DONGJIANG ENVIRONMENTAL COMPANY LIMITED*
東江環保股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 00895)

INSIDE INFORMATION
SUMMARY OF 2020 THIRD QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the overseas regulatory announcement issued by Dongjiang Environmental Company Limited* (the "**Company**") dated 22 October 2020 (the "**Announcement**") in relation to the full 2020 Third Quarterly Report of the Company. Set out below is a summary of the key information as set out in the said quarterly report:

Unless otherwise specified, financial information of the Company are presented in Renminbi ("**RMB**").

A. FINANCIAL STATEMENT

(1) Consolidated Balance Sheet

Unit: RMB Yuan

Item	As at 30 September 2020 (unaudited)	As at 31 December 2019 (audited)
Current assets:		
Monetary fund	600,659,111.45	1,104,760,604.12
Settlement deposits		
Placements with banks and other financial institutions		
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable		

Accounts receivable	901,008,355.39	843,722,663.17
Receivables financing	95,743,345.02	82,320,731.83
Prepayments	50,484,190.67	45,138,920.21
Premium receivable		
Reinsurance accounts receivable		
Provision for reinsurance contract receivable		
Other accounts receivable	115,110,791.95	206,849,864.62
Including: Interest receivable		
Dividend receivable		
Financial assets purchased for resale		
Inventories	287,785,793.15	299,713,491.05
Loans	134,790,200.00	160,230,200.00
Contractual assets	107,984,709.63	117,916,128.85
Assets held-for-sale		
Non-current asset due within one year	41,252,309.46	41,252,309.46
Other current assets	133,267,146.72	123,768,237.84
Total current assets	2,468,085,953.44	3,025,673,151.15
Non-current assets:		
Granted loans and advances		
Debt investments		
Other debt investments		
Long-term accounts receivable	9,565,533.47	8,961,990.00
Long-term equity investment	292,629,839.77	252,750,134.50
Investment in other equity instruments		
Other non-current financial assets		
Investment properties	433,545,129.00	433,545,129.00
Fixed assets	2,819,359,601.02	2,813,344,463.38
Construction in progress	1,290,068,480.68	1,242,121,933.61
Productive biological assets		
Oil and gas assets		
Right-of-use assets	12,332,988.05	15,085,259.91
Intangible assets	1,394,306,306.40	1,105,036,034.35

Development expenditure	20,221,216.82	17,824,511.89
Goodwill	1,287,972,708.47	1,287,972,708.47
Long-term unamortized expenses	32,955,992.91	39,936,272.55
Deferred income tax assets	41,456,519.65	38,423,861.41
Other non-current assets	168,569,523.41	114,756,634.20
Total non-current assets	7,802,983,839.65	7,369,758,933.27
Total assets	10,271,069,793.09	10,395,432,084.42
Current liabilities:		
Short-term borrowings	2,000,342,256.66	1,744,166,400.00
Borrowings from central bank		
Due to banks and other financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	144,500.00	100,360,000.00
Accounts payable	618,084,418.23	685,891,301.15
Receipts in advance	112,500.00	427,500.00
Contractual liabilities	160,613,582.54	169,267,583.05
Financial assets sold under repurchase agreements		
Receipt of deposits and deposits from other banks		
Funds received as agent of stock exchange		
Funds received as stock underwrite		
Employee benefits payables	66,906,238.34	80,092,436.28
Tax payable	60,188,261.39	60,094,844.63
Other accounts payable	651,068,424.15	607,792,930.28
Including: Interest payable	3,856,454.42	2,664,917.36
Dividend payable	131,890,065.30	
Handling charges and commission payable		
Reinsurance accounts payable		
Liabilities held-for-sale		
Non-current liabilities due within one year	137,005,071.59	948,934,124.61
Other current liabilities		

Total current liabilities	3,694,465,252.90	4,397,027,120.00
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	640,245,780.27	769,659,397.28
Bonds payable	607,333,234.85	
Including: Preferred shares		
Perpetual bond		
Lease liabilities	7,620,767.00	10,652,315.39
Long-term accounts payables	1,375,037.43	2,957,612.44
Long-term employee benefits payables		
Estimated liabilities		
Deferred income	154,608,738.60	164,927,855.66
Deferred income tax liabilities	15,364,414.14	15,364,414.14
Other non-current liabilities		
Total non-current liabilities	1,426,547,972.29	963,561,594.91
Total liabilities	5,121,013,225.19	5,360,588,714.91
Shareholders' equity:		
Share capital	879,267,102.40	879,267,102.40
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	438,712,765.03	438,712,765.03
Less: Treasury stock		
Other comprehensive income	17,966,255.45	17,001,236.23
Special reserves	4,330,685.26	5,499,114.43
Surplus reserves	219,355,623.05	219,355,623.05
Provision for normal risks	5,611,350.00	5,611,350.00
Undistributed profits	2,876,704,080.81	2,779,184,572.18
Total equity attributable to owners of the parent company	4,441,947,862.00	4,344,631,763.32
Minority interests	708,108,705.90	690,211,606.19
Total owners' equity	5,150,056,567.90	5,034,843,369.51
Total liabilities and owners' equity	10,271,069,793.09	10,395,432,084.42

(2) Balance Sheet of the Company

Unit: RMB Yuan

Item	As at 30 September 2020 (unaudited)	As at 31 December 2019 (audited)
Current assets:		
Monetary fund	372,187,590.39	578,525,911.40
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	316,767,079.00	238,897,083.09
Receivables financing	2,372,413.28	16,373,751.31
Prepayments	1,517,140.08	3,428,438.14
Other accounts receivable	2,088,828,371.30	2,492,136,490.13
Including: Interest receivable		
Dividend receivable		
Inventories	8,550,337.96	10,502,398.38
Contractual assets	78,847,597.11	87,686,156.86
Assets held-for-sale		
Non-current asset due within one year	41,252,309.46	41,252,309.46
Other current assets	1,685,166.48	4,335,342.89
Total current assets	2,912,008,005.06	3,473,137,881.66
Non-current assets:		
Debt investments		
Other debt investments		
Long-term accounts receivable	765,161.47	700,000.00
Long-term equity investment	4,502,296,398.17	3,827,810,592.90
Investment in other equity instruments		
Other non-current financial assets		
Investment properties	80,717,000.00	80,717,000.00
Fixed assets	77,454,829.43	92,925,512.36
Construction in progress	6,806,526.21	9,486,978.89

Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	85,908,480.69	95,495,975.84
Development expenditure	18,552,069.64	16,155,364.71
Goodwill		
Long-term unamortized expenses	6,797,654.67	3,403,706.11
Deferred income tax assets	22,947,052.89	22,947,052.89
Other non-current assets	59,565,770.05	62,221,560.10
Total non-current assets	4,861,810,943.22	4,211,863,743.80
Total assets	7,773,818,948.28	7,685,001,625.46
Current liabilities:		
Short-term borrowings	1,870,352,256.66	1,592,000,000.00
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		100,000,000.00
Accounts payable	99,496,982.23	142,912,588.21
Receipts in advance		
Contractual liabilities	10,143,989.65	774,080.52
Employee benefits payables	1,230,539.94	3,091,271.03
Tax payable	4,539,499.08	3,022,552.00
Other accounts payable	2,064,868,632.28	2,093,865,668.97
Including: Interest payable	6,882,893.67	1,770,389.13
Dividend payable		
Liabilities held-for-sale		
Non-current liabilities due within one year	18,200,000.00	619,201,904.88
Other current liabilities		
Total current liabilities	4,068,831,899.84	4,554,868,065.61

Non-current liabilities:		
Long-term borrowings	25,400,000.00	134,600,000.00
Bonds payable	607,333,234.85	
Including: Preferred shares		
Perpetual bond		
Lease liabilities		
Long-term accounts payables		
Long-term employee benefits payables		
Estimated liabilities		
Deferred income	10,991,287.15	11,562,201.19
Deferred income tax liabilities	6,026,751.69	6,026,751.69
Other non-current liabilities		
Total non-current liabilities	649,751,273.69	152,188,952.88
Total liabilities	4,718,583,173.53	4,707,057,018.49
Shareholders' equity:		
Share capital	879,267,102.40	879,267,102.40
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	533,103,277.48	533,103,277.48
Less: Treasury stock		
Other comprehensive income	3,509,701.20	3,509,701.20
Special reserves		
Surplus reserves	202,844,347.95	202,844,347.95
Undistributed profits	1,436,511,345.72	1,359,220,177.94
Total owners' equity	3,055,235,774.75	2,977,944,606.97
Total liabilities and owners' equity	7,773,818,948.28	7,685,001,625.46

(3) Consolidated Income Statement for the Reporting Period

Unit: RMB Yuan

Item	For the three months ended 30 September 2020 (unaudited)	For the three months ended 30 September 2019 (unaudited)
I. Total operating revenue	823,336,475.02	887,564,909.39
Including: Operating revenue	823,336,475.02	887,564,909.39
Interest income		
Premium income		
Handling charges and commission income		
II. Total operating cost	764,955,601.31	755,182,382.59
Including: Cost of operation	577,205,326.77	565,889,821.17
Interest expenses		
Handling charges and commission expenses		
Surrenders		
Net claims expenses		
Net provisions for insurance contracts reserve		
Insurance policy dividend paid		
Reinsurance costs		
Tax and levies	10,620,316.85	10,631,336.35
Selling expenses	28,980,739.04	34,608,866.45
Administrative expenses	95,211,186.99	79,158,286.28
Research and development expenses	28,181,433.81	28,171,970.94
Finance costs	24,756,597.85	36,722,101.40
Including: Interest expense	27,608,523.24	40,344,869.25
Interest income	3,502,796.19	4,407,461.14
Add: Other gains	22,231,948.83	47,643,096.40
Gain from investment (Loss represented in "-" signs)	1,054,933.78	1,199,974.04

Including: Investment revenue in associates and joint ventures	1,054,933.78	1,199,974.04
Derecognition income of financial asset measured at the amortized cost		
Exchange gain (Loss represented in “-” signs)		
Gain from net exposure hedges (Loss represented in “-” signs)		
Gain on fair value changes (Loss represented in “-” signs)		
Credit impairment loss (Loss represented in “-” signs)	-1,788,199.23	-74,030,955.17
Asset impairment loss (Loss represented in “-” signs)		143,984.85
Disposal gain on asset (Loss represented in “-” signs)	18,293,288.67	35,155.38
III. Operating profit (Loss represented in “-” signs)	98,172,845.76	107,373,782.30
Add: Non-operating income	3,356,164.43	5,384,433.42
Less: Non-operating expenses	-48,662.67	1,488,335.92
IV. Total profit (Total loss represented in “-” signs)	101,577,672.86	111,269,879.80
Less: Income tax expenses	22,396,635.47	17,963,066.80
V. Net profit (Net loss represented in “-” signs)	79,181,037.39	93,306,813.00
(1) Classified on a going concern basis		
1. Net profit from continuing operations (Net loss represented in “-” signs)	79,181,037.39	93,306,813.00

2. Net profit from discontinued operations (Net loss represented in "-" signs)		
(2) Classified according to the ownership		
1. Net profit attributable to owners of the parent company	68,867,618.71	79,619,996.54
2. Profit and loss attributable to minority interests	10,313,418.68	13,686,816.46
VI. Other comprehensive income, net of tax	-163,193.98	-240,440.19
Other comprehensive income attributable to owners of the parent company, net of tax	-163,193.98	-240,440.19
(1) Items cannot be reclassified to profit and loss		
1. Changes arising from remeasurement of defined benefit plan		
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Change in fair value due to enterprise's own credit risk		
5. Others		
(2) Items can be reclassified to profit and loss	-163,193.98	-240,440.19
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		

2. Changes in fair value of other debt investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provisions for other debt investments		
5. Reserves for cash flow hedge		
6. Exchange difference on translation of financial statement in foreign currency	-163,193.98	-240,440.19
7. Others		
Other comprehensive income attributable to minority interests, net of tax		
VII. Total comprehensive income	79,017,843.41	93,066,372.81
Attributable to owners of the parent company	68,704,424.73	79,379,556.35
Attributable to minority interests	10,313,418.68	13,686,816.46
VIII. Earnings per share:		
(1) Basic earnings per share	0.08	0.09
(2) Diluted earnings per share	0.08	0.09

(4) Income Statement of the Company for the Reporting Period

Unit: RMB Yuan

Item	For the nine months ended 30 September 2020 (unaudited)	For the nine months ended 30 September 2019 (unaudited)
I. Operating revenue	109,515,024.92	159,052,678.20
Less: Cost of operation	91,475,415.17	131,916,592.74
Tax and levies	397,810.30	748,996.39
Selling expenses	1,529,937.99	707,027.92
Administrative expenses	13,799,442.21	11,882,104.05
Research and development expenses	1,940,943.88	1,845,468.99
Finance costs	11,641,716.46	20,034,696.22
Including: Interest expense	13,196,079.47	21,791,153.34
Interest income	1,984,626.31	2,241,314.75
Add: Other gains	1,096,651.88	4,494,668.00
Gain from investment (Loss represented in "-" signs)	159,091,033.78	54,895,510.02
Including: Investment revenue in associates and joint ventures	1,054,933.78	1,199,974.04
Derecognition income of financial asset measured at the amortized cost		
Gain from net exposure hedges (Loss represented in "-" signs)		
Gain on fair value changes (Loss represented in "-" signs)		
Credit impairment loss (Loss represented in "-" signs)	-30,165.49	-76,821,586.33
Asset impairment loss (Loss represented in "-" signs)		
Disposal gain on asset (Loss represented in "-" signs)	18,086,777.07	-23,164.29

II.	Operating profit (Loss represented in "-" signs)	166,974,056.15	-25,536,780.71
	Add: Non-operating income	78,482.20	-119,848.75
	Less: Non-operating expenses	5,809.50	14,158.25
III.	Total profit (Total loss represented in "-" signs)	167,046,728.85	-25,670,787.71
	Less: Income tax expenses	1,095,680.70	
IV.	Net profit (Net loss represented in "-" signs)	165,951,048.15	-25,670,787.71
	(1) Net profit from continuing operations (Net loss represented in "-" signs)	165,951,048.15	-25,670,787.71
	(2) Net profit from discontinued operations (Net loss represented in "-" signs)		
V.	Other comprehensive income, net of tax		
	(1) Items cannot be reclassified to profit and loss		
	1. Changes arising from remeasurement of defined benefit plan		
	2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
	3. Changes in fair value of other equity instrument investments		
	4. Change in fair value due to enterprise's own credit risk		
	5. Others		

(2) Items can be reclassified to profit and loss		
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		
2. Changes in fair value of other debt investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provisions for other debt investments		
5. Reserves for cash flow hedge		
6. Exchange difference on translation of financial statement in foreign currency		
7. Others		
VI. Total comprehensive income	165,951,048.15	-25,670,787.71
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

(5) Consolidated Income Statement from the beginning of the Year to the end of Reporting Period

Unit: RMB Yuan

Item	For the nine months ended 30 September 2020 (unaudited)	For the nine months ended 30 September 2019 (unaudited)
I. Total operating revenue	2,302,366,568.05	2,577,444,170.68
Including: Operating revenue	2,302,366,568.05	2,577,444,170.68
Interest income		
Premium income		
Handling charges and commission income		
II. Total operating cost	2,105,098,072.00	2,187,725,525.47
Including: Cost of operation	1,567,491,458.81	1,635,698,897.80
Interest expenses		
Handling charges and commission expenses		
Surrenders		
Net claims expenses		
Net provisions for insurance contracts reserve		
Insurance policy dividend paid		
Reinsurance costs		
Tax and levies	30,889,053.59	32,912,000.61
Selling expenses	77,465,341.76	90,136,677.50
Administrative expenses	261,130,188.01	242,688,492.83
Research and development expenses	79,968,773.91	79,948,075.87
Finance costs	88,153,255.92	106,341,380.86
Including: Interest expense	97,044,016.92	116,524,404.67
Interest income	10,097,769.35	11,219,541.51

Add: Other gains	79,172,053.20	121,843,876.60
Gain from investment (Loss represented in "-" signs)	10,124,271.71	12,686,603.12
Including: Investment revenue in associates and joint ventures	10,329,705.27	7,660,059.10
Derecognition income of financial asset measured at the amortized cost		
Exchange gain (Loss represented in "-" signs)		
Gain from net exposure hedges (Loss represented in "-" signs)		
Gain on fair value changes (Loss represented in "-" signs)		
Credit impairment loss (Loss represented in "-" signs)	-5,095,397.63	-82,175,186.79
Asset impairment loss (Loss represented in "-" signs)		143,984.85
Disposal gain on asset (Loss represented in "-" signs)	17,553,490.97	370,788.18
III. Operating profit (Loss represented in "-" signs)	299,022,914.30	442,588,711.17
Add: Non-operating income	5,183,341.64	6,780,040.34
Less: Non-operating expenses	5,696,451.35	3,652,581.74
IV. Total profit (Total loss represented in "-" signs)	298,509,804.59	445,716,169.77
Less: Income tax expenses	61,633,130.95	61,388,095.45
V. Net profit (Net loss represented in "-" signs)	236,876,673.64	384,328,074.32
(1) Classified on a going concern basis		
1. Net profit from continuing operations (Net loss represented in "-" signs)	236,876,673.64	384,328,074.32

2. Net profit from discontinued operations (Net loss represented in "-" signs)		
(2) Classified according to the ownership		
1. Net profit attributable to owners of the parent company	229,409,573.93	332,055,138.77
2. Profit and loss attributable to minority interests	7,467,099.71	52,272,935.55
VI. Other comprehensive income, net of tax	965,019.22	-1,644,226.06
Other comprehensive income attributable to owners of the parent company, net of tax	965,019.22	-1,644,226.06
(1) Items cannot be reclassified to profit and loss		
1. Changes arising from remeasurement of defined benefit plan		
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Change in fair value due to enterprise's own credit risk		
5. Others		
(2) Items can be reclassified to profit and loss	965,019.22	-1,644,226.06
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		
2. Changes in fair value of other debt investment		

3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provisions for other debt investments		
5. Reserves for cash flow hedge		
6. Exchange difference on translation of financial statement in foreign currency	965,019.22	-1,644,226.06
7. Others		
Other comprehensive income attributable to minority interests, net of tax		
VII. Total comprehensive income	237,841,692.86	382,683,848.26
Attributable to owners of the parent company	230,374,593.15	330,410,912.71
Attributable to minority interests	7,467,099.71	52,272,935.55
VIII. Earnings per share:		
(1) Basic earnings per share	0.26	0.38
(2) Diluted earnings per share	0.26	0.38

(6) Income Statement of the Company from the beginning of the Year to the end of Reporting Period

Unit: RMB Yuan

Item	For the nine months ended 30 September 2020 (unaudited)	For the nine months ended 30 September 2019 (unaudited)
I. Operating revenue	335,569,916.00	452,424,095.08
Less: Cost of operation	293,287,872.55	367,110,084.65
Tax and levies	1,319,988.46	2,169,909.42
Selling expenses	3,087,083.18	2,873,031.19
Administrative expenses	37,199,765.36	30,449,821.26
Research and development expenses	7,189,654.24	5,573,185.12
Finance costs	37,888,321.01	60,591,207.20
Including: Interest expense	43,379,088.63	67,047,593.52
Interest income	7,329,647.75	7,171,275.04
Add: Other gains	2,831,536.34	8,022,169.55
Gain from investment (Loss represented in "-" signs)	231,754,730.00	216,960,105.91
Including: Investment revenue in associates and joint ventures	10,329,705.27	7,660,059.10
Derecognition income of financial asset measured at the amortized cost		
Gain from net exposure hedges (Loss represented in "-" signs)		
Gain on fair value changes (Loss represented in "-" signs)		
Credit impairment loss (Loss represented in "-" signs)	207,922.94	-70,588,918.64
Asset impairment loss (Loss represented in "-" signs)		
Disposal gain on asset (Loss represented in "-" signs)	19,420,294.41	72,065.83

II. Operating profit (Loss represented in "-" signs)	209,811,714.89	138,122,278.89
Add: Non-operating income	118,168.19	271,890.59
Less: Non-operating expenses	17,525.81	40,915.76
III. Total profit (Total loss represented in "-" signs)	209,912,357.27	138,353,253.72
Less: Income tax expenses	731,124.19	2,040.14
IV. Net profit (Net loss represented in "-" signs)	209,181,233.08	138,351,213.58
(1) Net profit from continuing operations (Net loss represented in "-" signs)	209,181,233.08	138,351,213.58
(2) Net profit from discontinued operations (Net loss represented in "-" signs)		
V. Other comprehensive income, net of tax		
(1) Items cannot be reclassified to profit and loss		
1. Changes arising from remeasurement of defined benefit plan		
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Change in fair value due to enterprise's own credit risk		
5. Others		
(2) Items can be reclassified to profit and loss		
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		
2. Changes in fair value of other debt investment		

3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provisions for other debt investments		
5. Reserves for cash flow hedge		
6. Exchange difference on translation of financial statement in foreign currency		
7. Others		
VI. Total comprehensive income	209,181,233.08	138,351,213.58
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

(7) Consolidated Cash Flow Statement from the beginning of the Year to the end of Reporting Period

Unit: RMB Yuan

Item	For the nine months ended 30 September 2020 (unaudited)	For the nine months ended 30 September 2019 (unaudited)
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	2,606,269,259.25	2,830,888,963.96
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from original insurance contract premium		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interest, handling charges and commission	6,920,094.69	23,833,723.50
Net increase in placements from banks and other financial institutions		
Net increase in cash from repurchase business		
Net cash received from securities brokerage services		
Refund of taxes and levies	38,464,476.63	69,716,287.87
Other cash receipts relating to operating activities	32,651,249.66	40,075,081.41
Sub-total of cash inflows from operating activities	2,684,305,080.23	2,964,514,056.74
Cash paid for goods and services	1,361,873,664.53	1,454,845,496.54
Net increase in customer loans and advances	-25,440,000.00	-207,760,000.00
Net increase in deposits with central bank and other banks		

Cash paid for compensation under original insurance contract		
Net increase in placements with banks and other financial institutions		
Cash paid for interests, handling charges and commissions		
Cash paid for policyholders' dividend		
Cash paid to and on behalf of employees	448,887,033.26	467,659,976.82
Payments of taxes and levies	200,701,636.46	274,097,700.92
Other cash payments relating to operating activities	71,857,556.85	95,100,782.61
Sub-total of cash outflows from operating activities	2,057,879,891.10	2,083,943,956.89
Net cash flows from operating activities	626,425,189.13	880,570,099.85
II. Cash flows from investing activities:		
Cash received from investments		25,850,000.00
Cash received from returns on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	31,236,156.26	711,794.29
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities		
Sub-total of cash inflows from investing activities	31,236,156.26	26,561,794.29
Cash paid to acquire fixed assets, intangible assets and other long-term assets	727,614,197.08	502,777,386.89
Cash paid on investments	43,872,500.00	10,388,000.00
Net increase in pledged loans		
Net cash paid on acquisition of subsidiaries and other operating unit		62,346,247.39
Other cash payments relating to investing activities		

Sub-total of cash outflows from investing activities	771,486,697.08	575,511,634.28
Net cash flows from investing activities	-740,250,540.82	-548,949,839.99
III. Cash flows from financing activities:		
Cash received from financing	69,100,000.00	21,750,000.00
Including: Cash received by subsidiaries from investment from minority shareholders	69,100,000.00	21,750,000.00
Cash received from borrowings	2,305,207,180.77	1,908,983,091.50
Cash received from other financing activities		
Sub-total of cash inflows from financing activities	2,374,307,180.77	1,930,733,091.50
Cash payments for settlement of borrowings	2,455,281,254.80	1,716,211,094.78
Cash payments for distribution of dividend, profit or interest expenses	308,838,978.78	299,781,578.72
Including: Cash payments for distribution of dividends and profit by subsidiaries to minority shareholders	184,160,065.30	67,343,000.00
Other cash payments relating to financing activities		58,826,475.00
Sub-total of cash outflows from financing activities	2,764,120,233.58	2,074,819,148.50
Net cash flows from financing activities	-389,813,052.81	-144,086,057.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-1,168,429.17	-1,644,226.05
V. Net increase in cash and cash equivalents	-504,806,833.67	185,889,976.81
Add: Balances of cash and cash equivalents at beginning of period	1,096,743,745.12	1,028,991,292.47
VI. Balances of cash and cash equivalents at end of period	591,936,911.45	1,214,881,269.28

(8) Cash Flow Statement of the Company from the beginning of the Year to the end of Reporting Period

Unit: RMB Yuan

Item	For the nine months ended 30 September 2020 (unaudited)	For the nine months ended 30 September 2019 (unaudited)
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	326,689,402.19	552,457,691.45
Refund of taxes and levies	183,190.63	4,655,593.10
Other cash receipts relating to operating activities	3,022,837,101.16	407,660,358.52
Sub-total of cash inflows from operating activities	3,349,709,693.98	964,773,643.07
Cash paid for goods and services	302,921,930.10	389,984,068.83
Cash paid to and on behalf of employees	52,014,505.19	82,133,924.75
Payments of taxes and levies	11,371,965.79	19,109,381.93
Other cash payments relating to operating activities	2,996,275,835.62	532,526,942.53
Sub-total of cash outflows from operating activities	3,362,584,236.70	1,023,754,318.04
Net cash flows from operating activities	-12,874,542.72	-58,980,674.97
II. Cash flows from investing activities:		
Cash received from investments		
Cash received from returns on investments	239,118,924.73	209,234,966.81
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	30,045,577.87	
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities		
Sub-total of cash inflows from investing activities	269,164,502.60	209,234,966.81
Cash paid to acquire fixed assets, intangible assets and other long-term assets	10,069,978.50	13,253,660.00

Cash paid on investments	346,172,500.00	84,638,000.00
Net cash paid on acquisition of subsidiaries and other operating unit		62,346,247.39
Other cash payments relating to investing activities		
Sub-total of cash outflows from investing activities	356,242,478.50	160,237,907.39
Net cash flows from investing activities	-87,077,975.90	48,997,059.42
III. Cash flows from financing activities:		
Cash received from financing		
Cash received from borrowings	2,034,352,256.66	1,752,140,000.00
Cash received from other financing activities		1,353,204,243.43
Sub-total of cash inflows from financing activities	2,034,352,256.66	3,105,344,243.43
Cash payments for settlement of borrowings	1,940,312,000.00	1,472,088,000.00
Cash payments for distribution of dividend, profit or interest expenses	200,426,059.05	181,024,569.95
Other cash payments relating to financing activities		1,271,045,501.55
Sub-total of cash outflows from financing activities	2,140,738,059.05	2,924,158,071.50
Net cash flows from financing activities	-106,385,802.39	181,186,171.93
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-206,338,321.01	171,202,556.38
Add: Balances of cash and cash equivalents at beginning of period	578,025,911.40	711,461,806.71
VI. Balances of cash and cash equivalents at end of period	371,687,590.39	882,664,363.09

Shareholders and investors of the Company should refer to the 2020 Third Quarterly Report set out in the Announcement for more details.

The board of directors, supervisory committee and the directors, supervisors and senior management of the Company undertake that the 2020 Third Quarterly Report does not contain any false information, misleading statements or material omission, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the contents contained in the 2020 Third Quarterly Report.

All financial information set out above is unaudited and prepared in accordance with the PRC Accounting Standards of the People's Republic of China.

By order of the Board
Dongjiang Environmental Company Limited*
Tan Kan
Chairman

Shenzhen, Guangdong Province
The People's Republic of China
22 October 2020

As at the date of this announcement, the Board of Directors of the Company comprises two executive Directors, being Mr. Tan Kan and Mr. Lin Peifeng; three non-executive Directors, being Mr. Huang Yiming, Mr. Lu Bei and Mr. Jin Yongfu; and three independent non-executive Directors, being Mr. Zhu Zhengfu, Mr. Qu Jiu Hui and Mr. Wong Hin Wing.

* *For identification purpose only*