,272,138**	5,869,087
Disposal of subsidiaries	出售附屬公司	**(134,940)**	–
Net cash flows	淨現金流量	**(561,737)**	(607,587)
Exchange differences	匯兑差額	**13,718**	10,638
At the end of the reporting period	報告期末	**4,589,179**	5,272,138

35. COMMITMENTS

35. 承諾

(a) Capital commitments

(a) 資本性承諾

At the end of the reporting period, capital expenditures contracted for, but not yet incurred are as follows:

於報告期末已訂約但尚未產生的資本性支出如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Property, plant and equipment	不動產、工廠及設備	**84,030**	13,648

(b) Concession projects and construction projects contracted at the end of the reporting period, but not yet incurred are as follows:

(b) 於報告期末簽訂但尚未發生的特許項目及建設項目如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Concession projects and construction projects	特許項目及建設項目	**730,962**	727,479

36. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The Company is controlled by KDI, which is a government-related enterprise established in the PRC by the State-owned Assets Supervision and Administration Commission of the Kunming People's Government ("**Kunming SASAC**"). In accordance with IAS 24 (Revised), "Related Party Disclosures", issued by the IASB, government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include KDI and its subsidiaries (other than the Group), entities controlled by Kunming SASAC, other entities and corporations in which the Group is able to exercise significant influence and key management personnel of the Company and as well as their close family members. The Group's significant transactions and balances with the PRC government and other entities controlled, jointly controlled or significantly influenced by the PRC government mainly include purchases of assets, provision of financial assets, bank deposits and bank borrowings and related trade and other receivables, trade and other payables, borrowings, term deposits with initial term of over three months, cash and cash equivalents. The directors of the Company believe that the meaningful information of related party transactions has been adequately disclosed in the consolidated financial statements.

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 2024, and balances as at 31 December 2024 arising from those related party transactions.

36. 關聯方交易

如一方有能力直接或間接控制另一方或在作出財務及營運決策時對另一方施加重大影響，則雙方被視為有所關聯。如果雙方共同受其他方控制，也被視為關聯方。

本公司受昆明滇池投資控制，其為昆明市人民政府國有資產監督管理委員會(「**昆明市國資委**」)在中國成立的一家政府關聯公司。根據國際會計師公會頒佈的國際會計準則第24條(經修訂)「關聯方披露」的規定，政府關聯方實體以及受中國政府直接或間接控制、聯合控制或重大影響的附屬公司被視為本集團關聯方。基於上述標準，關聯方包括昆明滇池投資及其附屬公司(本集團除外)、由昆明市國資委控制的實體、其他本集團能夠控制或施加重大影響的實體和公司以及本公司關鍵管理人員和其家族成員。本集團與中國政府、其他受中國政府控制、聯合控制或施加重大影響的實體間的重大交易及往來餘額主要包括購買資產、提供財務資助、銀行存款和借款以及相關應收賬款和其他應收款、應付賬款及其他應付款、借款、原期限為3個月以上的定期存款，以及現金及現金等價物。本公司董事認為合併財務報表已經充分披露了對報表閱讀者有意義的關聯方交易。

以下為截至2024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2024年12月31日該等關聯方交易產生的餘額。

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易(續)

(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、本公司少數股東
Kunming State-Owned Assets Management	Controlled by Kunming SASAC and a minority shareholder of the Company	昆明市國有資產管理運營	受昆明市國資委控制、本公司少數股東
Kunming Xinzhi Investment Development Co., Ltd.	Controlled by Kunming SASAC and a minority shareholder of the Company	昆明新置投資發展有限公司	受昆明市國資委控制、本公司少數股東
Xindu Investment	Controlled by Kunming SASAC	新都投資	受昆明市國資委控制
KADI	Controlled by Kunming SASAC	昆明農業發展投資	受昆明市國資委控制
Kunming Municipal Urban Construction Investment & Development Co., Ltd. (昆明市城建投資開發有限責任公司, "**Kunming Construction**")	Controlled by Kunming SASAC	昆明市城建投資開發有限責任公司(「**昆明城投**」)	受昆明市國資委控制
Kunming Anju Group Co., Ltd (昆明市安居集團有限公司)	Controlled by Kunming SASAC	昆明市安居集團有限公司	受昆明市國資委控制
Kunming Communications Investment Group Co., Ltd. (昆明市交通投資集團有限責任公司, "**Kunming Communications**")	Controlled by Kunming SASAC	昆明市交通投資集團有限責任公司(「**昆明交投**」)	受昆明市國資委控制
Kunming Water Supply Group Co., Ltd. (昆明自來水集團有限公司, "**Kunming Water Supply Group**")	Controlled by Kunming SASAC	昆明自來水集團有限公司(「**昆明自來水集團**」)	受昆明市國資委控制
Zhaotong Guorun Water	Associate	昭通國潤水務	聯營企業
Suijiang Guorun Water	Associate	綏江國潤水務	聯營企業
Yiliang Guorun Water	Associate	彝良國潤水務	聯營企業

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易*(續)*

(b) Transactions with related parties (b) 與關聯方的交易

Save as disclosed elsewhere in this report, during the years ended 31 December 2024 and 2023, the Group had the following significant transactions with related parties:

除本報告其他部分所披露者外，截至2024年及2023年12月31日止年度，本集團與關聯方的重大交易如下：

(i) Loans granted to related parties during the year:

(i) 年內貸款予關聯方：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Anju Group	安居集團	–	80,000

The transactions under finance arrangement between the Group and related parties are paid and settled in RMB and repayable on demand.

本集團與關聯方之間的融資協議下的交易以人民幣支付和結算，並按要求隨時償還。

Interest was charged on loans granted to related parties at a rate of 8.5% p.a. (2023: 8.5% p.a.).

給予關聯方的貸款包含利息，利率每年8.5%(2023年：每年8.5%)。

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易(續)

(b) Transactions with related parties *(continued)* (b) 與關聯方的交易(續)

(ii) Loans repaid from related parties: (ii) 關聯方償還貸款:

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Anju Group	安居集團	**8,000**	–
KADI	昆明農業發展投資	**200**	200
Kunming Construction	昆明城投	**–**	130,000
		8,200	130,200

(iii) Interest income from related parties: (iii) 關聯方利息收入:

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Kunming DIG	昆明發展投資集團	**15,874**	16,126
Anju Group	安居集團	**5,935**	3,550
Kunming Construction	昆明城投	**16,123**	18,975
Zhaotong Guorun Water	昭通國潤水務	**10,055**	–
		47,987	38,651

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易*(續)*

(b) Transactions with related parties *(continued)* (b) 與關聯方的交易*(續)*

(iv) Services provided to a related party: (iv) 向一名關聯方提供的服務：

				2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
KDI	昆明滇池投資	Operation and management services	運營管理服務	**175,225**	47,501

(c) Key management compensation (c) 關鍵管理人員薪酬

Key management includes directors (executive and non-executive), supervisors and chief executives. The compensation paid or payable to key management for employee services is shown below:

關鍵管理人員包括董事(執行及非執行)、監事及最高行政人員。因就關鍵管理人員所提供服務向其已支付或應支付的薪酬如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Fees	袍金	**520**	498
Salaries, wages and bonuses	工資、獎金和津貼	**750**	909
Contributions to pension plans	退休金計劃供款	**316**	202
Housing funds, medical insurance and other social insurance	住房公積金、醫療保險和其他社會保險	**261**	180
		1,847	1,789

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易(續)

(d) Balances with related parties (d) 與關聯方交易的餘額

(i) Trade and other receivables due from related parties: (i) 應收關聯方賬款及其他應收款:

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
KDI	昆明滇池投資	**584,551**	444,331
Xindu Investment	新都投資	**23,472**	23,472
Kunming DIG#	昆明發展投資集團#	**200,560**	200,670
KADI	昆明農業發展投資	**6,834**	6,834
Kunming Construction#	昆明城投#	**188,027**	186,638
Anju Group#	安居集團#	**72,000**	80,212
Zhaotong Guorun Water	昭通國潤水務	**288,828**	–
Suijiang Guorun Water	綏江國潤水務	**1,000**	–
Yiliang Guorun Water	彝良國潤水務	**17,772**	–
		1,383,044	942,157

Balances due from related parties above include below balances which are related to loan with interest terms (note 36(b)(ii)) and repayable on demand:

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36(b)(ii)):

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Kunming DIG	昆明發展投資集團	**200,000**	200,000
Kunming Construction	昆明城投	**180,000**	180,000
Anju Group	安居集團	**72,000**	80,000
		452,000	460,000

Except the above mentioned balances, other receivables are unsecured, interest-free and will be settled upon demand by the Group.

除上述結餘外,其他應收款為無抵押、免息並按照本集團的要求結算。

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易*(續)*

(d) Balances with related parties *(continued)* (d) 與關聯方交易的餘額*(續)*

(ii) Other payables due to related parties: (ii) 應付關聯方的其他應付款：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Acquisition of property, plant and equipment:	**購買不動產、工廠及設備：**		
Xindu Investment	新都投資	**28,942**	28,942
Acquisition of land use right:	**購買土地使用權：**		
Xindu Investment	新都投資	**31,000**	31,000
Borrowings (non-bank):	**借款(非銀行)：**		
Kunming Communications	昆明交投	**445,440***	–
Others:	**其他：**		
KDI	昆明滇池投資	**7,301**	9,808
Zhaotong Guorun Water	昭通國潤水務	**155**	–
Suijiang Guorun Water	綏江國潤水務	**2,474**	–
		515,312	69,750

* The amount was unsecured, interest-bearing at 6% and no fixed repayment terms.

* 此借款不屬於抵押借款，借款利率為6%並且沒有固定還款期限。

36. RELATED PARTY TRANSACTIONS *(continued)* 36. 關聯方交易(續)

(d) Balances with related parties *(continued)* (d) 與關聯方交易的餘額(續)

(iii) Contract liabilities dealt with a related party: (iii) 與一名關聯方交易的合同負債：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
KDI	昆明滇池投資	**2,921**	3,184

(iv) Net financial assets at amortised cost (iv) 以攤銷成本計量的金融資產淨額

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
KADI	昆明農業發展投資	**119,600**	179,800

(e) Guarantee provided for related parties (e) 為關聯方提供的擔保

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Kunming Water Supply Group	昆明自來水集團	**110,000**	–

37. SUBSIDIARIES

Particulars of the principal subsidiaries as at the date of this report and during the year ended 31 December 2023 are set out below:

37. 附屬公司

於本報告日期及截至2023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
			2024		2023			
			2024年		2023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")	PRC, 28 March 2002	10,000	100%	–	100%	–	Reclaimed water supply	Limited liability
雲南中水工業有限公司(「**雲南中水**」)	中國，2002年3月28日	10,000	100%	–	100%	–	再生水供給	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")	PRC, 15 June 2005	3,000	100%	–	100%	–	Operation of wastewater treatment facilities	Limited liability
昆明城市污水處理運營有限責任公司(「**城市運營**」)	中國，2005年6月15日	3,000	100%	–	100%	–	污水處理設施的運營	有限責任
Kunming Dianchi Logistics Co., Ltd. (昆明滇池物流有限責任公司, "Dianchi Logistics")	PRC, 15 June 2005	11,200	100%	–	100%	–	Logistics and leasing services	Limited liability
昆明滇池物流有限責任公司(「**滇池物流**」)	中國，2005年6月15日	11,200	100%	–	100%	–	物流及租賃服務	有限責任
Xundian Dianchi Water Co. Ltd. (尋甸滇池水務有限公司, "Xundian Wastewater")	PRC, 30 April 2009	10,000	100%	–	100%	–	Wastewater treatment	Limited liability
尋甸滇池水務有限公司(「**尋甸污水處理**」)	中國，2009年4月30日	10,000	100%	–	100%	–	污水處理	有限責任
Shidian Dianchi Water Treatment Co., Ltd. (施甸滇池水務有限公司, "Shidian Water")	PRC, 21 July 2014	23,300	100%	–	100%	–	Wastewater treatment	Limited liability
施甸滇池水務有限公司(「**施甸水務**」)	中國，2014年7月21日	23,300	100%	–	100%	–	污水處理	有限責任
Yiliang Dianchi Water Treatment Co., Ltd. (彝良滇池水務有限公司,"Yiliang Water")②	PRC, 4 June 2015	21,000	N/A	–	100%	–	Wastewater treatment	Limited liability
彝良滇池水務有限公司(「**彝良水務**」)	中國，2015年6月4日	21,000	不適用	–	100%	–	污水處理	有限責任
Zhuji Dianchi Water Treatment Co., Ltd. (諸暨滇池水務有限公司, "Zhuji Water")	PRC, 30 November 2015	25,000	100%	–	100%	–	Wastewater treatment	Limited liability
諸暨滇池水務有限公司(「**諸暨水務**」)	中國，2015年11月30日	25,000	100%	–	100%	–	污水處理	有限責任
Suijiang Dianchi Water Treatment Co., Ltd. (綏江滇池水務有限公司,"Suijiang Water")③	PRC, 9 December 2015	22,000	N/A	–	100%	–	Wastewater treatment	Limited liability
綏江滇池水務有限公司(「**綏江水務**」)	中國，2015年12月9日	22,000	不適用	–	100%	–	污水處理	有限責任

37. SUBSIDIARIES *(continued)* 37. 附屬公司(續)

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 2024 2024年 Directly 直接	Indirectly 間接	2023 2023年 Directly 直接	Indirectly 間接	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
Ziyunxian Dianchi Water Treatment Co., Ltd. (紫雲縣滇池水務有限公司, "Ziyun Water")	PRC, 12 January 2016	12,000	100%	–	100%	–	Wastewater treatment	Limited liability
紫雲縣滇池水務有限公司(「**紫雲水務**」)	中國,2016年1月12日	12,000	100%	–	100%	–	污水處理	有限責任
Renhuai Water Treatment Co., Ltd. (仁懷滇池水務有限公司, "Renhuai Water")	PRC, 5 January 2011	10,000	100%	–	100%	–	Wastewater treatment	Limited liability
仁懷滇池水務有限公司(「**仁懷水務**」)	中國,2011年1月5日	10,000	100%	–	100%	–	污水處理	有限責任
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")	PRC, 6 July 2009	4,400	100%	–	100%	–	Wastewater treatment	Limited liability
海安曲塘滇池水務有限公司(「**曲塘水務**」)	中國,2009年7月6日	4,400	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")	PRC, 6 March 2006	78,900	100%	–	100%	–	Wastewater treatment	Limited liability
洪澤滇池水務有限公司(「**洪澤水務**」)	中國,2006年3月6日	78,900	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")	PRC, 7 July 2009	2,000	100%	–	100%	–	Wastewater treatment	Limited liability
海安李堡滇池水務有限公司(「**李堡水務**」)	中國,2009年7月7日	2,000	100%	–	100%	–	污水處理	有限責任

37. SUBSIDIARIES *(continued)* 37. 附屬公司*(續)*

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 2024 2024年 Directly 直接	Indirectly 間接	2023 2023年 Directly 直接	Indirectly 間接	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
Liuyang Dianchi Water Treatment Co., Ltd. (瀏陽滇池水務有限公司, "Liuyang Water")	PRC, 21 April 2006	126,900	100%	–	100%	–	Wastewater treatment	Limited liability
瀏陽滇池水務有限公司(「**瀏陽水務**」)	中國 · 2006年4月21日	126,900	100%	–	100%	–	污水處理	有限責任
Kunming Dianchi Water Environment Monitoring Co., Ltd. (昆明滇池水務環境監測有限公司, "Environment Monitoring")	PRC, 31 March 2017	5,000	100%	–	100%	–	Water quality testing	Limited liability
昆明滇池水務環境監測有限公司(「**環境監測**」)	中國 · 2017年3月31日	5,000	100%	–	100%	–	水質測試	有限責任
Kunming Dianchi Water Jizhen Co., Ltd. (昆明滇池水務集鎮污水處理有限公司, "Jizhen Water")	PRC, 11 April 2017	10,000	100%	–	100%	–	Operation of wastewater treatment facilities	Limited liability
昆明滇池水務集鎮污水處理有限公司(「**集鎮水務**」)	中國 · 2017年4月11日	10,000	100%	–	100%	–	污水處理設施的運營	有限責任
Leshan Debei'ao Water Treatment Co., Ltd. (樂山德貝奧水務有限公司, "Leshan Water")	PRC, 11 August 2014	70,000	100%	–	100%	–	Wastewater treatment	Limited liability
樂山德貝奧水務有限公司(「**樂山水務**」)	中國 · 2014年8月11日	70,000	100%	–	100%	–	污水處理	有限責任
Zhuji Dongda Ciwu Water Treatment Co., Ltd. (諸暨市東大次塢污水處理有限公司, "Dongda Water")	PRC, 22 July 2013	24,100	100%	–	100%	–	Wastewater treatment	Limited liability
諸暨市東大次塢污水處理有限公司(「**東大水務**」)	中國 · 2013年7月22日	24,100	100%	–	100%	–	污水處理	有限責任
Yiliang Dianchi Water Treatment Co., Ltd. (宜良滇池水務有限公司, "Yiliang Water")	PRC, 26 September 2018	40,000	100%	–	100%	–	Wastewater treatment	Limited liability
宜良滇池水務有限公司(「**宜良水務**」)	中國 · 2018年9月26日	40,000	100%	–	100%	–	污水處理	有限責任
Dianchi International Holdings Limited (滇池國際控股有限公司, "International Holdings")	Hong Kong, 25 January 2018	170,462	100%	–	100%	–	Investment holding	Limited liability
滇池國際控股有限公司(「**滇池國際**」)	香港 · 2018年1月25日	170,462	100%	–	100%	–	投資控股	有限責任
Luquan Dianchi Water Treatment Co., Ltd. (祿勸滇池水務有限公司, "Luquan Water")	PRC, 21 October 2019	3,000	100%	–	100%	–	Wastewater treatment	Limited liability
祿勸滇池水務有限公司(「**祿勸水務**」)	中國 · 2019年10月21日	3,000	100%	–	100%	–	污水處理	有限責任
Kunming Dianchi Solid Waste Disposal Resources Utilisation Co., Ltd. (昆明滇池固廢處置資源化利用有限責任公司, "Solid waste utilisation")	PRC, 22 February 2019	13,000	100%	–	100%	–	Utilisation of solid waste	Limited liability
昆明滇池固廢處置資源化利用有限責任公司(「**固廢處置**」)	中國 · 2019年2月22日	13,000	100%	–	100%	–	固體廢物利用	有限責任

37. SUBSIDIARIES *(continued)* 37. 附屬公司(續)

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 2024 2024年 Directly 直接	Indirectly 間接	2023 2023年 Directly 直接	Indirectly 間接	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
Kunming Tongdu Dianchi Water Treatment Co., Ltd. (昆明銅都滇池水務有限公司, "Tongdu Water")	PRC, 13 May 2008	5,000	100%	–	100%	–	Wastewater treatment	Limited liability
昆明銅都滇池水務有限公司(「**銅都水務**」)	中國，2008年5月13日	5,000	100%	–	100%	–	污水處理	有限責任
Putian Huake Environmental Protection Engineering Co. Ltd. (莆田市華科環保工程有限公司, "Putian Huake Environmental")	PRC, 15 July 2009	55,000	100%	–	100%	–	Wastewater treatment	Limited liability
莆田市華科環保工程有限公司(「**莆田市華科環保**」)	中國，2009年7月15日	55,000	100%	–	100%	–	污水處理	有限責任
Zhaotong Dianchi Water Treatment Co., Ltd. (昭通滇池水務有限公司, "Zhaotong Water") ①	PRC, 23 October 2019	100,000	N/A	–	100%	–	Wastewater treatment	Limited liability
昭通滇池水務有限公司(「**昭通水務**」)①	中國，2019年10月23日	100,000	不適用	–	100%	–	污水處理	有限責任
Eshan Dianchi Water Co., Ltd. (峨山滇池水務有限公司, "Eshan Water")	PRC, 3 July 2020	5,000	100%	–	100%	–	Wastewater treatment	Limited liability
峨山滇池水務有限公司(「**峨山水務**」)	中國，2020年7月3日	5,000	100%	–	100%	–	污水處理	有限責任
Kumming Dianchi Solid Waste Disposal Co., Ltd. (昆明滇池固體廢物處置有限責任公司, "Solid Waste Disposal")	PRC, 6 January 2021	30,000	100%	–	100%	–	Solid waste treatment	Limited liability
昆明滇池固體廢物處置有限責任公司(「**固體廢物處置**」)	中國，2021年1月6日	30,000	100%	–	100%	–	固體廢物處理	有限責任
Kunming Dianchi Water Construction Management Co., Ltd. 昆明滇池水務建設管理有限公司, "Water Construction Management")	PRC, 29 January 2022	4,900	100%	–	100%	–	Construction management	Limited liability
昆明滇池水務建設管理有限公司(「**建設管理**」)	中國，2022年1月29日	4,900	100%	–	100%	–	工程管理服務	有限責任
Kunmnig Dianshui Vocational Skills Tranining School Co., Ltd. (昆明滇水職業技能培訓學校有限公司, "Training School")	PRC, 4 January 2022	200	100%	–	100%	–	Training services	Limited liability
昆明滇水職業技能培訓學校有限公司(「**培訓學校**」)	中國，2022年1月4日	200	100%	–	100%	–	職業技能培訓	有限責任

① The subsidiary was disposed to third parties in March 2024, details are set out in note 39.

② The subsidiary was disposed to third parties inJanuary 2024, details are set out in note 39.

③ The subsidiary was disposed to third parties in January 2024, details are set out in note 39.

① 該附屬公司於2024年3月出售予第三方，詳情載於附註39。

② 該附屬公司於2024年1月出售予第三方，詳情載於附註39。

③ 該附屬公司於2024年1月出售予第三方，詳情載於附註39。

37. 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.

37. 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。

38. 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 12 years (2023: 3 to 12 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:

38. 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12年(2023年：3至12年)。

以下為訂有經營租賃的投資物業將予收取的未貼現租賃付款至到期日分析。根據不可撤銷經營租賃的將來最低應收租金總額如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Within 1 year	1年內	**15,539**	18,606
Over 1 year and within 2 years	第1年至第2年	**14,831**	15,113
Over 2 years and within 3 years	第2年至第3年	**15,390**	14,286
Over 3 years and within 4 years	第3年至第4年	**13,840**	15,103
Over 4 years and within 5 years	第4年至第5年	**4,696**	15,084
Over 5 years	第5年後	**22,589**	31,676
		86,885	109,868

39. DISPOSAL OF SUBSIDIARIES

Pursuant to the Equity Transfer Agreements (the "**Agreements**") signed between the Company and a third party, Sichuan Development Guorun Water Investment Co., Ltd. (the "**Buyer**") on 29 December 2023, 80% equity interests in each of the three subsidiaries, Zhaotong Guorun Water, Yiliang Guorun Water and Suijiang Guorun Water would be disposed to the Buyer. The disposal transactions have been completed in 2024. Upon the completion of the disposal, the Group held 20% equity interest of these three entities and recognised as interests in associates and accounted for using equity method of accounting.

39. 出售附屬公司

根據公司與第三方四川發展國潤水務投資有限公司(「**買方**」)於2023年12月29日簽署的產權交易合同(「**合同**」),三家附屬公司昭通國潤水務、彝良國潤水務及綏江國潤水務各80%的股權申請轉讓給買方。該等出售交易已於2024年完成。出售完成後,本集團持有三家公司的20%股權,並將其確認為聯營公司權益,按權益法計量入賬。

39. DISPOSAL OF SUBSIDIARIES *(continued)* 39. 出售附屬公司(續)

		Notes 附註	Zhaotong Guorun Water 昭通國潤水務 RMB'000 人民幣千元	Suijiang Guorun Water 綏江國潤水務 RMB'000 人民幣千元	Yiliang Guorun Water 彝良國潤水務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Property, plant and equipment	不動產、工廠及設備	*17*	3,257	2,459	2,663	8,379
Receivables under service concession arrangements	特許經營權協議下的應收款項		750,072	17,784	44,386	812,242
Intangible assets	無形資產	*21*	–	1,578	2,358	3,936
Deferred tax assets	遞延稅項資產	*23*	4,337	23	206	4,566
Cash and bank balances	現金及銀行結餘		2,115	4	809	2,928
Inventories	存貨		482	6	35	523
Trade and other receivables	應收賬款及其他應收款		47,893	7,163	20,170	75,226
Trade and other payables	應付賬款及其他應付款		(433,771)	(1,597)	(43,582)	(478,950)
Tax payables	應付稅項		(2,669)	(181)	(497)	(3,347)
Borrowings	借款	*34(b)*	(134,940)	–	–	(134,940)
Net assets	**資產淨值**		236,776	27,239	26,548	290,563
Net assets disposed of (80%)	**已出售資產淨值(80%)**		189,421	21,791	21,238	232,450
Gain on disposal of a subsidiary	**出售附屬公司之收益**					
Cash consideration	現金代價		200,364	22,888	19,510	242,762
Net assets disposed of	已出售資產淨值		(189,421)	(21,791)	(21,238)	(232,450)
			10,943	1,097	(1,728)	10,312
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	現金代價		200,364	22,888	19,510	242,762
Cash and cash equivalents disposed	出售現金及現金等價物		(2,115)	(4)	(809)	(2,928)
Net inflow of cash and cash equivalents	現金及現金等價物流入淨額		198,249	22,884	18,701	239,834

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

40. 本公司財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

有關於報告期末本公司財務狀況表之資料如下：

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Non-current assets	**非流動資產**		
Investment properties	投資物業	**243,102**	264,355
Right-of-use assets/land use rights	使用權資產／土地使用權	**378,887**	388,744
Property, plant and equipment	不動產、工廠及設備	**2,029,815**	2,198,522
Receivables under service concession arrangements	特許經營權協議下的應收款項	**793,651**	868,567
Amounts due from customers for construction contracts	應收客戶建造合同款	**427,621**	469,939
Contract assets	合約資產	**155,823**	133,203
Intangible assets	無形資產	**7,399**	294,173
Investments in subsidiaries	投資於附屬公司	**1,635,048**	1,165,547
Interests in associates	聯營投資	**35,661**	–
Deferred tax assets	遞延稅項資產	**94,334**	77,496
		5,801,341	5,860,546
Current assets	**流動資產**		
Amounts due from customers for construction contracts	應收客戶建造合同款	**23,239**	26,154
Inventories	存貨	**1,647**	1,809
Financial assets at amortised cost	以攤銷成本計量的金融資產	**119,600**	177,980
Trade and other receivables	應收賬款及其他應收款	**6,118,098**	5,085,501
Cash and bank balances	現金及銀行結餘	**88**	403
Restricted funds	受限制資金	**440**	54,158
		6,263,112	5,346,005

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

40. 本公司財務狀況表*(續)*

		2024 2024年 *RMB'000* *人民幣千元*	2023 2023年 *RMB'000* *人民幣千元*
Current liabilities	**流動負債**		
Trade and other payables	應付賬款及其他應付款	**2,726,524**	1,898,372
Contract liabilities	合同負債	**24,374**	2,287
Tax payables	應付稅項	**174,950**	100,380
Borrowings	借款	**1,873,251**	3,102,079
		4,799,099	5,103,118
Net current asset	**流動資產淨值**	**1,464,013**	242,887
Total assets less current liabilities	**總資產減流動負債**	**7,265,354**	6,103,433
Non-current liabilities	**非流動負債**		
Deferred revenue	遞延收益	**306,621**	239,678
Borrowings	借款	**2,087,271**	1,281,564
Deferred tax liabilities	遞延稅項負債	**3,998**	7,186
		2,397,890	1,528,428
NET ASSETS	**資產淨值**	**4,867,464**	4,575,005
Capital and reserves	**資本及儲備**		
Share capital *(Note 31)*	股本*(附註31)*	**1,029,111**	1,029,111
Other reserves *(Note)*	其他儲備*(附註)*	**1,664,022**	1,634,272
Accumulated profits *(Note)*	留存收益*(附註)*	**2,174,331**	1,911,622
TOTAL EQUITY	**權益總額**	**4,867,464**	4,575,005

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

40. 本公司財務狀況表*(續)*

Note:

附註：

RESERVES MOVEMENTS OF THE COMPANY

本公司儲備變動

		Share premium 股本溢價 *RMB'000* *人民幣千元*	Statutory reserve 法定儲備 *RMB'000* *人民幣千元*	Other reserves 其他儲備 Property revaluation reserve 物業重估儲備 *RMB'000* *人民幣千元*	Total reserves 儲備總額 *RMB'000* *人民幣千元*	Accumulated profits 留存收益 *RMB'000* *人民幣千元*
At 1 January 2023	**於2023年1月1日**	1,283,440	303,060	9,658	1,596,158	1,568,379
Profit for the year	年度利潤	–	–	–	–	381,381
Transfer to statutory reserves	提取法定儲備	–	38,138	–	38,138	(38,138)
Disposal of subsidiaries	處置附屬公司	–	(24)	–	(24)	–
At 31 December 2023 and 1 January 2024	**於2023年12月31日及2024年1月1日**	1,283,440	341,174	9,658	1,634,272	1,911,622
Profit for the year	年度利潤	–	–	–	–	292,459
Transfer to statutory reserves	提取法定儲備	–	29,750	–	29,750	(29,750)
At 31 December 2024	**於2024年12月31日**	1,283,440	370,924	9,658	1,664,022	2,174,331

41. EVENTS AFTER THE REPORTING PERIOD

41. 報告期後事項

There were 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。

During the Reporting Period, the Company has complied with the "comply or explain" provision set out in the "Environmental, Social and Governance Reporting Guide".

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。

In order to enable stakeholders (including shareholders, investors, regulatory authorities, customers, employees, partners and communities) to understand the Environmental, Social and Governance ("**ESG**") Reporting Guidelines (the "**ESG Guidelines**") of the Group, this report has been prepared. We hope this report would allow investors to better understand the Company's performance in environmental, social and governance aspects, so as to improve its management system and efforts in promoting sustainable development system. This report covers the period from 1 January 2024 to 31 December 2024 (the "**Reporting Period**"). The reporting scope of this report covers the core business of the Company and its subsidiaries.

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2024年1月1日至2024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。

In preparing the environmental, social and governance report, in terms of the principle of materiality, we considered the significant economic, environmental and social impacts caused by the Group after taking into account the nature and development of the Group's business, and identified the current major sustainability issues through communication with stakeholders. In terms of the principle of quantitative key performance indicators (KPIs), where practicable, we have adopted a quantitative approach to disclose the Group's environmental and social KPIs; and the reporting methodology for this report remains consistent with that of 2023.

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2023年度保持一致。

The Board is responsible for evaluating and determining the ESG structure, policies and risks of the Group and it has included the ESG matters in the risk management and internal monitoring system of the Group. The Company has established an environmental protection task force consisting of senior management and persons in charge of each of the Company's major departments, which is responsible for organisation and management of the Company's regular environmental protection task and the regular standard operation of the environmental management system. Each subsidiary and business unit is responsible for the implementation of the Company's environmental, social and governance policies, reporting to the Company's dedicated safety and environmental protection management department on relevant problems identified in the course of implementation, and receiving guidance from such department on matters within its delegated authority. Where there are deviations from the relevant policies, the safety and environmental protection management department shall report to the environmental protection task force and, after consideration and assessment, senior management shall raise specific issues with the Board to discuss and obtain guidance from the Board on relevant matters, so that the relevant policies can be improved and measures can be put in place. Management has confirmed that the system of environmental, social and governance is effective. Both the management and staff of the major subsidiaries and functional departments have participated in preparing the ESG Report, assisting the Group to review its operations and identify relevant ESG matters as well as evaluating the importance of the above to our businesses and to each stakeholder.

董事會負責評估及釐定本集團有關環境、社會、管治的架構、政策及風險，並已把ESG事宜包括在集團之風險管理及內部監控系統中。本公司成立了環境保護工作領導小組，小組成員由本公司高級管理層及各主要部門負責人組成，負責組織管理公司環境保護日常工作及環境管理體系的日常規範運作，各子公司及各業務部門根據本公司的環境、社會、管治政策，具體負責執行，就執行過程中的相關問題向本公司專設的安全與環境保護管理部門進行匯報並接受其獲授權範圍內的業務指導，對於存在偏離相關政策的事宜，安全與環境保護管理部負責向環境保護工作領導小組進行匯報，經考量評估後，由高級管理層向董事會提出專門的議題，就相關事項進行討論並獲得董事會的指導，從而對相關政策進行改進並制定相應的措施。管理層已確認有關環境、社會、管治的系統是有效的。各主要子公司以及各職能部門的管理人員及員工均有參與編製ESG報告，協助集團檢討其運作情況及鑑別相關ESG事宜，並評估相關事宜對我們的業務以及各持份者的重要性。

The Company's main businesses are wastewater treatment and supply of reclaimed water and running water. In view of the characteristics of the industry and the important factors identified in our daily operation and management activities, we consider that the amount of sludge generated and its harmless treatment and disposal, and the compliance of effluent with the discharge standards are important factors of environmental impact.

本公司主營業務為污水處理、再生水及自來水供應，針對行業特性及於日常經營管理活動中所識別到的重要因素，我們認為污泥產生量及其無害化處理處置情況及尾水達標排放情況是環境影響的重要因素。

A. ENVIRONMENT

Since its inception, adhering to the concept of green development, the Company not only actively protects resources and the environment through carrying out green business, but also plants green living ideas in the minds of our employees which are fully carried through in every process of our production and operation.

In terms of management system construction, based on the standards and specifications such as GB/T24001-2016 "Environmental Management System Requirements and Guidelines" (《環境管理體系要求及使用指南》), GB/T19001-2016 "Quality Management System Requirements" (《質量管理體系要求》) and GB/T45001-2020 "Administrative System Requirements on Occupational Health and Safety with Guidance for Use" (《職業健康安全管理體系要求及使用指南》), etc., the Company continues to perfect and improve the its standardised environmental management system closely in line with the characteristics of the Company and the industry.

In terms of pollutant emission control, the Company ensures compliant discharge and monitoring of exhaust gas through measures such as optimizing production processes and installing exhaust gas treatment equipment. Strictly following national and local discharge standards, we have established a comprehensive sewage treatment and water quality monitoring system to ensure that the tail water meets the corresponding water quality requirements before discharge. Meanwhile, we have established detailed process specifications for the generation, collection, storage, transportation and disposal of both hazardous and non-hazardous wastes to ensure that the treatment and disposal of wastes complies with the requirements of relevant laws, regulations and industry standards to reduce the impacts on the environment.

In terms of greenhouse gas emission management, the Company pays close attention to the emission of greenhouse gases such as carbon dioxide, methane and nitrous oxide, actively adopts energy-saving and emission-reducing measures, and strives to reduce greenhouse gas emissions.

A. 環境

本公司自成立以來，始終秉持綠色發展理念，不僅通過綠色業務積極保護資源環境，更將這一理念植根於每位員工心中，全面貫徹於生產經營的每一環節。

在管理體系建設方面，公司基於GB/T24001-2016《環境管理體系要求及使用指南》、GB/T19001-2016《質量管理體系要求》、GB/T45001-2020《職業健康安全管理體系要求及使用指南》等標準規範，緊密結合本公司及行業特點，持續完善和提升管理環境標準化體系。

在污染物排放管控上，公司通過優化生產工藝、安裝廢氣處理設備等措施，確保廢氣達標排放、合規監測。嚴格遵循國家及地方的排放標準，建立了完善的污水處理和水質監測體系，保障尾水在排放前達到相應的水質要求。同時，對有害及無害廢棄物的產生、收集、存儲、運輸和處置製定了詳細的流程規範，確保廢棄物的處理處置符合相關法律法規及行業標準的要求，降低對環境的影響。

在溫室氣體排放管理方面，公司密切關注二氧化碳、甲烷、氧化亞氮等溫室氣體的排放情況，積極採取節能減排措施，努力降低溫室氣體排放。

The Company attaches great importance to compliant operations and continues to pay attention to environmental policies and information, and ensures its staff comprehend the latest applicable environmental laws and regulations, policies, industry trends and domestic and international best practices in the industry through our internal management procedures. During the Reporting Period, the Company strictly complied with the relevant laws and regulationsand there were no cases of violation of the environment-related laws and regulations that caused significant impact on the Company. In addition, the Company actively advocates green office practices, and contributes to green development through its own actions such as paperless office, water and electricity conservation.

公司高度重視合規運營，持續關注環保政策信息，通過內部管理程序，確保公司員工掌握最新的適用環保法律法規、政策、行業動態及國內外行業最佳實踐。在報告期間，公司嚴格遵守相關法律及規例，並無發現因違反與環境有關之法律及規例而給本公司帶來重大影響之個案。此外，公司積極倡導綠色辦公，從無紙化辦公、節約水電等自身行動和細微之處助力綠色發展。

We have formulated a relatively perfect emergency plan for sudden environmental events and established a mechanism for continuous improvement. We conduct a retrospective evaluation of the emergency plan at least once every three years and make timely revisions as required to ensure the applicability of the emergency plan. We identify and evaluate the major environmental risks affecting production and operation. Layered monitoring is carried out by each plant, each section (team) and operators during the production phase based on the risk level of environmental risk sources and the degree of impact on the environment to detect environmental risk factors in a timely manner and take appropriate measures to control them. During the Reporting Period, we conducted emergency drills for sudden environmental events at one of our sewage plants to simulate the scenarios such as sludge spillage, changes in sludge properties, integrated rescue of wounded personnel and disposal and disinfection. Through these drills, we enhanced the employees' response ability and management level for sudden environmental events.

我們制定了較為完善的突發環境事件應急預案，並建立持續完善機制，至少每三年對應急預案進行一次回顧性評估，並根據要求及時進行修訂，以確保應急預案的適用性。針對影響生產運營的各項主要環境風險進行識別及評價，按環境風險源的風險程度，以及對環境的影響程度，在生產階段由各廠、各工段(班組)、操作人員分層次進行監控，及時發現並採取相應措施控制環境風險因素。報告期內，我們於其中一間污水廠開展了模擬污泥潑灑、污泥性狀改變、融合傷員搶救、處置消殺等環節的突發環境事件應急演練，通過演練，提升員工突發環境事件的應對能力和管理水平。

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 improve the working environment, reduce the risk of environmental pollution through technology advancement and strengthen management of environmental protection. The Company has established a 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 themselves 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保護管理，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，通過及時整改，達到安全生產的目的；通過加強對各級、各類僱員的教育培訓，使得各類僱員能夠熟練掌握本崗位環保管理及作業要求，提高僱員的環保意識及技能，保障生產運營管理正常開展，充分發揮污水處理設施截污治污作用，避免和降低由於突發環境事件給自然環境、社會環境帶來破壞及損失，保證公司、社會及人員生命財產安全。

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 humans and nature.

A1. 排放物

公司作為治污環保企業，在經營決策中以可持續發展為指導原則，將項目對環境帶來的影響納入考慮因素，不片面追求經濟效益，注重人與自然的和諧共處。

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 the 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 75%, 48%, 83% and 95% lower than the emission limits of the national Class I Standard A standard in 2024, 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2024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標準排放限值低75%、48%、83%和95%。

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, odour, 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 odour were 0.011 mg/m^3, 0.13mg/m^3, 0.12% and 10 (dimensionless) respectively, all of which were below the emission limit and met the national emission requirements.

1. 廢氣

我們在生產運營過程中，廢氣的產生主要來源於污水處理。污水在傳輸和淨化過程中，水流紊動、微生物反應、污泥處理等活動會產生硫化氫、氨、甲烷、臭氣等氣體，數量較少，非公司主要排放物。我們的廢氣排放以《環境質量空氣標準》(GB3095-2012)規定的二級標準為目標。公司通過離子除臭、生物除臭等工藝技術將運行過程中產生的廢氣進行收集處理，對排放的廢氣濃度進行監測。報告期內，硫化氫、氨、甲烷、臭氣排放濃度分別為0.011mg/m^3、0.13mg/m^3、0.12%、10(無量綱)，均低於排放限值，達到國家排放要求。

The greenhouse gas directly generated in the production and operation process of our main business mainly come from the gas generated in the removal of pollutants in the sewage treatment process, 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 the consumption of purchased electricity, energy, medicaments and office paper. During the Reporting Period, direct greenhouse gas emissions were calculated as CO_2 equivalents of 112,849 tons, of which the carbon emissions generated from COD removal and TN removal calculated in accordance with T/CABEE040-2022 "Calculation Standards for Carbon Emissions from Urban Sewage Treatment and Sludge Treatment and Disposal" (《城鎮污水處理和污泥處理處置碳排放計算標準》) were 110,149 tons, and indirect greenhouse gas emissions were calculated as CO_2 equivalents of 141,059 tons. We assist cities in reducing carbon emissions by substituting fresh water reuse with urban reclaimed water reuse, replacing landfill with sludge-blending, and substituting traditional fertilizers with sludge composting. Meanwhile, by constructing garden-style plants and enhancing greening management, we increase the amount of carbon sinks, achieving a reduction of 55,523 tons of carbon dioxide emissions. After deduction, the total carbon dioxide emissions amounted to 198,385 tons.

我們主營業務在生產運營過程中直接產生的溫室氣體主要來源於污水處理過程中污染物去除時產生的氣體、污泥運輸工作消耗的燃油，少部分來源於生產和辦公消耗的燃油；間接溫室氣體排放主要來源於外購的電力能源、藥劑和辦公紙張消耗。報告期內，直接溫室氣體排放量按二氧化碳當量計算為112,849噸，其中按照T/CABEE040-2022《城鎮污水處理和污泥處理處置碳排放計算標準》計算的COD去除和TN去除產生的碳排放量為110,149噸，間接溫室氣體排放量按二氧化碳當量計算為141,059噸。我們通過城市再生水回用替代新鮮水回用、污泥摻燒替代填埋、污泥堆肥替代傳統化肥的方式，協助城市減少碳排；同時，通過建設花園式工廠並加強綠化管養增加碳匯量，實現二氧化碳減排55,523噸。核減後，二氧化碳排放量共計198,385噸。

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 the greening arrangement of the plant area through plant greening of isolation around the source of odour 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 odour 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. In December 2024, the Company's No. 78 Water Purification Plant located in Kunming was rated as a "Benchmark Plant for Green and Low-Carbon Wastewater Treatment" by the General Office of the National Development and Reform Commission and the General Office of the Ministry of Housing and Urban-Rural Development.

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間接產生溫室氣體的排放，我們於生產過程中，不斷優化各個生產區污泥處置方案及運輸方案，以減少燃油的使用從而降低溫室氣體的排放。2024年12月，本公司位於昆明市的第七八水質淨化廠被國家發展改革委辦公廳、及住房城鄉建設部辦公廳評為「污水處理綠色低碳標桿廠」。

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. The Company is currently working on a distributed photovoltaic power generation project at the wastewater treatment plant, so as to use idle spaces such as the plant roof, treatment facilities and open structures to set up photovoltaic power generation facilities on the premise of ensuring the building safety and functions of the plant area. Electricity generated by relevant facilities can be used for the production and operation of the plant area. Upon completion of the Phase I Project, approximately 21,410 tonnes of coal (calculated based on 350g/kWh of standard coal consumption for power generation) can be saved every year, and the exhaust gas emissions caused by coal can be reduced accordingly every year, including approximately 1,610 tonnes of sulphur dioxide, 800 tonnes of nitrogen oxides, 53,530 tonnes of carbon dioxide and 14,560 tonnes of smoke and dust. The indirect greenhouse gas emissions can be reduced 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.

電力是我們生產運營的主要能源，在不斷提升運營管理質量的同時，鼓勵支持節能降耗改造創新工作。目前，公司正在推進污水處理廠分佈式光伏發電項目，即在保證廠區建築安全和功能的前提下，利用廠區屋頂、處理設施、開闊構築物等閒置空間佈置光伏發電設施，相關設施產生之電力可以用於廠區生產經營。一期項目建成後每年可節約煤炭約2.141萬噸(按發電標煤耗350g/kWh計)，相應每年可減少因燃煤造成的廢氣排放，其中二氧化硫可減排約0.161萬噸、氮氧化物可減排0.08萬噸、二氧化碳可減排5.353萬噸、煙塵可減排1.456萬噸，通過對清潔能源的使用以降低間接溫室氣體的排放。同時積極響應國家節能減排宣傳工作，制定工作計劃方案，宣傳和培養僱員的節能習慣。

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. For domestic sewage, equipment backwash water and some greening water generated in the daily production and operation process, they are collected through the pipe network in the plant area and then enter the sewage treatment facilities again for treatment before discharge 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 2024" (《滇池保護治理2024年主要工作任務實施方案》), the pollutant reduction targets set by the regulatory authorities 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 119,100 tons of chemical oxygen demand, 3,100 tons of phosphorus and 11,300 tons of nitrogen throughout the year, all of which have been achieved. 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 2024, the total chemical oxygen demand reduction of all operating wastewater treatment plants of the Company was 150,700 tons, ammonia nitrogen reduction was 13,600 tons, the total phosphorus reduction was 4,100 tons and the total nitrogen reduction was 15,600 tons.

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 8,350 tons, 183 tons and 63 tons, respectively.

3. Sludge

In 2024, we produced dry sludge of approximately 68,600 tons in aggregate during the production and operation, and the dry sludge produced in the treatment of every 10,000 tons of wastewater was approximately 1 ton.

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，對於日常生產運行過程中產生的生活污水、設備反沖洗水及部分廠區綠化用水均通過廠區內管網收集並再次進入污水處理設施進行處理達標後方進行排放，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2024年主要工作任務實施方案》，報告期內，監管部門向公司主要經營生產區域(滇池流域在運的污水處理廠)下達的污染物削減目標為全年化學需氧量總削減11.91萬噸，總磷削減0.31萬噸，總氮削減1.13萬噸，相關目標均已達成。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。2024年，公司在運所有污水處理廠總化學需氧量削減量為15.07萬噸，氨氮削減量為1.36萬噸，總磷削減量為0.41萬噸，總氮削減量為1.56萬噸。

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8,350噸、183噸和63噸。

3. 污泥

2024年，我們在生產運營過程中產生的乾污泥總量約為6.86萬噸，處理每萬噸污水產生乾污泥量約為1噸。

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 42,000 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 100%. 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.

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》(GB 24188－2009)、《農用污泥污染物控制標準》(GB 4284－2018)、《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4.2萬噸；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100%。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 the generation of non-hazardous waste through source control. In 2024, we purchased 8.5 tons of paper according to schedule. At the same time, we adopted highly efficient and environmentally friendly printing and scanning equipment and strengthened paperless office management, resulting in a significant reduction in paper usage compared with the previous year. 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 2024 was 65.37 tons which was entrusted to a third-party compliance unit for unified disposal.

The Company advocates the use of video conferencing, and supports long-distance, real-time information exchange and collaborative conferences with multi-media technologies such as real-time audio and video, so as to reduce office costs, improve work efficiency and promote a low-pollution and low-emission green office. At the same time, 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 mechanical equipment and inspection instrument in a timely manner to keep them in a stable working condition to reduce the amount of waste oil and waste liquids.

4. 其他廢棄物

公司在生產運營過程中產生的無害廢棄物主要為廢紙，由於產生量較小，沒有特別有關無害廢棄物產生量目標的訂立及數據統計。我們通過源頭控制的方式減少無害廢棄物的產生，2024年共按計劃採購紙張8.5噸；同時採用高效環保的打印及掃瞄設備，加強無紙化辦公管理，紙張使用量較上年大幅減少；鼓勵紙張雙面打印，減少紙張浪費。針對機械設備運行過程中產生的有害廢棄油料和檢測過程中產生的有害廢液是有害廢棄物的主要來源，公司按照國家相關法規及「三防」措施設置廢棄物暫存間，並按批次委託具有相應處置資質的第三方單位統一處置，2024年有害廢棄物總量為65.37噸，均已委託第三方合規單位統一處置。

公司提倡使用視頻會議，通過網絡平台以實時的音、視頻等多媒體手段，支持多地遠距離實時信息交流、開展協同會議辦公，減少辦公成本的同時提高工作效率，倡導低污染和低排放的綠色辦公。同時，公司將繼續加強機械設備及檢測儀器維護管理，合理使用設備油料和檢測液；適時更新機械設備及檢測儀器，使其處於穩定良好的工作狀態，從而減少廢棄油料和廢液的數量。

A2. Use of Resources

The Company's main business is wastewater treatment and water supply services. Our effluent water is used as "finished products", which is discharged in strict compliance with the relevant national and local standards 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》) and the Water Quality Standards for Reclaimed Water (《再生水水質標準》). Resources such as packaging materials are not used for effluent water discharge and water supply. The water source for the Company's recycled water supply business is the standard discharge water of all water purification plants operated by the Company, while the raw water for the running water supply business is the water source designated by the local government. Therefore, we do not have any water sourcing issues.

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 2024, all the factories operated by the Company consumed electricity of approximately 210,000 thousand kWh in aggregate.

A2. 資源使用

公司主要業務為污水處理及供水服務，我們的出水作為「製成品」，嚴格遵守《城鎮污水處理廠污染物排放標準》、《再生水水質標準》等相關國家及地方標準排放，出水排放及供水不使用包裝材料等資源。公司再生水供水業務取水水源為本公司運行的各水質淨化廠達標排放出水，而自來水供水業務原水為當地政府指定水源，在求取適用水源上不存在問題。

公司在能源、水資源和其他原材料方面，全面執行預算管理，通過制定預算指標，層層分解，並進行日常監控，按月統計、分析消耗情況，已建立目標考核機制，實施過程監管，致力於提高資源利用率。

1. 能源消耗

電力成本佔水務企業生產成本比重較大，雲南電網有限責任公司昆明供電局是我們主要的電力供應商。2024年，公司運營各廠電力消耗總量約2.1億千瓦時。

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 2024, we set an average energy consumption target of approximately 0.35 kWh per tonne of wastewater treated at each water purification plant (including self-owned wastewater treatment plants and entrusted urban wastewater treatment plants). 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. In view of the operational characteristics of the plants and the actual water quantity in the rainy and dry seasons, the Company continuously optimised the operation and management of major energy-consuming equipment and process sections such as lifting pump, air blower, mixer, aeration system and sludge dewatering system, and carried out variable frequency control modification on high-powered equipment such as air blower and feed pumps, in order to improve the operational efficiency of the equipment. In 2024, the average energy consumption rate per ton of wastewater treated of the wastewater treatment plants of the Group (including self-owned wastewater treatment plants and entrusted urban wastewater treatment plants) in operation was 0.33 kWh, representing an increase of 14% compared with that of 2023, mainly because of the increase in unit energy consumption caused by the decrease in equipment utilization rate due to the impact of water intake scheduling at various water plants in Kunming and the fluctuation in the total volume of treated water of the Company arising from the sale of some water plants during the Reporting Period. In the daily operation and equipment updates, we prioritized the use of energy-saving and consumption-reducing equipment to keep energy consumption within a reasonable range. The Company actively conducted power marketisation transactions and gave priority to wind electricity and electricity supplied by hydropower plants, which not only used clean energy, but also reduced its electricity cost.

我們根據各個污水處理廠實際負荷率、處理工藝的不同特點，分別制定了各個污水廠噸水處理能耗率控制目標。2024年我們為各污水處理廠訂立了平均每噸污水處理能耗率約為0.35千瓦時的能耗控制目標(含自有污水處理廠及受託運行的城市污水處理廠)。為提高能源利用效率，切實降低能耗，公司積極組織各廠開展節能增效技術探索實踐，針對工廠工藝運行特點及雨、旱季實際水量情況，對提升泵、鼓風機、攪拌器、曝氣系統、污泥脫水系統等主要能耗設備及工藝段運行管理持續優化，並對鼓風機、進水泵等大功率設備開展變頻控制改造，以提升設備運行效率。2024年本集團(含自有污水處理廠及受託運行的城市污水處理廠)在運污水處理廠平均每噸污水處理能耗率為0.33千瓦時，較2023年上升14%，主要原因為報告期內，受昆明市各水廠進水調度及出售部分水廠公司總處理水量波動的影響，導致設備利用率有所下降引起單位能耗上升。在日常運行及設備的更新中，我們優先採用節能降耗的設備，以將能耗控制在合理的範圍。同時，公司積極開展電力市場化交易工作，優先使用風電、水電廠的供電，不但使用了清潔能源，而且降低了企業的用電成本。

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.

在辦公過程中，公司倡導廣大員工節約用電，鼓勵員工使用清潔能源的電動汽車和公共交通。我們已於部分廠區安裝完成新能源汽車充電樁，在新購置辦公車輛時，優先考慮新能源汽車。

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 2024, all the factories operated by the Company consumed running water of approximately 180,000 tons in aggregate and water consumption per ton of sewage treatment is 0.27 kg. Our running water consumption is mainly for daily office use. In order to reduce running water consumption, we mainly used reclaimed water produced on site for equipment back flush, water for forestation in our plants, chemical configuration in the factory and other production processes that consume large amount of water, and thus did not set any target for running water utilisation efficiency.

The Company has Kunming's only reclaimed water distribution system in the main urban area, and the production of the reclaimed water supply business has increased year by year. The Company's reclaimed water, which has been widely used for landscaping, cleaning roads, industrial production and recharging riverway and waterscape, has 670 company subscribers. As of 31 December 2024, the Company had 12 wastewater treatment plants producing reclaimed water, with a total designed daily production capacity of 334,000 m^3 of reclaimed water in operation. Reclaimed water customers of the Company mainly include commercial and industrial establishments, enterprises and public institutions and other entities in Kunming.

2. 耗水

公司的日常用水主要由當地供水公司所提供，於報告期間可以有效獲取適用水源，保證水質符合用水要求。2024年，公司運營各廠自來水消耗總量約18.0萬噸，處理每噸污水耗用自來水量為0.27千克。我們的自來水耗水主要為日常生活辦公用水，為有效降低自來水使用量，我們生產過程中設備反沖洗、廠區綠化用水、生產藥劑配置等耗水量較大的生產環節用水主要採用廠區生產的再生水，因此未訂立自來水用水效益目標。

公司擁有昆明市主城區唯一的再生水輸配系統，再生水供應產量逐年穩步增長，用戶達670家單位，廣泛用於園林綠化、道路清潔、工業生產、河道及水體景觀補水，截至2024年12月31日，公司有12間污水處理廠生產再生水，在運再生水日總設計產能達334,000立方米。公司的再生水客戶主要包括昆明市的工商業機構、企業等單位。

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, in terms of effluent quality, in 2024, Kunming No. 1 Water Purification Plant's effluent BOD (Biochemical Oxygen Demand) level decreased by 60%, COD level decreased by 56%, TN level decreased by 32%, TP level decreased by 83% and NH3-N (Ammonia nitrogen in the form of Water with free ammonia (NH3) and Ammonia ion (NH4+)) level decreased by 87% as compared to 2012. In 2024, Kunming No. 2 Water Purification Plant's energy consumption decreased by 20%, effluent BOD level decreased by 58%, COD level decreased by 51%, TN level decreased by 20%, TP level decreased by 40% and NH3-N level decreased by 59% as compared to 2012.

Driven by technological research and development, the overall effluent quality of our water purification plants in Kunming main city area improved significantly, and maintained the stable operation of various equipment: in 2024, in terms of the effluent quality, BOD decreased by 55%, COD by 51%, TN by 35%, TP by 78% and NH3-N by 82% as compared to 2012, which greatly reduced the pollution load brought by the tail water from wastewater treatment plants to natural water. As of 31 December 2024, the design and discharge standards of the Company's wastewater treatment plants all met the requirements of national and local government standards, with the proportion of wastewater treatment plants meeting Class I Standard A standard reaching 99.87%.

A3. 環境及天然資源

公司建設的項目均按照國家相關法律法規要求進行環境影響評價，項目投運後，按要求申請環保「三同時」驗收，確保所有項目的建設、運行都滿足法律法規及政策的要求。在主營業務污水處理方面，依托科技研發，通過技術創新，優化工藝運行等措施，提高污染物去除效率，降低資源耗用，如：應用公司專利技術和超極限除磷技術後，昆明市第一水質淨化廠2024年出水水質與2012年相比，出水BOD(生物化學需氧量)降低60%，COD降低56%，TN降低32%，TP降低83%，以及NH3-N(水中以游離氨(NH3)和氨離子(NH4+)形式存在的氨氮)降低87%。昆明市第二水質淨化廠2024年電力能耗較2012年降低20%，出水BOD降低58%，COD降低51%，TN降低20%，TP降低40%以及NH3-N降低59%。

在技術研發推動下，我們於昆明主城區水質淨化廠的整體出水水質有了顯著改善並保持了各設備的穩定運行：2024年出水水質與2012年相比，出水BOD、COD、TN、TP及NH3-N分別降低了55%、51%、35%、78%及82%，大幅降低了污水處理廠尾水進入自然水體的污染負荷。截至2024年12月31日，公司各污水處理廠設計排放標準均達到國家及各地方政府的標準要求，其中一級A類排放標準的污水處理廠佔比達99.87%。

For pollution sources that produce noises during the production process, such as fan equipment, the Company has taken measures such as installing blimps to reduce their impacts on the surrounding environment. The Company strictly implements a running time from 8:00 a.m. to 10:00 p.m. for the dehydration machine rooms in its production operation units close to residential areas while night running is strictly forbidden, so as to minimise the impacts on the environment. At the same time, the Company has a well-established testing system to obtain noise level which is used to guide its production. For the Company's equipment upgrades and renovations, we have fully considered the indicators such as energy conservation, noise reduction and carbon reduction to select facilities and equipment with greater environmental benefits and economic benefits, so as to help the Company better achieve various management and operational goals in subsequent operations.

針對生產過程中產生噪聲的污染源，如風機設備，公司採取安裝隔音罩等措施降低對週邊環境的影響，對靠近居民區的生產運行單元，脱水機房嚴格執行早上8:00至晚上10:00的開機時間，嚴禁夜間運行，以減少對環境的影響，同時，公司有完善的檢測制度以獲取噪聲值，反饋和指導公司的生產。在公司設備更新改造中，我們充分考慮節能、降噪、減碳等指標選擇更具環境效益及經濟效益的設施設備，以幫助公司在後續運營中更好地實現各項管理運營目標。

A4. Climate Change

A4. 氣候變化

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, identified the risks posed by climate change and formulated 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.

應對氣候變化已成為一個全球性公共問題，氣候變化對各個行業都會產生影響。本集團已將氣候變化管治納入本集團環境、社會及管治治理架構內，就氣候變化給我們帶來的風險進行識別，制訂相應的應對措施，同時對於雙碳政策下公司業務的合規性進行自檢自查，就未來碳交易帶來的綠色發展機遇進行研究部署。

The Company owns or operates wastewater treatment plants, reclaimed water plants and running water plants in various regions of the PRC. 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.

本公司於中國多個地區擁有或運營污水處理廠、再生水廠及自來水廠，我們根據自身業務性質及所運行管理水廠的情況，結合屬地氣候情況，識別相關氣候對於我們日常運行管理所帶來的影響，並制訂相應的應急預案，明確應急措施，以應對極端天氣給生產運行造成的不利影響。

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, before the onset of the rainy season in each area where our water plants are located, we prepare the appropriate flood prevention materials and organise emergency drills for our staff so that they have a clear understanding of the measures they should take in the event of such a situation. In addition, we monitor the warning information issued by the local meteorological authorities in real time and make arrangements in advance to ensure that the relevant measures are taken in a timely, appropriate and effective manner. When the volume of water flowing into our water plants continues to increase within a short period of time and is expected to exceed the treatment capacity of the plants, we will communicate with and report to local regulatory authorities in a timely manner and make adjustments to the production process in order to reduce the risk of failing to meet the effluent quality standard of water plants.

於日常業務中，我們識別到短時強降雨或長時間持續性降雨導致城市內澇會給我們的污水處理廠帶來重大影響。城市內澇會導致流入我們水廠的水量短時間內迅速增加，可能會超過水廠運行負荷能力，給我們的水廠造成損失或增加我們出水水質超標的風險。針對這一風險源，我們制訂了相應的應急預案，於每個水廠所在地區雨季來臨之前，我們會準備好相應的防汛物資，並組織員工進行應急演練，以使員工清楚了解在出現該等況下其應該採取的措施。同時我們實時關注當地氣象部門發佈的相關預警信息，提前做出安排，保障相關措施及時、得當及有效；當出現流入我們水廠的水量短時間持續增加，預期會超過水廠處理負荷，我們會及時與當地監管部門溝通及報備，並對生產工藝進行調整，以降低水廠出水水質超標的風險。

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.

另外，我們對已在運的各污水處理廠因全年氣候變化導致的水溫波動進行了研究，特別是在冬季低溫影響下各處理單元效率變動情況進行了評估，針對相關風險，制定了相應措施，提前進行員工的培訓及啟動相應的應對措施，確保出水處置達標排放。

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 reduce carbon emissions and promote green corporate development.

為響應國家碳減排、碳達標相關政策，我們也加快了污水處理廠分佈式光伏發電項目的推進，加大清潔能源的使用。在供應商的選聘上，也將低碳、環保納入選聘考慮因素。通過節能降耗及清潔能源的應用，減少碳排放，促進企業綠色發展。

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" (《中華人民共和國勞動合同法》) and the "Social Insurance Law of the People's Republic of China" (《中華人民共和國社會保險法》) to guarantee equal employment. We are against any recruitment discrimination concerning age, marital status, race, social status, religious belief, disability, gender, sexual orientation or political background etc. The Company and related subsidiaries strictly comply with various national laws and regulations in relation to human resources. Employees are legally entitled to the benefits, remunerations and holidays required by relevant laws. The Company establishes the "Interim Measures for the Administration on Remuneration" (《薪酬管理暫行辦法》) and the "Rules for the Implementation of the Provisional Staff Recruitment and Staff Mobility Management Regulations" (《員工招聘及人員流動管理暫行辦法實施細則》), etc. to satisfy the arrangement on the recruitment, internal transfer, dismissal, training, promotion, performance evaluation, and remuneration and benefit of employees, and ensure that no employees are discriminated due to race, age and gender, etc. Besides, the employment of child labor is strictly prohibited and we are against forced labor of any kind, striving to let all the employees work in an equal and harmonious work environment.

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.

B. 社會

本公司嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》等國家人事相關的各類勞動保障相關法律法規，保障平等僱傭，我們反對任何基於年齡、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。公司及相關子公司嚴格遵守國家人事相關的各類法律法規，員工依法享有法律規定的福利、薪酬及假期。公司建立了《薪酬管理暫行辦法》、《員工招聘及人員流動管理暫行辦法實施細則》等，滿足僱員的聘用、調職、解聘、培訓、晉升、績效考核、薪酬福利等安排，保證員工不因種族、年齡、性別等因素受到歧視，嚴禁僱傭童工，反對各種形式的強迫勞動，務求讓員工在平等和諧的工作環境下開展工作。

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

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.

1. Recruitment

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.

B1. 僱傭

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. 招聘

人員招聘方面，公司嚴格按照上級監管要求及內部相關制度規定，以公開、公平、競爭、擇優的原則吸納人才，面向社會公開招聘，嚴格按照勞動法規與員工簽訂勞動用工合同，切實保障員工權益。

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, continuously improves the staff benefits, and 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工資檢討，制定了規範的員工解聘條件和流程，不隨意解僱員工。營造健康、多元化及共榮的工作環境，一切升遷、薪酬回報及調職決定均以員工個人表現配合本公司業務情況作客觀考慮。於報告期，公司並未發現任何與人力資源相關的法律和法規的重大違規事宜。

3. 退休福利計劃

公司已參與由中國政府制定的社會基本養老保險，將僱員薪金的一定百分比作為供款繳入社會基本養老保險。除前述政府資助的定額供款退休金計劃外，本集團設有一項額外職工退休金計劃(為員工購買補充養老保險的企業年金制度)，於2014年1月1日起生效。根據該額外計劃，本集團在中國的全職員工有權享有總額為前一年工資8%的額外退休金。職工退休時，根據其在公司服務年限，按年金方案約定比例計算歸屬權益。除上文所披露者外，於年內毋須為僱員安排任何其他退休福利。

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 2024, 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 2024.

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2024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2024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)	668	367	733	302	23	423	327	218	44
Eastern China region (Anhui, Jiangsu, Zhejiang) 華東地區(安徽、江蘇、浙江)	33	32	53	12	–	16	27	14	8
Central China region (Hunan) 華中地區(湖南)	11	4	15	–	–	4	5	5	1

(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：

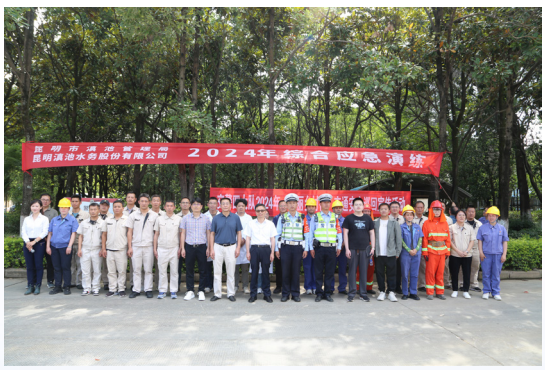
		Male to female ratio 男女比例		Age distribution 年齡分佈					
	Total turnover 流失總數	Male 男	Female 女	Under 25 25歲以下	26-35 26-35歲	36-45 36-45歲	46-55 46-55歲	Over 55 55歲以上	Turnover rate 離職率
Southwest region (Yunnan, Guizhou, Sichuan) 西南地區(雲南、貴州、四川)	38	27	11	1	24	7	5	1	3.58%
Eastern China region (Anhui, Jiangsu, Zhejiang) 華東地區(安徽、江蘇、浙江)	8	3	5	–	–	1	4	3	11.59%
Central China region (Hunan) 華中地區(湖南)	–	–	–	–	–	–	–	–	0.00%

B2. Health and Safety

The Company has been certified to quality, environmental and occupational health management system standards in 2013, carried out certification work on schedule every year to ensure that the certification continues to be valid, and set 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》), "Yunnan Province Safety Production Regulations" (《雲南省安全生產條例》) and "Kunming Safety Production Regulations" (《昆明市安全生產條例》), 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. A total of 1,358 responsibility letters for safety objectives were signed at all levels, achieving "thorough horizontal and vertical management", thereby laying a solid foundation for implementing the full responsibility system for safety production. Throughout the year, the Company organised training on traffic safety, occupational health, fire safety and safety management business knowledge, etc. for more than 1,000 people to improve employees' safety skills and awareness; organised and held regular safety production meetings every month to learn the documents, the latest laws, regulations and standards related to safety production, collected recent typical accident cases in China and the industry, carried out safety production warning education, summarised and deployed safety production work, so as to achieve planning, deployment, inspection and implementation; carried out more than 110 on-site inspections of safety production for subsidiaries, focusing on hidden danger investigation and management; held comprehensive emergency drills for safety production to improve the emergency response, self-rescue and mutual rescue and emergency response capabilities of employees; and organized and carried out safety production publicity activities, such as "Ankang Cup", "Safety Production Month" and "Fire Safety Month", to create a safe production atmosphere. The Company regularly arranges occupational health medical examination for all employees every year. The rate of coverage of medical examination of the Company's employees was 100%. The Company also pays attention to the mental health of employees through organising seminars on mental health to strengthen care and consideration for employees. During the Reporting Period, no production safety responsibility accidents occurred and the Company's production safety situation was stable.

B2. 健康與安全

公司已於2013年通過質量、環境和職業健康管理體系認證，並每年按期開展認證工作，確保證書持續有效；按照《中華人民共和國安全生產法》、《中華人民共和國消防法》、《雲南省安全生產條例》及《昆明市安全生產條例》等國家和地方法律法規，構建安全風險分級管控及排查治理雙重預防機制，及時修訂安全生產相關應急預案，開展安全審查現狀評估，全面研究、部署和解決生產安全管理過程中存在的問題。層層簽訂安全目標責任書共計1,358份，做到「橫向到邊，縱向到底」，為落實全員安全生產責任制打好基礎；全年組織開展交通安全、職業健康、消防安全、安全管理業務知識等培訓1,000餘人次，提高職工安全技能及意識；每月組織召開安全生產例會，學習安全生產相關文件、最新法律法規及標準規範，收集近期國內、行業內典型事故案例，開展安全生產警示教育，總結和部署安全生產工作，做到有計劃、有部署、有檢查、有落實；對附屬公司開展安全生產現場檢查110餘次，注重隱患排查治理；舉辦了安全生產綜合應急演練，提高職工應急反應、自救互救及應急處置能力；組織開展了「安康杯」、「安全生產月」、「消防安全月」等宣傳活動，營造安全生產氛圍；公司每年定期為全體員工安排職業健康體檢，本公司在職員工體檢覆蓋率為100%。同時，注重僱員的心理健康，通過組織心理健康知識講座等活動，加強對僱員的關心關懷工作。報告期內，未發生生產安全責任事故，公司安全生產形勢穩定。



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 members 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, studies the current production safety situation, arranges production safety works. Thirdly, the Company regularly and irregularly carries out on-site inspections of production safety, eliminates potential safety hazards at the production site in a timely manner, and prevents the occurrence of production safety accidents. 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 a total of 4 employees lost working days due to work-related injuries, amounting to 474 days.

公司在運營管理過程中，高度重視職業健康安全防護，多措並舉為全體員工提供一個健康、安全的生產環境，主要通過：一是全員簽訂安全目標責任書，層層落實安全生產職責；二是定期召開總經理辦公會、安全生產工作例會，研究當前安全生產形勢，部署安全生產工作；三是定期、不定期開展安全生產現場檢查，及時消除生產現場的安全隱患，杜絕生產安全事故的發生；四是定期開展職業健康、安全管理、道路交通安全、消防安全等宣傳培訓，提升僱員安全意識與技能；五是每年組織僱員健康體檢，定期發放勞動保護用品並檢查佩戴情況。近三年內未發生生產安全事故，因公死亡、傷殘人數及比率為零，因工傷損失工作日4人次共計474天。

B3. Development and Training

The Company has been continuously committed to the growth and progress of the employees. We have accurately identified and met the training needs of both the enterprise and individual employees and formulated the training plan for 2024. The training plan focuses on the enhancement of management efficiency, the deepening of compliance management, the improvement of professional capabilities and the refining of professional skills. The training content covers management capabilities, knowledge of laws and regulations, quality and environmental standards, occupational health and safety management, professional technical knowledge and professional skills, etc. Through meticulously planned training programs, we have comprehensively enhanced the overall quality and professional capabilities of the employees and strengthened corporate competitiveness.

B3. 發展及培訓

公司持續致力於員工的成長與進步，精確識別並滿足企業及員工個人的培訓需求，製定2024年度培訓計劃。培訓計劃聚焦於管理效能的增強、合規管理的深化、職業能力的提升以及職業技能的精進。培訓內容涵蓋管理能力、法律法規知識、質量環境標準、職業健康與安全管理、專業技術知識及專業技能等。通過精心策劃培訓項目，全面提升員工的綜合素質與專業能力，增強企業競爭力。

We actively responded to the national initiative for building a workforce of industrial workers in the new era, further gave play to the advantages of large enterprises in cultivating skilled talents, and continuously promoted the recognition and evaluation of vocational skill levels. In 2024, through social evaluation selection, the Company obtained the qualifications for social training and evaluation for water production and treatment workers and industrial wastewater treatment workers and became the only enterprise in Yunnan Province's water supply and drainage industry which possessed the "dual qualifications" of corporate self-evaluation and social training evaluation. At the same time, the Company actively conducted internal corporate appraisal work and carried out 6 batches of vocational skills certification from junior to technician of sewage treatment workers. Nearly 53 front-line employees of the Company applied for the certification examination, 43 people passed the certification assessment and obtained the vocational skills certification, and 17 new highly skilled talents in sewage treatment were added.

積極響應國家新時代產業工人隊伍建設工作，進一步發揮大型企業在培養技能人才上的優勢作用，持續推進職業技能等級認定評價工作。2024年，公司通過社評遴選，具備水生產處理工、工業廢水處理工社會培訓評價資質，成為目前雲南省供排水行業唯一同時具備企業自主評價及社會培訓評價「雙資質」的企業。同時，積極開展企業內部評價工作，開展了6批次初級至技師污水處理工職業技能等級認定，公司一線員工53人報名認定考試，43人通過認定考核並獲得職業技能等級認定證書，新增污水處理專業高技能人才17人。

During the Reporting Period, the Company's training statistics classified by employee level are as follows:

報告期內，本公司按員工級別進行分類統計的受訓情況如下：

Training ratio of middle and senior staff: 100%
中高層員工受訓比例：100%

The average duration of study: 60.2 hours
平均學習時長：60.2學時

Training ratio of general employees: 87.8%
一般員工受訓比例：87.8%

The average duration of study: 31.6 hours
平均學習時長：31.6學時

During the Reporting Period, the Company's training statistics classified by employee gender are as follows:

報告期內，本公司按員工性別進行分類統計的受訓情況如下：

Training ratio of male employees: 83.7%
男性員工受訓比例：83.7%

The average duration of study: 34.5 hours
平均學習時長：34.5學時

Training ratio of female employees: 89.6%
女性員工受訓比例：89.6%

The average duration of study: 32.4 hours
平均學習時長：32.4學時

B4. Labor Rules

Prohibition of Employing Child Labor or Forced Labor

The Company strictly follows state and local regulations regarding recruitment and hiring of employees 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 (《中華人民共和國勞動合同法》) and the Prohibition of Child Labor Provisions (《禁止使用童工規定》), etc. and will not hire applicants who fail to meet requirements set out in relevant laws and regulations. In addition, the Company conducts reference check on employees based on the information provided, and those who are found to have cheated will not be hired. The Company sticks to a human resource policy that highlights gender equality and ethnic equality and prohibits employment of child labor and forced labor. During the Reporting Period, the Company did not have any breach of laws and regulations that impose ban on employment of child labor and forced labor.

B4. 勞工準則

防止童工或強制分工

公司對於人員的招聘和錄用嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《禁止使用童工規定》等國家和地方有關規定，對不符合法律規定條件的一律不予錄用。此外，還根據員工提供的資料進行背景調查，調查結果發現有作假者不予錄用。公司堅持男女平等、民族平等的人力資源政策，禁止使用童工和強迫勞動，於報告期間並無發現任何違反與防止兒童或強制勞工有關之法律及規定的個案。

B5. Supply Chain Management

Principal suppliers of the Company are power suppliers who provide electricity for its facilities, construction contractors who design and construct its facilities and suppliers of raw materials including wastewater treatment chemicals and other equipment maintenance consumables.

B5. 供應鏈管理

公司的主要供貨商為電力供貨商(為公司的設施供電)、工程承包商(設計並建造公司的設施)及原材料供應商(供應包括污水處理化學品及其他設備維護易耗品)。

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 reference factors of cooperation.

除公司的公共服務供應商外，公司已對合作的供貨商制定明確採購政策。公司內部設有《中介機構選聘管理辦法》、《合同管理辦法》、《生產運行採購工作管理辦法(暫行)》等制度，對公司採購全流程各項活動進行規範管理。報告期內，我們所有合作的供貨商的採購均需遵守公司採購政策並按照公司相關制度規定執行。根據該政策，本公司的子公司須向不同的供貨商招標，按照公平、公正、公開的原則，在項目所在地採取公開招標的方式選取合格供應商，招標過程中紀檢監察部門履行監督職責。我們基於產品的價格、產品環保要求、質量及交貨及時性選擇供貨商，鼓勵並優先考慮與具有環保、安全認證的供應商合作，並將施工安全和環境保護等綠色發展理念納入施工合同及履約評價等環節。同時，我們從互聯網、評標專家、使用企業等多渠道了解供應商信譽情況，包括是否有環境及社會相關投訴、訴訟等相關報導，並將調查結果作為合作的參考因素之一。

In order to standardise the procurement work of the Company and its subsidiaries and improve the procurement management system, each subsidiary is required to formulate and strictly implement procurement management rules according to its own actual situation and in combination with the requirements of the Group's overall procurement policy. In order to enhance the efficiency of procurement, a hierarchical and tiered management mechanism is adopted according to the volume of the Company and the subsidiaries within the Group. For major procurement contracts reaching a specific percentage of the dollar amount of each subsidiary and all contracts of the Group's headquarters, they are subject to review and approval by the Group's headquarters which conduct regular tests to check the quality of the delivered products. The Company has sourced raw materials from local suppliers in proximity to the place of use in order to benefit from the economies of scale and easy transportation, which allows faster and cheaper delivery of raw materials. The Company has readily available alternative suppliers in the market who offer similar raw materials with terms comparable to its existing suppliers. To mitigate the risks associated with any reliance on its major suppliers, the Company periodically seeks potential alternative suppliers and obtains quotations from such suppliers with a view to keeping in contact with potential suppliers.

為規範本公司及各附屬公司採購工作，完善採購管理制度體系，要求各附屬公司根據自身實際並結合本集團總體採購政策要求制定採購管理細則並嚴格執行。為提高採購效率，根據本公司及集團內各子公司體量，採用分層分級管理的機制，對於各子公司達到特定金額比例的重要採購合約，以及集團總部所有合約需經集團總部審查及批准，總部會對其進行定期測試以檢查交付產品的質量。為獲取規模經濟及交通便利的效益，公司從位於使用地附近的當地供貨商採購原材料，以實現原材料更快捷實惠的交付。公司可隨時與市場上按可比條款提供類似原材料的供貨商合作，以替代現有供貨商。為減輕公司對主要供貨商的依賴所帶來的風險，公司定期物色潛在的替代供貨商並收集其報價，從而與潛在供貨商保持聯繫。

During the Reporting Period, the Company and its subsidiaries had a total of 1,283 suppliers. Major suppliers of the Company and its subsidiaries were independent third parties based in China, most of which were based in Southwest China. 830 suppliers were mainly in Southwest China, 341 suppliers were in East China, 56 suppliers were in Central China, and 56 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, and raw material and service suppliers such as Chongqing Lanjie Environmental Technology Co., Ltd.* (重慶藍潔環境技術有限公司), Kunming Kejingyuan Environmental Protection Technology Co., Ltd.* (昆明科淨源環保科技有限公司), Anning Jinyuan Industry and Trade Co., Ltd.* (安寧金源工貿有限公司), and Yunnan Novartis Environmental Protection Engineering Co., Ltd. (雲南諾華環保工程有限公司) which provide wastewater 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1,283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830家，華東地區341家，華中地區56家，其他地區56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，為我們提供污水處理化學品及其他設施運行維護材料的重慶藍潔環境技術有限公司、昆明科淨源環保科技有限公司、安寧金源工貿有限公司及雲南諾華環保工程有限公司等原材料及服務供應商。

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》), and conducts review and revision on a regular basis.

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 plant" principle that highlights respective conditions of each plant, thus ensuring smooth operation of each process. The Company also monitors inlet and outlet water quality. Daily water quality monitoring is entrusted to environmental monitoring companies with CMA (China Metrology Accreditation) certificates. Every day, water sample is tested in the morning, and test report is issued in the afternoon. Therefore, the Company obtains feedback timely and is able to make production instructions, thus ensuring that the quality of effluent water meets the discharge standards. Furthermore, the Company has an online monitoring system which monitors inlet and outlet water quality for 24 hours per day. Monitoring data are transferred simultaneously to municipal and provincial-level comprehensive monitoring and management platforms on pollution sources. Wastewater after treatment meets requirements as set out in the Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant (《城鎮污水處理廠污染物排放標準》(GB18918-2002)).

B6. 產品責任

公司高度重視產品的質量，嚴格遵守《城鎮污水處理廠污染物排放標準》、《建設項目竣工環境保護驗收管理辦法》、《生活飲用水衛生標準》等相關法律法規，在GB/T24001-2016《環境管理體系要求及使用指南》、GB/T19001-2016《質量管理體系要求》、GB/T45001-2020《職業健康安全管理體系要求及使用指南》的基礎上，結合公司特點，制定、實施和執行公司內部標準化管理體系並定期檢視修訂。

公司高度重視產品的品質，實施和執行公司內部標準化管理體系，確保出水水質穩定達標。報告期內，未發生已售或產品因安全與健康理由回收的情況，亦未收到客戶關於產品及服務的投訴。在生產過程中，各個關鍵工藝點均有即時資料監控，相關資料直接接至各廠中控監控系統和公司監控平台，操作人員嚴格按照一廠一冊的標準化運行手冊操作，保證工藝的正常運行，同時，進、出水的水質監控，公司依託具有CMA(中國計量認證「China Metrology Accreditation」)認證的環境監測公司每天檢測，每天上午取樣，下午出具檢測報告，檢測資料及時回饋和指導生產，確保出水水質的達標排放，不但如此，公司還有一套進出口線上監測系統，每天24小時檢測進出口水質，檢測資料同時上傳至市和省級污染源監測綜合管理平台。公司處理後的污水均執行《城鎮污水處理廠污染物排放標準》(GB18918-2002)。

Our customers are primarily local governments. Regarding the information from customers, the Company has an information management system and a complete platform of collection, transmission, accumulation and integration. The Company regularly upgrades its information platform management software, eliminates and replaces problematic facilities with regular maintenance, backup and hierarchical management of the system to ensure reliability of the system and, at the same time, regularly evaluates and upgrades the Company's network security system. In response to the government's confidentiality requirements, each department of the Company has formulated corresponding confidentiality plans in accordance with confidentiality regulations of the government and the Company to ensure the timeliness, accuracy, security and confidentiality of transmission of customer information.

我們的客戶主要是各地政府，對於來自客戶的資訊資料，公司已有資訊管理系統和完整的收集、傳輸、積累和整合的平台。公司對資訊平台管理軟件進行定期升級，淘汰和更換隱患設施，對系統定期進行維護，備份和分級管理，確保系統的可靠性，同時定期對公司網絡安全系統進行評估、升級。積極回應政府保密工作要求，公司各部門根據政府及公司保密工作規定，分別制定了相適應的保密工作方案，以保障客戶資訊資料傳輸的及時性、準確性、安全性和保密性。

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

Anti-corruption and anti-fraud compliance are the basic compliance risks of the Company's compliance system and have always been one of the important contents of the Company's compliance system construction. 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 disciplinary supervision. The Company is in strict observance with relevant laws, regulations and regulatory requirements, such as the "Company Law of the People's Republic of China" (《中華人民共和國公司法》), the "Supervision Law of the PRC" (《中華人民共和國監察法》), the "Law on Tendering and Bidding of the People's Republic of China" (《中華人民共和國招標投標法》), the "Anti-Unfair Competition Law of the People's Republic of China" (《中華人民共和國反不正當競爭法》), the "Anti-Money Laundering Law of the People's Republic of China"《(中華人民共和國反洗錢法》), the "Interim Provisions on Prohibition of Commercial Bribery" (《關於禁止商業賄賂行為的暫行規定》) and the "Regulations on Disciplinary Actions against Management Personnel of State-owned Enterprises" (《國有企業管理人員處分條例》), to ensure effective protection of legal interests of the Company and stakeholders including the employees, investors, creditors.

The Company has included integrity and honest practices in the code of conduct for all staff and management. As of the end of the Reporting Period, the Company has established 16 relevant systems, including the "Accountability Management Measures" (《問責管理辦法》) and the "Power List and Negative List for the Leader" (《一把手權利清單和負面清單》), and formulated a work list for the responsibility system of Party conduct and clean governance construction, implemented quarterly assessments to ensure early detection and rectification of problems; guided management members and employees to establish and strengthen the awareness of self-discipline through training promoting rectification through case studies, watching warning education films, visiting warning education bases and reporting typical cases. In addition, the Company has set up the Board of Supervisors, the disciplinary supervision department, and the internal audit department. The relevant departments supervise and review staff and management's compliance with integrity requirements. We will also sign integrity contracts with the partners involved in major contracts. The Board of Supervisors, the disciplinary supervision department and the internal audit department will promptly report to the senior management or the Board of Directors any corruption issues identified so that the management and the Board of Directors can take timely action to identify deficiencies and make rectification, hold the relevant personnel accountable and, if necessary, take judicial action to protect the legitimate rights and interests of the Company and its stakeholders.

B7. 反腐敗

反腐敗反舞弊合規屬於公司合規體系的基礎合規風險領域，一直是公司合規體系建設的重要內容之一。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、內部紀檢監督相結合的方式，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》、《關於禁止商業賄賂行為的暫行規定》及《國有企業管理人員處分條例》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，截至報告期末，公司建立了《問責管理辦法》、《一把手權力清單和負面清單》等16項相關制度，制定黨風廉政建設責任制工作清單，實行季度考核，確保存在問題早發現早整改；通過培訓、開展以案促改、觀看警示教育片、參觀警示教育基地、通報典型案例等方式，引導管理者、僱員樹立、樹牢自律意識。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；針對重大合同所涉及的合作方，會與其簽訂《廉政合同》。監事會、紀檢監察部門及內部審計部門對於發現的貪污問題，及時向高級管理層或董事會進行匯報以便管理層及董事會能夠及時行事，查缺補漏、追究相關人員責任，必要時採取司法途徑，保障公司及利益相關方的合法權益。

During the Reporting Period, a total of 4 persons were given disciplinary sanctions (administrative) by the Party for violating relevant discipline regulations of the Party, and the employment contract for 2 persons were terminated. During the Reporting Period, the Company had one concluded bribery litigation case against an employee. The defendant employee was sentenced to two years' imprisonment with three years' probation and fined RMB100,000 for the crime of accepting bribes.

報告期內，因僱員違反相關黨紀規定等給予黨紀、政務(行政)處分共4人，解除勞動合同2人。報告期內，公司有一起對僱員提出並已審結的受賄訴訟案件，被告僱員因犯受賄罪，被判處有期徒刑2年，緩刑3年並處罰金人民幣10萬元。

Save as above, during the Reporting Period, there were no other concluded corruption litigation cases brought against the Company.

除此以外，報告期內，公司無其他提出並已審結的貪污訴訟案件。

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. We have facilitated the communication channels for complaints and whistleblowing to become smooth, set up reporting mailboxes, internet mailboxes and on-site reception points in office areas, guided the employees to exercise their rights correctly and reflect problems in a scientific, standardized, quick and effective manner, and effectively collected clues to problems. 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，暢通信訪舉報渠道，在辦公區設置舉報信箱、網絡郵箱、現場接待點，引導僱員正確行使權利，科學規範、快速有效地反映問題，有效徵集問題線索。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*

In 2024, the Party Committee of the Company strived to give full play to the role of political core of the Party Committee, focusing on the development of Party building and promoting the development through Party building. During the year, 32 Party Committee meetings were held, of which a total of 402 "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.

1. *落實黨委主體責任，推動全面從嚴治黨*

2024年，公司黨委著力發揮黨委政治核心作用，圍繞發展抓黨建，抓好黨建促發展，全年共召開黨委會會議32次，審議決策「三重一大」事項共402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, strives to improve the effectiveness of supervision and discipline, established and improved the organisational system, and strengthened the supervision force. A total of 9 full-time discipline inspection cadres and 15 part-time discipline inspection cadres were set up. Based on the Company and its subsidiaries, a collaborative mechanism was established to form three lines of defence for business supervision, functional supervision and special supervision, highlighting the responsibility positioning of audit and economic physical examination, and highlighting the special supervision role of the discipline inspection department. The Company decomposed the tasks of party building and anti-corruption work to subsidiaries and departments to supervise the implementation.

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，建立健全組織體系，厚實監督力量，設置專職紀檢幹部共9名，兼職紀檢幹部15名，從本公司及各附屬企業出發，建立協同機制，形成業務監督、職能監督、專責監督三道防線，突出審計經濟體檢的職責定位，突出紀檢部門的專責監督作用。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。

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.

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. During the Reporting Period, the Company strengthened its connection with the community in which it operated through joint community Party building activities, and understood the community's needs for the fulfillment of corporate social responsibility through these activities. In 2024, the Company actively relied on existing environmental education bases to vigorously carry out ecological and environmental protection science popularization activities to propagandize "entering agencies, entering schools, entering communities". We adopted the approach of "inviting in" and "going out", invited cadres and employees of government agencies, enterprises and public institutions to visit the Company and organized the employees to enter the communities to conduct ecological civilization science popularization. We built a platform for the co-construction and sharing of environmental science popularization resources between schools and enterprises, moved the ecological civilization science popularization classroom into the water purification plant, promoted all the people to participate in the construction of ecological civilization, inspired the citizens' self-consciousness in cherishing precious water resources, established a good awareness of concern about water use, and called on the citizens to save water, cherish water and love water.

In terms of targeted poverty alleviation and rural revitalisation work, one employee was stationed as a member of the village work team to carry out village assistance. 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, organise labour unions and employees to purchase agricultural products from the assisted areas to help villagers in those areas expand sales channels for agricultural products, achieve increased income and support rural revitalization efforts through the "purchase to help" method.

In the future, the Company will continue to fulfill its social responsibilities enthusiastically, adhere to the values of " being 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。報告期內，公司通過社區黨建聯席活動加強與所在社區的聯繫，通過活動了解社區對於企業社會責任履行的需求。2024年，公司積極依託現有環保教育基地，積極開展生態環保科普宣傳「進機關、進學校、進社區」活動，採取「請進來」及「走出去」的方式，邀請政府機關、企事業單位幹部職工到公司參觀，組織職工進社區開展生態文明科普宣傳，搭建校企環保科普資源共建共享平台，將生態文明科普課堂搬進水質淨化廠，推動全民參與生態文明建設，激發市民珍惜寶貴水資源的自覺性，樹立良好的用水憂患意識，號召市民節水、惜水、愛水。

在定點幫扶和鄉村振興工作方面，派駐1名僱員為駐村工作隊員，開展駐村幫扶工作。在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，組織工會、職工個人購買幫扶地農產品，幫助幫扶地村民擴寬農產品銷售渠道，實現增收，通過以購代扶方式，助力鄉村振興工作。

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。

DCWT 滇池水务

KUNMING DIANCHI WATER TREATMENT CO.,LTD