



雲南水務

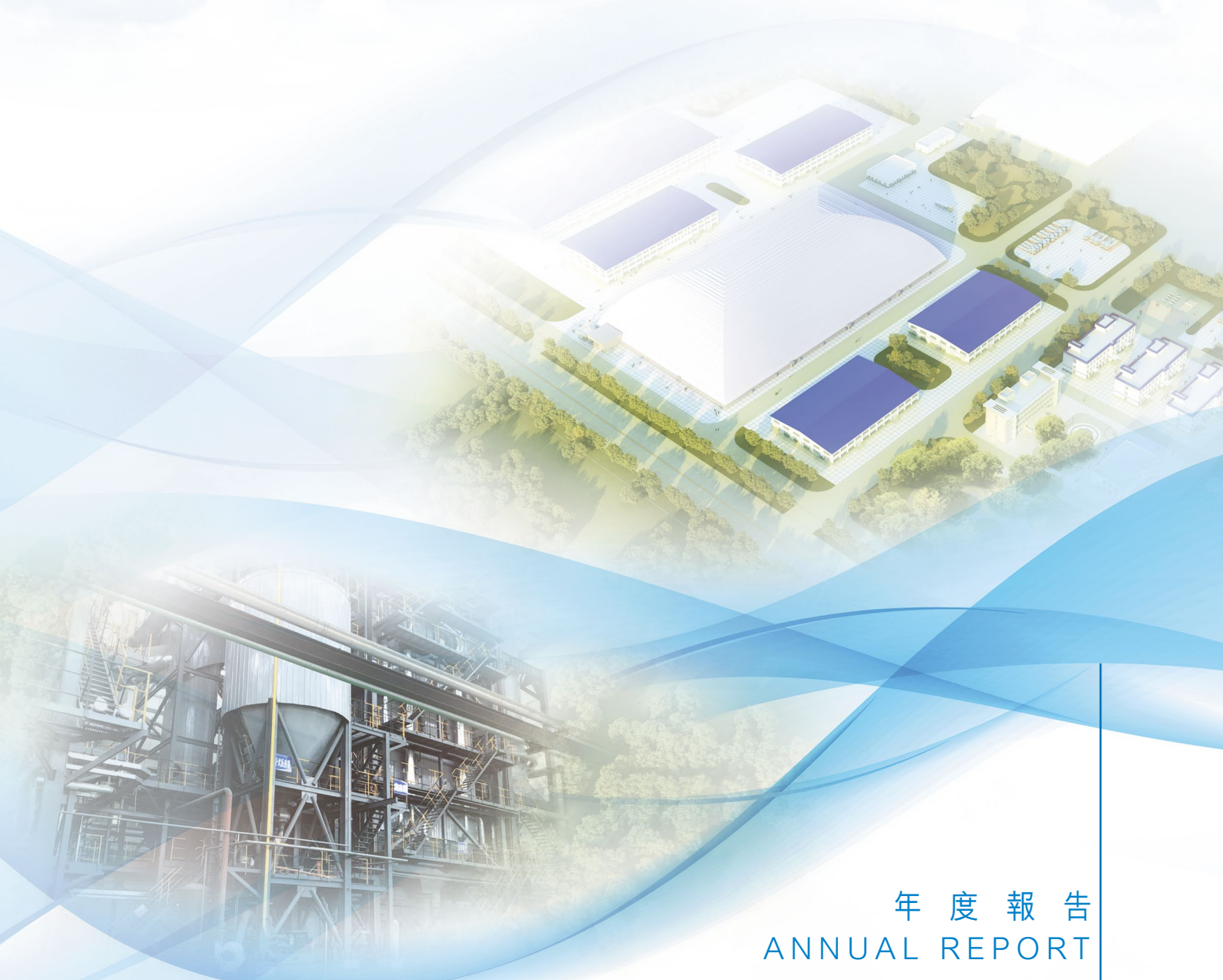
# 雲南水務投資股份有限公司

YUNNAN WATER INVESTMENT CO., LIMITED\*

(於中華人民共和國註冊成立的股份有限公司)

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

股份代號 Stock Code : 06839



年度報告  
ANNUAL REPORT  
2021

\* 僅供識別 For identification purposes only



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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yu Long (*Acting Chairman, General Manager*)  
Mr. Zhou Zhimi

#### Non-executive Directors

Mr. Dai Richeng  
Mr. Chen Yong  
Mr. Liu Hui

#### Independent Non-executive Directors

Mr. Liu Shuen Kong  
Mr. Zhong Wei  
Mr. Zhou Beihai

### AUDIT COMMITTEE

Mr. Liu Shuen Kong (*Chairman*)  
Mr. Zhong Wei  
Mr. Zhou Beihai

### REMUNERATION COMMITTEE

Mr. Zhong Wei (*Chairman*)  
Mr. Yu Long  
Mr. Zhou Beihai

### NOMINATION COMMITTEE

Mr. Yu Long (*Acting Chairman*)  
Mr. Zhong Wei  
Mr. Zhou Beihai

### COMPLIANCE COMMITTEE

Mr. Zhong Wei (*Chairman*)  
Mr. Yu Long  
Mr. Liu Shuen Kong  
Mr. Zhou Beihai  
Mr. Huang Yi (*Supervisor*)

### COMPANY SECRETARY

Mr. Li Bo

### 董事會

#### 執行董事

于龍先生(*代理董事長·總經理*)  
周志密先生

#### 非執行董事

戴日成先生  
陳勇先生  
劉暉先生

#### 獨立非執行董事

廖船江先生  
鐘偉先生  
周北海先生

### 審核委員會

廖船江先生(*主席*)  
鐘偉先生  
周北海先生

### 薪酬委員會

鐘偉先生(*主席*)  
于龍先生  
周北海先生

### 提名委員會

于龍先生(*代主席*)  
鐘偉先生  
周北海先生

### 合規委員會

鐘偉先生(*主席*)  
于龍先生  
廖船江先生  
周北海先生  
黃軼先生(*監事*)

### 公司秘書

李博先生



## AUTHORISED REPRESENTATIVES

Mr. Yu Long  
Mr. Zhou Zhimi

## HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

Yunnan Water  
2089 Haiyuan Bei Road  
Gaoxin District Kunming  
Yunnan  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 3110-11  
31/F, Tower 1, The Gateway, Harbour City  
25 Canton Road, Tsim Sha Tsui  
Kowloon  
Hong Kong

## BRANCH SHARE REGISTRAR IN HONG KONG

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## LEGAL ADVISERS

### As to Hong Kong law:

LC Lawyers LLP  
Suite 3106, 31/F  
One Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong

### As to PRC law:

Jia Yuan Law Offices  
4th Floor Ocean Plaza  
158 Fuxing Men Nei Street  
Xicheng District, Beijing  
PRC

## 授權代表

于龍先生  
周志密先生

## 總部及中華人民共和國主要營業地址

中國  
雲南昆明  
高新技術開發區  
海源北路2089號  
雲南水務

## 香港主要營業地點

香港  
九龍  
尖沙咀廣東道25號  
海港城港威大廈第1座31樓  
3110-11室

## 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心54樓

## 法律顧問

### 有關香港法律：

林朱律師事務所有限法律責任合夥  
香港  
鰂魚涌英皇道979號  
太古坊一座  
31樓3106室

### 有關中國法律：

嘉源律師事務所  
中國北京  
西城區  
復興門內大街158號  
遠洋大廈4層

# Corporate Information

## 公司資料

### PRINCIPAL BANKERS

Industrial Bank Co., Ltd.  
China Development Bank  
Agricultural Bank of China Limited  
Agricultural Development Bank of China  
China Construction Bank Corporation  
Industrial and Commercial Bank of China Limited  
Shanghai Pudong Development Bank Co., Ltd.  
China CITIC Bank Corporation Limited  
China Everbright Bank Company Limited  
Hua Xia Bank Co., Limited

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor

### STOCK CODE

6839

### COMPANY'S WEBSITE

<http://www.yunnanwater.cn>

### 主要往來銀行

興業銀行股份有限公司  
國家開發銀行  
中國農業銀行股份有限公司  
中國農業發展銀行  
中國建設銀行股份有限公司  
中國工商銀行股份有限公司  
上海浦東發展銀行股份有限公司  
中信銀行股份有限公司  
中國光大銀行股份有限公司  
華夏銀行股份有限公司

### 核數師

羅兵咸永道會計師事務所  
執業會計師  
註冊公眾利益實體核數師

### 股份代號

6839

### 公司網址

<http://www.yunnanwater.cn>

In this annual report, unless the context otherwise requires, the following expressions shall have the following meanings:

於本年報內，除文義另有所指外，下列詞彙具有以下涵義：

“Acting in Concert Parties”	Mr. Liu Xujun, Mr. Huang Yunjian and Mr. Wang Yong
「一致行動人士」	劉旭軍先生、黃雲建先生、王勇先生
“AGM”	the annual general meeting of the Company to be convened and held on or before 30 June 2022
「股東週年大會」	本公司將於二零二二年六月三十日或之前舉行之股東週年大會
“Articles of Association”	the articles of association of the Company
「公司章程」	本公司的公司章程
“associate(s)”	has the meaning ascribed to it under the Listing Rules
「聯繫人」	具有上市規則賦予該詞的涵義
“Beijing OriginWater”	Beijing OriginWater Technology Co., Ltd.* (北京碧水源科技股份有限公司), a joint stock limited liability company established in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 300070)
「北京碧水源」	北京碧水源科技股份有限公司，於中國成立的股份有限公司，其股份在深圳證券交易所上市（股份代號：300070）
“Board” or “Board of Directors”	the board of directors of the Company
「董事會」	本公司的董事會
“Chairman”	the Chairman of the Company
「董事長」	本公司董事長
“Company”, “our Company” or “Yunnan Water”	Yunnan Water Investment Co., Limited* (雲南水務投資股份有限公司), a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6839)
「本公司」或「雲南水務」	雲南水務投資股份有限公司，於中國註冊成立的股份有限公司，其H股在聯交所主板上市（股份代號：6839）
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
「關連人士」	具有上市規則賦予該詞的涵義
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
「控股股東」	具有上市規則賦予該詞的涵義
“Corporate Governance Code”	the Corporate Governance Code and Corporate Governance Report, as set out in Appendix 14 to the Listing Rules
「企業管治守則」	上市規則附錄十四所載的企業管治守則及企業管治報告
“Director(s)”	the director(s) of our Company
「董事」	本公司董事

## Definitions 釋義

“Domestic Share(s)”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are subscribed for or credited as paid up in RMB
「內資股」	以人民幣認購或列作繳足的本公司股本中每股面值人民幣1.00元的已發行普通股
“ESG”	environmental, social, and governance
「ESG」	環境、社會及管治
“ESG Guide”	the Environmental, Social and Governance Reporting Guide, as set out in Appendix 27 to the Listing Rules
「ESG指引」	環境、社會及管治報告指引，如上市規則附錄27所述
“Group” or “our Group”	the Company and its subsidiaries from time to time
「本集團」	本公司及其不時的附屬公司
“H Share(s)”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are listed on the Main Board of the Stock Exchange
「H股」	在聯交所主板上市的本公司股本中每股面值人民幣1.00元的已發行普通股
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
「港元」	香港法定貨幣港元
“HKFRS”	Hong Kong Financial Reporting Standards, including Hong Kong Accounting Standards and Interpretations promulgated by the Hong Kong Accounting Standard Board
「香港財務報告準則」	香港財務報告準則，包括香港會計準則及香港會計準則委員會頒佈的詮釋
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
「香港」	中國香港特別行政區
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
「上市規則」	聯交所證券上市規則
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
「標準守則」	上市規則附錄十所載的上市發行人董事進行證券交易的標準守則
“PRC” or “China”	the People’s Republic of China, and for the purpose of this annual report only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
「中國」	中華人民共和國，僅本報告而言，不包括香港、中華人民共和國澳門特別行政區及台灣
“Reporting Period”	the 12-month period from 1 January 2021 to 31 December 2021
「報告期」	由二零二一年一月一日起至二零二一年十二月三十一日止十二個月期間
“RMB”	Renminbi, the lawful currency of the PRC
「人民幣」	中國的法定貨幣人民幣



“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
「證券及期貨條例」	香港法例第571章《證券及期貨條例》
“Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, including the H Share(s) and Domestic Share(s)
「股份」	本公司股本中每股面值人民幣1.00元的普通股，包括H股及內資股
“Shareholder(s)”	the holder(s) of the Share(s)
「股東」	股份持有人
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
「聯交所」	香港聯合交易所有限公司
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
「附屬公司」	具有上市規則賦予該詞的涵義
“Supervisor(s)”	supervisor(s) of the Company
「監事」	本公司的監事
“Supervisory Committee”	the supervisory committee of the Company
「監事會」	本公司的監事委員會
“Undertaking Shareholders”	namely YHTH, YEPI and Beijing OriginWater
「有承諾的股東」	即雲南康旅集團、雲南綠色環保集團及北京碧水源
“YHTH”	Yunnan Health & Cultural Tourism Holding Group Co., Ltd.* (雲南省康旅控股集團有限公司) (formerly known as Yunnan Metropolitan Construction Investment Co., Ltd.* (雲南省城市建設投資集團有限公司)), a limited liability company established in the PRC and is the sole shareholder of YEPI, the Company’s controlling shareholder and one of the Undertaking Shareholders
「雲南康旅集團」	雲南省康旅控股集團有限公司(前稱雲南省城市建設投資集團有限公司)，於中國成立的有限責任公司及雲南綠色環保集團的唯一股東，為本公司控股股東及其中一名有承諾的股東
“YEPI”	Yunnan Green Environmental Protection Industry Group Co., Ltd.* (雲南省綠色環保產業集團有限公司) (formerly known as Yunnan Water Industry Investment Co., Ltd (雲南省水務產業投資有限公司)), a limited liability company incorporated in the PRC
「雲南綠色環保集團」	雲南省綠色環保產業集團有限公司(前稱雲南省業務產業投資有限公司)，於中國註冊成立的有限責任公司
“%”	per cent
「%」	百分比

\* For identification purposes only

\* 僅供識別

# Financial Highlights

## 業績摘要

The Board is pleased to announce the following financial highlights:

董事會欣然宣佈下列財務摘要：

		Year ended 31 December 截至十二月三十一日止年度		
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	Change 變動
Revenue	收益	<b>5,280,743</b>	8,396,630	-37.1%
Gross profit	毛利	<b>1,316,564</b>	2,096,132	-37.2%
(Loss)/profit before income tax	所得稅前(虧損)/溢利	<b>(1,030,933)</b>	502,624	-305.1%
EBITDA <sup>(Note)</sup>	除利息、稅項、折舊及 攤銷前盈利 <sup>(附註)</sup>	<b>1,158,649</b>	2,346,764	-50.6%
(Loss)/profit for the year	年內(虧損)/溢利	<b>(1,055,254)</b>	341,311	-409.2%
Return on shareholders' equity (%)	股東資金回報率(%)	<b>-13.89%</b>	4.49%	N/A 不適用
(Loss)/earnings per share (RMB)	每股(虧損)/盈利(人民幣元)	<b>(0.840)</b>	0.187	-549.2%

Note: EBITDA is the profit for the year before deduction of finance cost — net, income tax, depreciation and amortisation.

附註：除融資成本淨額、所得稅、折舊及攤銷前盈利為扣除利息、稅項、折舊及攤銷前之本年度盈利。

During the Reporting Period, the Group's audited loss attributable to ordinary Shareholders amounted to approximately RMB1,001.9 million (for the year ended 31 December 2020: profit attributable to ordinary Shareholders amounted to approximately RMB223.1 million).

於報告期內，本集團經審核本公司普通股股東應佔虧損約為人民幣1,001.9百萬元(截至二零二零年十二月三十一日止年度：本公司普通股股東應佔溢利約人民幣223.1百萬元)。

Basic loss per share for the Reporting Period was approximately RMB0.840 per share (for the year ended 31 December 2020: basic earnings approximately RMB0.187 per share), the calculation of such basic earnings per share amount is based on the profit attributable to ordinary Shareholders, and the weighted average number of Shares of approximately of 1,193,213,000 (2020: 1,193,213,000) in issue during the Reporting Period.

報告期內每股基本虧損約為人民幣0.840元(截至二零二零年十二月三十一日止年度：每股基本盈利約為人民幣0.187元)，該每股基本盈利金額乃按普通股股東應佔溢利及報告期內已發行的加權平均股份數目約1,193,213,000股(二零二零年：1,193,213,000股)為基準計算。

The Board does not recommend the payment of a final dividend for the year ended 31 December 2021 (for the year ended 31 December 2020: RMB0.06 per ordinary share). The Company did not declare or pay any interim dividend or special dividend for the year ended 31 December 2021.

董事會不建議派發截至二零二一年十二月三十一日止年度的末期股息(截至二零二零年十二月三十一日止年度：每股普通股人民幣0.06元)。截至二零二一年十二月三十一日止年度，本公司未宣派或支付任何中期股息或特別股息。

# Chairman's Statement/General Manager's Report

## 董事長致辭／總經理報告

Dear Shareholders:

On behalf of the Board, I am pleased to present the annual report of the Group for the financial year ended 31 December 2021.

In 2021, the global COVID-19 pandemic has repeated several rounds. Affected by the pandemic, the global economy fluctuated greatly and its structure was differentiated. Developed countries launched loose monetary and fiscal policies to stimulate economic recovery, while emerging economies have different policies and their economic development is also different.

In 2021, China scientifically coordinated the prevention and control of COVID-19 pandemic and economic and social development, the national economy maintained a general recovery trend, and the main indicators exceeded expectations. The year of 2021 was the first year for China to take "double carbon (雙碳)" strategy. Environmental protection industry has placed a vital role in the construction of ecological civilization and fighting with pollution prevention and control, and it has provided important supports to co-ordinate the high-quality development of economy and the high-level protection of ecological environment and to realize the development of green transformation. Based on this, although the environmental protection industry in China was exposed to many difficulties in recent years, it was still in the period of strategic opportunities. Currently, the basic layout of the traditional environmental infrastructure construction market in China's environmental protection industry has been completed, the growth rate has gradually slowed down, and the environmental protection industry has entered a period of structural adjustment. With the continuous introduction of national environmental protection policies, the business model and market space of various sub-sectors are gradually opening up.

Facing the complicated domestic and international economic situation, the Board has conducted in-depth analysis in this regard, focused on the established work objectives and strategic positioning with firm confidence, overcame difficulties and made every effort to improve quality and efficiency, and to avoid risks.

列位股東：

本人謹代表董事會，欣然提呈本集團截至二零二一年十二月三十一日止財政年度之年報。

二零二一年，全球新冠疫情多輪反覆，全球經濟受疫情影響波動較大、結構有所分化，發達國家運用寬鬆的貨幣政策與財政政策刺激經濟復甦。新興經濟體政策差異較大，經濟發展情況各有不同。

二零二一年，中國科學統籌新冠疫情防控和經濟社會發展，經濟總體保持恢復態勢，國民經濟主要指標超過預期。二零二一年是中國「雙碳」元年，環保產業是生態文明建設和污染防治攻堅戰的中堅力量，是統籌經濟高品質發展和生態環境高水準保護、實現綠色轉型發展的重要支撐，在此基礎上，儘管近年來中國環保行業面臨諸多困境，但仍處於戰略機遇期。目前，中國環保行業傳統環境基礎設施建設市場基本佈局完成，增量逐漸放緩，環保行業進入結構性調整時期。隨著國家環保政策的不斷出台，各個細分領域的業態和市場空間在漸次打開。

面對錯綜複雜的國內外經濟形勢，董事會深入分析國內外經濟形勢，圍繞既定工作目標和戰略定位，篤定信心，攻堅克難，全力提質增效，避免風險發生。

## Chairman's Statement/General Manager's Report 董事長致辭／總經理報告

During the Reporting Period, under the leadership of the Board, the Group proactively adjusted its asset structure and continuously improved its project operation management. During the Reporting Period, the Group recorded a total annual revenue of approximately RMB5,280.7 million, representing a decrease of approximately 37.1% as compared to approximately RMB8,396.6 million of last year. Loss for the year was approximately RMB1,055.3 million, representing a decrease of approximately 409.2% as compared to the profit of approximately RMB341.3 million of last year. Through investment in new construction and equity acquisition, the Group has owned 227 water treatment projects with a total treatment volume of approximately 6,365,200 tonnes per day. The Group has owned 24 solid waste treatment projects with treatment capacity of approximately 4,081,900 tonnes per year.

Since the listing of the Company on the Hong Kong Stock Exchange in 2015, the Group has distributed final dividends to shareholders continuously based on its sound operating performance and financial position, in return for their long-term support and contributions to the Group. At present, the Group is faced with the complicated domestic and international economic situation, considering the actual operating situation of the Group, the Board has decided not to recommend the payment of final dividends for the year ended 31 December 2021, and such non-recommended payment of final dividends is subject to the Shareholders' review and approval at the AGM. Under the leadership of the Board, the Group will overcome challenges, further improve its operating conditions and to bring greater investment returns to the Shareholders in the future, thereby thanking the Shareholders for their long-term support and contributions to the Company.

In 2022, facing the complicated domestic and international economic situation and the persistently sluggish market environment, the Group will continue to focus on the two main businesses of "water + solid waste" and go all out in production and operation. In particular, the Group will further improve its operation and management level, speed up the construction progress of projects under construction, prudently expand advantageous projects, reduce financial leverage, and focus on market opportunities in comprehensive solid waste treatment, sludge carbonization, integration of rural water supply and drainage, intelligent water business and other fields, so as to enable the Group's core business to achieve sound development.

於報告期內，本集團在董事會的領導下迎難而上，積極調整資產結構，持續提升項目運營管理水準。本集團於報告期內實現全年總收益約人民幣5,280.7百萬元，較上一年度業績約人民幣8,396.6百萬元下降約37.1%；年內虧損約1,055.3百萬元，較上一年度業績約人民幣341.3百萬元下降約409.2%。本集團通過投資新建和股權收購等方式，已擁有水處理項目227個，合計處理量約達6,365,200噸／日；已擁有固廢處理項目約24個，處理規模約為4,081,900噸／年。

自二零一五年本公司於香港聯交所上市以來，本集團基於良好的經營業績及財務狀況，持續向股東派發末期股息，以回報彼等長期對本集團的支持與貢獻。當前，本集團面臨複雜的國內外經濟形勢，結合本集團實際經營情況，董事會不建議派發截至二零二一年十二月三十一日止年度末期股息，該不建議派發末期股息須待股東於股東週年大會上審議及批准後始可作實。本集團將在董事會帶領下克服挑戰，進一步提升經營狀況，在未來為股東帶來更大的投資回報，藉此感謝股東長期以來對公司的支持與貢獻。

面對錯綜複雜的國內外經濟形勢和持續低迷的市場環境，二零二二年，本集團將繼續圍繞「水務+固廢」兩大主業，全力以赴做好生產經營各項工作，尤其是進一步提升公司運營管理水平，加快在建項目建設進度，審慎拓展優勢項目，降低金融性財務槓桿，重點關注固廢綜合處置、污泥碳化、農村供排水一體化、智慧水務等方面的市場機遇，使本集團核心業務向好發展。

# Chairman's Statement/General Manager's Report

## 董事長致辭／總經理報告

**Focus on operations to improve quality and efficiency.** In the future development strategy, the Group will focus on operations to improve quality and efficiency, continue to refine management standards, and promote energy conservation and consumption reduction. To this end, the Group will fully implement the scientific budgeting system, and reasonably calculate the operation indicators of each project based on the current operating conditions. The Group will also further strengthen checking and eliminate the unstable factors in the operation process, so as to realize the stable operation of the Group's projects in operation.

**Accelerate the progress of construction in progress.** The Group will further improve the construction progress of projects under construction, release the dividends of early-stage investment as soon as possible, and lay a more solid foundation for the Group's sustained and stable cash flow.

**Reduce gearing ratio.** Firstly, the Group will promote equity financing, focusing on capital operation in the solid waste sector and other advantageous sectors; secondly, the Group will optimize the financing structure, and match the Group's business operations based on the loan terms by gradually adjusting the structure of long-term and short-term liabilities; thirdly, the Group will further strengthen debt collection to increase net operating cash inflow.

**Accelerate technology research and development and promotion.** The Group will continue to enhance its innovation and sustainable development capabilities, and establish innovation mechanism and reward system. According to the current market demand, the Group will improve the current core technologies, especially strengthen our low-temperature aerobic pyrolysis and carbonization technology of organic solid waste, and strive to fully realize the reduction, harmlessness, stabilization and resource utilization of solid organic waste treatment.

On behalf of the Board and the management of Yunnan Water, I would like to take this opportunity to express my sincere gratitude to the management and employees of the Group for their loyalty and diligence, and also to the Shareholders, our Board members, investors and partners for their long-term support. The Group will create great value for the Shareholders with excellent performance and contribute to the development of environmental industry and the construction of ecological civilization.

**Yu Long**

*Acting Chairman & General Manager*

Kunming, the PRC  
29 April 2022

**聚焦運營提質增效。**本集團將在未來的發展策略中聚焦運營提質增效工作，繼續精益管理水準，推動節能降耗。全面實現科學預算制，結合運營現狀，合理統計測算各項目運營指標。進一步加強排查、消除運營過程中存在的不穩定運行因素，實現本集團在運項目穩定運行。

**加快在建建設進度。**本集團將進一步提高在建項目建設進度，盡快前期投資的紅利釋放，為本集團持續、穩定的現金流打下更堅實的基礎。

**降低資產負債率。**一是推進股權融資，重點推進固廢板塊等優勢板塊資本運作工作。二是優化融資結構，通過逐步調整長短期負債結構，視貸款期限與本集團經營業務匹配。三是進一步加強債權清收，增加經營淨現金流入。

**加快技術研發與推廣。**本集團將不斷增強企業創新能力和可持續發展能力，可制定創新機制獎勵制度，根據目前市場需求對目前的核心技術進行精進，尤其是加強本集團有機固廢低溫絕氧熱解碳化技術，力爭全面實現固體有機質廢棄物處理的減量化、無害化、穩定化、資源化。

本人謹代表董事會及雲南水務管理層，藉此機會對本集團管理層及員工的忠實勤勉、恪盡職守，以及對各位股東、董事會成員、投資者及合作夥伴的一貫支持，致以由衷謝意。本集團將以優良的業績為股東創造更大的價值，為環保行業的發展與生態文明的建設貢獻力量。

**于龍**

*代理董事長、總經理*

中國·昆明  
二零二二年四月二十九日



# Management Discussion and Analysis

## 管理層討論及分析

### INDUSTRY OVERVIEW

In 2021, the global economic situation continued to be affected by the spread of COVID-19 and was full of uncertainties. The developed economies in the world have ushered in a policy transition, and suffered from intensified inflation, posing risks to global economic growth. Against the backdrop of a complex global economy, China's economic environment at domestic and abroad was full of difficulties and challenges, and trade protectionism and anti-globalization are rising around the world. China was faced with deep-seated structural and cyclical challenges, as well as epidemics and natural disasters. In 2021, China overcame numerous difficulties and the main indicators of the national economy exceeded expectations.

The year of 2021 was the first year for China to take "double carbon (雙碳)" strategy. Environmental protection industry has placed a vital role in the construction of ecological civilization and fighting with pollution prevention and control, and it has provided important supports to co-ordinate the high-quality development of economy and the high-level protection of ecological environment and to realize the development of green transformation. Based on this, although the environmental protection industry in China was exposed to many difficulties in recent years, it was still in the period of strategic opportunities.

In the first quarter, soil contamination prevention and control became a hot topic of discussion in the industry. The identification method of responsible persons for soil contamination in construction land and agricultural land was introduced, which further refined the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Law of the People's Republic of China on Prevention and Control of Soil Contamination (《中華人民共和國土壤污染防治法》) and other relevant laws. The technical catalogue in the field of the solid waste and soil contamination prevention and control was released, which also further clarified the direction and standards of soil contamination prevention and control in the future. In the second quarter, each provinces successively issued regulations on the prevention and control of environment pollution caused by solid wastes, to further elaborate and implement the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》). In the third quarter, the State issued the Notice on the Relevant Work for Promoting the National Eco-industrial Demonstration Parks to Achieve Carbon Dioxide Peaking and Carbon Neutrality (《關於推進國家生態工業示範園區碳達峰碳中和相關工作的通知》), which clarified the demonstration and leading role of the national eco-industrial demonstration parks in promoting the synergy of pollution reduction and carbon reduction and promoting the green development of the region. In the fourth quarter, ecological partition control guidance for "three lines and one list (三線一單)" was promulgated, which further defined the scopes and contents of the red line of ecological protection, bottom line of environmental quality, upper line of resource utilization and ecological environment access list, which is conducive to the further comprehensive control, system management and precise management, promoting to build a new pattern

### 行業概覽

二零二一年，全球經濟形勢繼續受到新冠疫情蔓延影響，充滿不確定性。世界發達經濟體迎來政策轉型期，通貨膨脹情況加劇，全球經濟成長存在風險。在全球經濟複雜的大背景下，中國經濟內外環境充滿困難及挑戰，世界範圍內貿易保護主義、逆全球化抬頭；國內面臨深層次結構性問題、週期性問題加上疫情和自然災害等挑戰。二零二一年，我國克服重重困難，國民經濟主要指標超過預期。

二零二一年是中國「雙碳」元年，環保產業是生態文明建設和污染防治攻堅戰的中堅力量，是統籌經濟高品質發展和生態環境高水準保護、實現綠色轉型發展的重要支撐，在此基礎上，儘管近年來中國環保行業面臨諸多困境，但仍處於戰略機遇期。

一季度，土壤污染防治成為行業討論的熱點，建設用地及農用地土壤污染責任人認定辦法出台，進一步細化了《中華人民共和國環境保護法》、《中華人民共和國土壤污染防治法》等相關法律；固體廢物和土壤污染防治領域的技術目錄出台，也進一步明確了未來土壤污染防治的方向及標準。二季度，各省先後出台固體廢物污染環境防治條例，將《中華人民共和國固體廢物污染環境防治法》進一步細化及落實。三季度，國家發佈《關於推進國家生態工業示範園區碳達峰碳中和相關工作的通知》，明確了國家生態工業示範園區在促進減污降碳協同增效、推動區域綠色發展中的示範引領作用。四季度，「三線一單」生態環境分區管控指導意見頒佈，進一步明確生態保護紅線、環境質量底線、資源利用上線和生態

## Management Discussion and Analysis 管理層討論及分析

of the development of environmental protection. At the end of the year, the “Work Plan for the Construction of “Wasteless City (無廢城市)” during the Period of the “Fourteenth Five-Year Plan” (《「十四五」時期「無廢城市」建設工作方案》)” was introduced, which clarified that approximately 100 cities at prefectural level and above will be promoted to carry out the construction of “wasteless city” during the period of the “Fourteenth Five-year Plan”. By the year of 2025, in “wasteless city”; solid waste generation intensity will rapidly decrease; the comprehensive utilization level will significantly increase; the harmless disposal capacity will be effectively guaranteed; the synergy of pollution reduction and carbon reduction will be fully brought into play; the solid waste management information will be generally integrated into “one network (一張網)”; the concept of “wasteless (無廢)” will be widely recognized; and the solid waste management system and capacity will be significantly improved.

The water industry is an important municipal public utility and an important basic industry to guarantee the normal development of economy and society. Since 2021, the policies of the water industry have mainly focused on guiding documents of laws and regulations, and national policies have pointed the direction of the development of the industry from various aspects of environmental protection. With the release of the policy benefits, the competition in the water industry has intensified, the industry concentration has been further enhanced, and the improvement of quality and efficiency and sustainable development have been further valued by the industry. Since 2021, several hot fields of water industry have been attached great importance. Firstly, it is intelligent transformation of water industry. With the development of digitization, intelligence upgrading of water industry becomes absolutely necessary, because intelligent water-related affairs can meet the needs of water treatment in the scattered areas, villages and towns to a greater extent and will become an essential industry technology in the future; secondly, it is the sludge harmless treatment. With the popularity of sewage treatment, sludge treatment volume has increased significantly, at the same time, due to the strengthening of the national policy, it attaches great attention to accelerate the reduction of treatment technology in the industry, and it will have a huge market in the future; thirdly, it is rural water treatment. It is one of the country’s major strategic decision deployments to improve the rural living environment. Compared with cities and towns, China’s rural environmental infrastructure seriously lag behind. Therefore, it will become a hot spot of industry development in the future.

環境准入清單的範圍與內涵，有利於未來進一步綜合治理、系統治理、精準治理，推動構建新的環保發展格局。年末，《「十四五」時期「無廢城市」建設工作方案》出台，方案明確，「十四五」期間將推動100個左右地級及以上城市開展「無廢城市」建設，到二零二五年，「無廢城市」固體廢物產生強度較快下降，綜合利用水準顯著提升，無害化處置能力有效保障，減污降碳協同增效作用充分發揮，基本實現固體廢物管理資訊「一張網」，「無廢」理念得到廣泛認同，固體廢物治理體系和治理能力得到明顯提升。

水務行業是重要的市政公用事業，是保障經濟社會正常發展的重要基礎性行業。二零二一年以來，水務行業政策主要集中於法律法規的指導性文件，國家政策從環境保護的各個方面對行業發展指明了方向。伴隨政策紅利的釋放，水務行業競爭加劇，行業集中度進一步提升，提質增效和可持續發展進一步受到行業重視。二零二一年以來，水務行業幾大熱門領域倍受重視：一是水務智慧化轉型，隨著數字化的發展，水務行業的智慧化升級實在必行，水務智慧化能夠更大程度上滿足分散地區、村鎮地區的水務處理需求，成為未來必不可少的行業技術；二是污泥無害化處理，隨著污水處理的普及，污泥處理量大幅增長，同時，由於國家政策的加強，加快減量化的處理技術受到行業重視，未來將具有巨大的市場空間；三是農村水務處理，改善農村人居環境是國家重大戰略決策部署之一，與城鎮相比，我國的農村環境基礎設施嚴重滯後，未來將成為行業發展的熱點。

## Management Discussion and Analysis 管理層討論及分析

The year of 2021 is the first year for China to implement the strategy of “Carbon Dioxide Peaking • Carbon Neutrality (碳達峰•碳中和)”. The implementation of the dual carbon strategy puts forward new requirements for the development of solid waste treatment industry in the future. Firstly, the scale of solid waste treatment industry will further expand, especially the large and medium-sized enterprises in the industry will continue to grow. Secondly, “wasteless city” will interact with “Carbon Dioxide Peaking • Carbon Neutrality” to jointly promote urban green transformation. In addition, the recycling of solid waste will become the top priority of the solid waste industry, and the reduction and recycling of solid waste will accelerate and release a broader market. Among them, rural waste disposal and waste resource utilization will become a new hot spot in the industry over a period in the future, and enterprises that are specialized in the harmless and recycling disposal of small-scale solid waste will usher in new opportunities.

With the implementation of the “Fourteenth Five-Year Plan” in the ecological environmental protection industry, the ecological environmental protection industry has entered into an era in which it requires intensive cultivation and equal attention to scale and technology. The Group will overcome the current competition and difficulties in the industry, strive to enhance its core competitiveness, and contribute to the development of environmental protection industry and the construction of ecological civilization.

### DEVELOPMENT STRATEGIES AND PROSPECT

In 2021, facing the complicated domestic and international economic situation and the persistently sluggish market environment, the Group focused on the established work objectives and strategic positioning with firm confidence, overcame difficulties and made every effort to improve quality and efficiency.

As at 31 December 2021, the total defaulted and cross-defaulted borrowings amounted to approximately RMB16,397,304,000, of which lenders of certain Overdue Borrowings had applied for property preservation measures by judiciary. In view of the above defaults, the Group has taken positive measures to mitigate the liquidity pressure and to improve its financial position, including: (1) actively negotiates with lenders in respect of overdue borrowings for renewal of relevant borrowings and for grant of waivers for defaults or cross-defaults; (2) disposes its certain concession and construction projects in batches to supplement liquidity in time; (3) actively communicates with the financial institutions involved in the lawsuit, seeks solutions from the professional lawyer team, and ensure the smooth implementation of the settlement agreements.

二零二一年是我國實施「碳達峰•碳中和」戰略的第一年，雙碳戰略的實施，對未來固廢處理行業發展提出了新的要求。首先固廢處理行業規模將進一步擴大，尤其是行業中的大中型企業將繼續壯大；其次，「無廢城市」將與「碳達峰•碳中和」相互作用，共同推進城市綠色轉型；另外，固廢資源化將成為固廢行業的重中之重，固廢的減量化及資源化循環利用將加速推進，並釋放出更大的市場空間，其中，農村垃圾處置及廢棄物資源化利用將成為未來一段時期行業新的熱點，擅長小規模固廢無害化、資源化處置的企業將迎來新的機遇。

隨著「十四五」規劃在生態環保產業方面的落地實施，生態環保行業進入精耕細作、規模與技術並重的時代。本集團將克服當前行業的競爭與困境，努力增強自身核心競爭力，為環保行業的發展與生態文明的建設貢獻力量。

### 發展策略及前景

面對錯綜複雜的國內外經濟形勢和持續低迷的市場環境，二零二一年本集團圍繞既定工作目標和戰略定位，篤定信心，攻堅克難，全力提質增效。

截至二零二一年十二月三十一日，本集團的違約及交叉違約借款總額為人民幣16,397,304,000元。其中，若干逾期借款的貸款人已通過司法途徑申請財產保全措施。針對上述違約情況，本集團已採取積極措施以緩解流動資金壓力及改善其財務狀況，其中包括：(1)與貸款人就有關逾期借款的續期，以及違約或交叉違約授予豁免進行積極磋商；(2)分批次就若干特許經營及建造項目進行資產處置，適時補充流動資金；(3)與涉訴的金融機構進行積極溝通，向專業律師團隊尋求解決方案，確保和解協議順利履行等。

## Management Discussion and Analysis 管理層討論及分析

In 2022, while making every effort to solve the liquidity problem, the Group will continue to focus on the two main businesses of “water + solid waste” and go all out in production and operation. In particular, the Group will further improve its operation and management level, speed up the construction progress of projects under construction, prudently expand advantageous projects, reduce financial leverage, and focus on market opportunities in comprehensive solid waste treatment, sludge carbonization, integration of rural water supply and drainage, intelligent water business and other fields, so as to enable the Group’s core business to achieve sound development.

Focus on operations to improve quality and efficiency. In the future development strategy, the Group will focus on operations to improve quality and efficiency, continue to refine management standards, and promote energy conservation and consumption reduction. To this end, the Group will fully implement the scientific budgeting system, and reasonably calculate the operation indicators of each project based on the current operating conditions. The Group will also further strengthen checking and eliminate the unstable factors and hidden dangers of exceeding standards in the operation process, so as to realize the stable operation of the Group’s projects in operation.

Reduce gearing ratio. Firstly, the Group will promote equity financing, focusing on capital operation in the solid waste sector and other advantageous sectors; secondly, the Group will optimize the financing structure, and match the Group’s business operations based on the loan terms by gradually adjusting the structure of long-term and short-term liabilities; thirdly, the Group will further strengthen debt collection to increase net operating cash inflow.

Accelerate technology research and development and promotion. The Group will continue to enhance its innovation and sustainable development capabilities, and establish innovation mechanism and reward system. According to the current market demand, the Group will improve the current core technologies, especially strengthen our low-temperature aerobic pyrolysis and carbonization technology of organic solid waste, and strive to fully realize the reduction, harmlessness, stabilization and resource utilization of solid organic waste treatment.

Looking forward, the Group will continue to adhere to the development goal of “based in Yunnan, covering the nation and going global, striving to be a leading integrated environmental services provider at the municipal level (立足雲南、面向全國、走向國際，致力成為領先的城鎮環境綜合服務商)”, and pay close attention to the development of the industry, grasp the industry development trend, overcome the current shortcomings and difficulties, improve the Group’s technical strength, core competitiveness and social influence, and create substantial value for the Shareholders.

二零二二年，在全力解決流動性問題的同時，本集團將繼續圍繞「水務+固廢」兩大主業，全力以赴做好生產經營各項工作，尤其是進一步提升公司運營管理水平，加快在建項目建設進度，審慎拓展優勢項目，降低金融性財務槓桿，重點關注固廢綜合處置、污泥碳化、農村供排水一體化、智慧水務等方面的市場機遇，使本集團核心業務向好發展。

聚焦運營提質增效。本集團將在未來的發展策略中聚焦運營提質增效工作，繼續精益管理水準，推動節能降耗。全面實現科學預算制，結合運營現狀，合理統計測算各項目運營指標。進一步加強排查、消除運營過程中存在的不穩定運行因素和超標隱患，實現本集團在運項目穩定運行。

降低資產負債率。一是推進股權融資，重點推進固廢板塊等優勢板塊資本運作工作。二是優化融資結構，通過逐步調整長短期負債結構，使貸款期限與本集團經營業務匹配。三是進一步加強債權清收，增加經營淨現金流入。

加快技術研發與推廣。本集團將不斷增強企業創新能力和可持續發展能力，可制定創新機制獎勵制度，根據目前市場需求對目前的核心技術進行精進，尤其是加強本集團有機固廢低溫絕氧熱解碳化技術，力爭全面實現固體有機質廢棄物處理的減量化、無害化、穩定化、資源化。

未來，本集團將繼續本著「立足雲南、面向全國、走向國際，致力成為領先的城鎮環境綜合服務商」的發展目標，密切關注行業動態，把握行業發展趨勢，克服當前存在的不足及困難，提升本集團的技術實力、核心競爭力及社會影響力，為股東創造可觀的價值。



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

The Group is one of the leading integrated service providers in the urban environmental protection industry in China. The Group mainly adopts the Build-Operate-Transfer (“BOT”), Build-Own-Operate (“BOO”), Transfer-Operate-Transfer (“TOT”), Transfer-Own-Operate (“TOO”), Build and Transfer (“BT”), Engineering-Procurement-Construction (“EPC”), Rehabilitate-Operate-Transfer (“ROT”), Operation and Maintenance (“O&M”) and licensed operation models to provide customized and integrated turnkey solutions for water supply, wastewater treatment and solid waste treatment as well as system integration services of core technologies to customers. The Group’s businesses are carried out in the PRC and the Southeast Asian countries, the Group’s principal businesses comprise five major segments, namely, wastewater treatment, water supply, solid waste treatment, construction and sales of equipment and others.

As at 31 December 2021, the Group’s water related projects (including the following wastewater treatment projects, water supply projects and all water related projects under other business segments) had the total daily treatment capacity of approximately 6,365,200 tonnes. As at 31 December 2021, the Group’s solid waste treatment related projects (including the following solid waste treatment projects and all solid waste treatment related projects under other business segments) had the total annual treatment capacity of approximately 4,081,900 tonnes. The volume of water and solid waste treatment of the Group remained stable on the whole.

### Wastewater Treatment Projects

As at 31 December 2021, the Group had a total of 134 concession wastewater treatment projects, including 7 BOO projects, 69 BOT projects, 2 TOO projects, 27 TOT projects, 1 ROT project and 28 municipal environment comprehensive treatment projects, with total daily treatment capacity of approximately 3,553,400 tonnes, representing an addition of 7 TOT projects, and a reduction of 1 ROT project year-on-year, and a decrease in the daily wastewater treatment capacity of approximately 15,400 tonnes as compared with the year ended 31 December 2020, which remained basically stable year-on-year.

### 業務回顧

本集團為中國領先的城鎮綜合環境服務商之一。本集團的業務主要採用建設 — 營運 — 移交(「BOT」)、建設 — 擁有 — 營運(「BOO」)、移交 — 營運 — 移交(「TOT」)、移交 — 擁有 — 營運(「TOO」)、建設及移交(「BT」)、設計 — 採購 — 施工(「EPC」)、改造 — 營運 — 移交(「ROT」)、營運及維護(「O&M」)及持牌運營等項目模式，向客戶提供訂製及綜合的供水、污水處理及固廢處理的整體解決方案及核心技術系統集成服務。本集團的業務在中國境內及東南亞國家開展，主營業務包括五個主要分部，即污水處理、供水、固廢處理、建造及設備銷售以及其他服務。

截至二零二一年十二月三十一日，本集團水務相關項目(包含以下污水處理項目、供水項目及其他業務分部中的所有水務處理相關項目)的日處理總量約為6,365,200噸。截至二零二一年十二月三十一日，本集團固廢處理相關項目(包含以下固廢處理項目及其他業務分部中的所有固廢處理相關項目)的年處理總量約為4,081,900噸。本集團水務及固廢處理體量總體保持穩定。

### 污水處理項目

截至二零二一年十二月三十一日，本集團特許經營污水項目共134個，包括7個BOO項目、69個BOT項目、2個TOO項目、27個TOT項目、1個ROT項目及28個市政環境綜合治理項目，日處理總量約為3,553,400噸，與截至二零二零年十二月三十一日止年度同比增加7個TOT項目，減少1個ROT項目，日污水處理量減少約15,400噸，同比基本保持穩定。



# Management Discussion and Analysis

## 管理層討論及分析

As at 31 December 2021, 106 concession projects with total daily treatment capacity of approximately 2,814,500 tonnes had commenced commercial operation (including 4 municipal environment comprehensive treatment projects with a total daily wastewater treatment capacity of approximately 121,500 tonnes), representing an addition of 3 BOT projects and 3 municipal environment comprehensive treatment projects which commenced operation year-on-year, an addition of 7 TOT projects, and an increase in total daily treatment capacity of approximately 281,500 tonnes or a growth rate of approximately 11% as compared with the year ended 31 December 2020. During the Reporting Period, the Group's effective wastewater treatment utilization rate was approximately 78.5%, and the average unit charge of wastewater treatment was approximately RMB1.59 per tonne.

As at 31 December 2021, 28 concession projects with total daily treatment capacity of approximately 738,900 tonnes had not commenced commercial operation (including 24 municipal environment comprehensive treatment projects with total daily treatment capacity of approximately 673,900 tonnes), representing a reduction of 1 ROT project, and 3 municipal environment comprehensive treatment projects and 3 BOT projects under construction converted to operation.

### Water Supply Projects

As at 31 December 2021, the Group had a total of 67 concession water supply projects with total daily treatment capacity of approximately 2,449,100 tonnes, including 15 BOO projects, 35 BOT projects, 11 TOT projects and 6 municipal environment comprehensive treatment projects, representing a reduction of 1 BOT project year-on-year, and an increase in total daily treatment capacity of approximately 31,000 tonnes as compared with 31 December 2020, which remained basically stable year-on-year.

As at 31 December 2021, 49 concession projects with total daily treatment capacity of approximately 1,595,000 tonnes had commenced commercial operation (including 1 municipal environment comprehensive treatment project with a total daily treatment capacity of approximately 30,000 tonnes), representing an addition of 2 BOT projects and 1 BOO project, and an increase in the total daily treatment capacity of approximately 65,000 tonnes as compared with 31 December 2020. During the Reporting Period, the Group's commercial water supply decreased due to the impact of the COVID-19 pandemic. the Group's effective water supply utilization rate was approximately 64.3%, and the average unit charge of water supply was approximately RMB2.24 per tonne.

As at 31 December 2021, 18 concession projects with total daily treatment capacity of approximately 854,100 tonnes had not commenced commercial operation (including 5 municipal environment comprehensive treatment projects with total daily treatment capacity of approximately 389,700 tonnes), representing 2 BOT projects and 1 BOO project under construction converted to operation, and a reduction of 1 BOT project as compared with 31 December 2020.

截至二零二一年十二月三十一日，日處理總量約為2,814,500噸的106個特許經營項目已投入商業運營(包括4個日污水處理總量約121,500噸的市政環境綜合治理項目)，與截至二零二零年十二月三十一日止年度同比新投運3個BOT項目及3個市政環境綜合治理項目，新增加7個TOT項目，日處理總量增加約281,500噸，增長率為11%。於報告期內，本集團的實際污水處理利用率約78.5%，平均污水處理收費單價約為每噸人民幣1.59元。

截至二零二一年十二月三十一日，日處理總量為約738,900噸的28個特許經營項目尚未投入商業運營(包括24個日污水處理總量約673,900噸的市政環境綜合治理項目)，與截至二零二零年十二月三十一日同比減少1個ROT項目，3個市政環境綜合治理項目及3個BOT項目從在建轉變為運營。

### 供水項目

截至二零二一年十二月三十一日，本集團擁有67個日處理總量約2,449,100噸的供水特許經營項目，其中包括15個BOO項目、35個BOT項目、11個TOT項目及6個市政環境綜合治理項目，與截至二零二零年十二月三十一日同比減少1個BOT項目，日處理總量增加約31,000噸，同比基本保持穩定。

截至二零二一年十二月三十一日，日處理總量約1,595,000噸的49個特許經營項目已投入商業運營(包括1個日處理總量約30,000噸的市政環境綜合治理項目)，較截至二零二零年十二月三十一日新投運2個BOT項目及1個BOO項目，日處理總量增加約65,000噸。於報告期內，受新冠疫情影響，本集團商業供水量有所下降，實際供水利用率約為64.3%，平均供水收費單價約為每噸人民幣2.24元。

截至二零二一年十二月三十一日，日處理總量約854,100噸的18個特許經營項目尚未投入商業運營(包括5個日處理總量約389,700噸的市政環境綜合治理項目)，較截至二零二零年十二月三十一日2個BOT項目及1個BOO項目從在建轉變為運營，另外減少1個BOT項目。

# Management Discussion and Analysis

## 管理層討論及分析

### Solid Waste Treatment Projects

As at 31 December 2021, the Group had 24 solid waste treatment projects with total annual treatment capacity of approximately 4,081,900 tonnes, 13 of which with an annual treatment capacity of approximately 2,186,600 tonnes had commenced commercial operation (including 1 municipal environment comprehensive treatment project with an annual treatment capacity of approximately 219,000 tonnes), representing 5 additional projects which commenced operation with total annual treatment capacity of approximately 1,017,200 tonnes as compared with 31 December 2020; 11 of them with an annual treatment capacity of approximately 1,895,300 tonnes were under construction (including 2 municipal environment comprehensive treatment projects with the total annual treatment capacity of approximately 900,800 tonnes), representing an addition of 1 project under construction as compared with 31 December 2020. During the Reporting Period, the Group's effective solid waste treatment utilization rate was approximately 73.15%. The utilization rate of solid waste treatment in 2021 decreased as compared with 2020, due to the large number of new projects put into operation and the low annual utilization rate in the early stage when new projects put into operation.

### Construction and Sales of Equipment

The Group's construction and sales of equipment segment comprises BT projects, EPC projects and sales of equipment. As at 31 December 2021, the Group had a total of 10 BT projects, which were either under construction and/or completed, among which revenue of 9 BT projects was recognised during the Reporting Period.

During the Reporting Period, the Group had a total of 13 EPC projects.

The Group engages in the production, sales and installation of equipment for wastewater treatment, water supply, solid waste treatment and other infrastructure facilities. The major category of water related equipment in the Group's production is membrane products. Most of the membrane products are produced by the own plant of the Group.

### Others

During the Reporting Period, the Group also undertook O&M projects for wastewater treatment and water supply owned by third parties as well as provision of technical and consultancy services in relation to environmental protection. As at 31 December 2021, the Group had 26 O&M projects, representing a reduction of 3 projects as compared with 31 December 2020. These projects included 25 wastewater treatment projects with total daily treatment capacity of approximately 357,700 tonnes (including the capacity of wastewater treatment projects adopting O&M model within municipal environment comprehensive treatment projects), and 1 water supply project with daily treatment capacity of approximately 5,000 tonnes.

### 固廢處理項目

截至二零二一年十二月三十一日，本集團擁有24個固廢處理項目，年處理總量約4,081,900噸，其中年處理量約2,186,600噸的13個項目已經投入商業運營（包括1個年處理量約219,000噸的市政環境綜合治理項目），較二零二零年十二月三十一日新投運5個項目，新投運年處理量約1,017,200噸；年處理量約1,895,300噸的11個項目正在建設（包括2個年處理量總共約900,800噸的市政環境綜合治理項目），較二零二零年十二月三十一日新增1個在建項目。於報告期內，本集團的實際固廢處理利用率約為73.15%，二零二一年固廢處理利用率較二零二零年有所下降，原因是新投運項目較多，新投運項目投運初年利用率偏低。

### 建造及設備銷售

本集團的建造及設備銷售分部包括BT項目、EPC項目及設備銷售。截至二零二一年十二月三十一日，本集團在建設及／或已完工的BT項目共10個，其中9個BT項目的收入於報告期內確認為收益。

於報告期內，本集團EPC項目共13個。

本集團生產、銷售及安裝污水處理、供水、固廢處理及其他基礎設施的設備，本集團所生產的水務相關設備的主要類別為膜產品。大部分膜產品由本集團自有工廠生產。

### 其他

本集團在報告期內也就第三方擁有的污水處理及供水開展O&M項目，並提供了與環境保護相關的技術及諮詢服務。截至二零二一年十二月三十一日，本集團擁有26個O&M項目，較二零二零年十二月三十一日減少3個項目。其中，包括25個日處理總量約為357,700噸的污水處理項目（包括市政環境綜合治理項目中以O&M模式運營的污水處理項目的規模）以及1個日處理量約為5,000噸的供水項目。

## FINANCIAL REVIEW

### Results of Operation

During the Reporting Period, the Group recorded revenue of approximately RMB5,280.7 million, representing a decrease of approximately 37.1% compared with the year ended 31 December 2020. The Group realized a net loss of approximately RMB1,055.3 million, representing a decrease of approximately 409.2% compared with the year ended 31 December 2020. Loss attributable to the ordinary Shareholders was approximately RMB1,001.9 million, representing a decrease of approximately 549.1% as compared with 31 December 2020. Loss per share for the year ended 31 December 2021 was approximately RMB0.84.

### Revenue

Revenue of the Group decreased from approximately RMB8,396.6 million for the year ended 31 December 2020 to approximately RMB5,280.7 million for the Reporting Period, representing a decrease of approximately 37.1%.

In respect of the business segments of the Group, revenue from wastewater treatment decreased from approximately RMB5,286.5 million for the year ended 31 December 2020 to approximately RMB3,387.3 million for the Reporting Period. Revenue from water supply decreased by approximately 5.5% from approximately RMB975.6 million for the year ended 31 December 2020 to approximately RMB921.8 million for the Reporting Period. Revenue from solid waste treatment decreased by approximately 44.0% from RMB1,346.7 million for the year ended 31 December 2020 to approximately RMB754.8 million for the Reporting Period. Revenue from construction and sales of equipment decreased by approximately 77.9% from approximately RMB621.1 million for the year ended 31 December 2020 to approximately RMB137.1 million for the Reporting Period. Revenue from other business decreased from approximately RMB166.7 million for the year ended 31 December 2020 to approximately RMB79.8 million for the Reporting Period.

The decrease in revenue from the wastewater treatment segment was mainly attributable to the decrease in construction revenue of the existing wastewater treatment projects under construction during the Reporting Period.

The decrease in revenue from the water supply segment was mainly attributable to the decrease in construction revenue as some water supply projects were completed during the Reporting Period. The increase in operating revenue from the water supply projects was less than the decrease in construction revenue.

The decrease in revenue from the solid waste treatment segment was mainly attributable to the decrease in construction revenue as some solid waste projects entered the trial operation during the Reporting Period.

## 財務回顧

### 經營業績

本集團於報告期內錄得收益約人民幣5,280.7百萬元，相較截至二零二零年十二月三十一日止年度減少約37.1%。本集團實現淨虧損約人民幣1,055.3百萬元，相較截至二零二零年十二月三十一日止年度減少約409.2%。本公司普通股股東應佔虧損約為人民幣1,001.9百萬元，相較截至二零二零年十二月三十一日降低約549.1%，截至二零二一年十二月三十一日止年度的每股虧損約為人民幣0.84元。

### 收益

本集團的收益由截至二零二零年十二月三十一日止年度約人民幣8,396.6百萬元減少至報告期內約人民幣5,280.7百萬元，降幅約37.1%。

就本集團的業務分部而言，污水處理的收益由截至二零二零年十二月三十一日止年度的約人民幣5,286.5百萬元減少至報告期約人民幣3,387.3百萬元。供水業務的收益由截至二零二零年十二月三十一日止年度約人民幣975.6百萬元減少約5.5%至報告期的約人民幣921.8百萬元。固廢處理業務的收益由截至二零二零年十二月三十一日止年度的人民幣1,346.7百萬元減少約44.0%至報告期約人民幣754.8百萬元。建造及設備銷售的收益由截至二零二零年十二月三十一日止年度的約人民幣621.1百萬元減少約77.9%至報告期約人民幣137.1百萬元。其他業務的收益由截至二零二零年十二月三十一日止年度的約人民幣166.7百萬元減少至報告期約人民幣79.8百萬元。

污水處理分部收益減少主要由於報告期內原在建的污水處理項目建造收益減少所致。

供水分部收益減少主要由於報告期內部分供水項目已完工，建造收益減少所致。供水服務項目運營收益的增加不及建造收益的減少。

固廢處理分部收益減少主要由於報告期內固廢項目部分進入試運營，建造收益減少所致。

## Management Discussion and Analysis

### 管理層討論及分析

The decrease in revenue from the construction and sales of equipment segment was mainly attributable to the decrease in scale of EPC construction services and equipment sales during the Reporting Period.

#### Cost of Sales

Cost of sales of the Group for the Reporting Period was approximately RMB3,964.2 million, representing a decrease of approximately 37.1% as compared with approximately RMB6,300.5 million for the year ended 31 December 2020. The decrease was primarily due to the decrease in cost for construction which was in line with the decrease in construction revenue of the existing solid waste projects and wastewater treatment projects under construction during the construction period.

#### Gross Profit Margin

During the Reporting Period, gross profit margin of the Group was approximately 24.93%, representing a decrease of approximately 0.03% as compared to approximately 24.96% for the year ended 31 December 2020.

#### Other Income

During the Reporting Period, the Group recorded other income of approximately RMB54.1 million as compared with approximately RMB86.7 million for the year ended 31 December 2020, representing a decrease of approximately 37.6%. The decrease in other income was mainly due to a decrease in income of miscellaneous income.

#### Other Gains — net

During the Reporting Period, the Group recorded other net gains of approximately RMB164.3 million, representing an increase of approximately RMB115.5 million as compared with a net gains of approximately RMB48.8 million for the year ended 31 December 2020. The increase in other gains was mainly due to the increase in gains from fair value gain on re-measurement of investment in an associate.

#### Selling Expenses

During the Reporting Period, selling expenses of the Group was approximately RMB48.4 million, representing an increase of approximately RMB6.0 million or 14.2% as compared with approximately RMB42.4 million for the year ended 31 December 2020.

#### Administrative Expenses

Administrative expenses of the Group increased by approximately RMB209.0 million from approximately RMB441.7 million for the year ended 31 December 2020 to approximately RMB650.7 million for the Reporting Period, representing an increase of approximately 47.3%. The increase in administrative expenses was primarily due to the provision for impairment of long-term assets in the current period.

建造及設備銷售分部收益減少主要由於報告期內EPC建造及設備銷售業務減少所致。

#### 銷售成本

本集團於報告期內的銷售成本約人民幣3,964.2百萬元，較截至二零二零年十二月三十一日止年度的約人民幣6,300.5百萬元減少約37.1%。該減少主要由於原在建的固廢項目及污水處理項目於建設期的建造收益減少，相應的建造成本降低所致。

#### 毛利率

於報告期內，本集團的毛利率約24.93%，較截至二零二零年十二月三十一日止年度約24.96%下降約0.03%。

#### 其他收入

於報告期內，本集團錄得其他收入約人民幣54.1百萬元，而截至二零二零年十二月三十一日止年度錄得約人民幣86.7百萬元，降幅約為37.6%。其他收入減少主要是由於雜項收益收入減少。

#### 其他收益淨額

於報告期內，本集團錄得其他收益淨額約人民幣164.3百萬元，較截至二零二零年十二月三十一日止年度收益淨額約人民幣48.8百萬元增加約為人民幣115.5百萬元。其他收益增加主要是由於聯營公司投資重新計量導致公平值變動產生的收益增加。

#### 銷售開支

於報告期內，本集團的銷售開支約人民幣48.4百萬元，較截至二零二零年十二月三十一日止年度約人民幣42.4百萬元增加約人民幣6.0百萬元或14.2%。

#### 行政開支

本集團行政開支由截至二零二零年十二月三十一日止年度的約人民幣441.7百萬元增加人民幣209.0百萬元至報告期內約人民幣650.7百萬元，增幅約為47.3%。行政開支增加主要是由於本期計提長期資產減值撥備所致。



### Finance Costs — net

Net finance costs increased by approximately RMB273.0 million from approximately RMB1,253.3 million for the year ended 31 December 2020 to approximately RMB1,526.3 million for the Reporting Period, representing an increase of approximately 21.8%. The increase in net finance costs was primarily due to the fact that certain projects under construction of the Group are in the early stage during which significant investment is required to be made on an ongoing basis, resulting in an increase in financial cost during the Reporting Period.

The average interest rate on borrowings of the Group for the Reporting Period was approximately 5.73% per annum, representing a decrease compared with approximately 5.74% per annum for the year ended 31 December 2020.

### Loss Before Income Tax

As a result of the above factors, the Group recorded loss before income tax of approximately RMB1,030.9 million for the Reporting Period, representing a decrease of approximately 305.1% as compared with the profit before income tax of approximately RMB502.6 million recorded for the year ended 31 December 2020.

### Income Tax Expenses

Income tax expenses decreased by RMB137.0 million from approximately RMB161.3 million for the year ended 31 December 2020 to approximately RMB24.3 million for the Reporting Period, representing a decrease of approximately 84.9%. The decrease is caused by a change in the profitability of the Group's subsidiaries in respective countries and regions as a result of different corporate income tax rates being applied during the Reporting Period.

### (Loss)/Profit for the Reporting Period

As a result of the foregoing, loss for the Reporting Period decreased by approximately RMB1,396.6 million from the profit of approximately RMB341.3 million for the year ended 31 December 2020 to the loss of approximately RMB1,055.3 million for the Reporting Period, representing a decrease of approximately 409.2%.

### Receivables under Service Concession Arrangements

The Group's receivables under service concession arrangements increased by approximately RMB1,191.7 million from approximately RMB5,301.4 million as at 31 December 2020 to approximately RMB6,493.1 million as at 31 December 2021, representing an increase of approximately 22.5%. Such increase was due to a number of concession projects commenced commercial operation during the Reporting Period.

### 融資成本淨額

融資成本淨額由截至二零二零年十二月三十一日止年度約人民幣1,253.3百萬元增加人民幣273.0百萬元至報告期內約人民幣1,526.3百萬元，增幅為約21.8%。融資成本淨額增加主要是由於報告期內本集團若干在建項目處於早期階段，其間需要按持續基準作出大量投資，導致融資成本增加。

本集團報告期內平均借款利率約為每年5.73%，與截至二零二零年十二月三十一日止年度的每年約5.74%相比降低。

### 所得稅前虧損

由於上述因素，本集團於報告期內錄得所得稅前虧損約人民幣1,030.9百萬元，相對於截至二零二零年十二月三十一日止年度錄得所得稅前溢利約人民幣502.6百萬元，降幅約為305.1%。

### 所得稅開支

所得稅開支由截至二零二零年十二月三十一日止年度的約人民幣161.3百萬元減少人民幣137.0百萬元至報告期內的約人民幣24.3百萬元，降幅約84.9%。該減少主要是由於本集團採取不同企業所得稅率的各自國家和地區的附屬公司的盈利情況發生變化所致。

### 報告期內(虧損)/溢利

由於上述各項，報告期內虧損由截至二零二零年十二月三十一日止年度的溢利約人民幣341.3百萬元減少約人民幣1,396.6百萬元至報告期內虧損約人民幣1,055.3百萬元，降幅約409.2%。

### 服務特許經營安排下的應收款項

本集團服務特許經營權安排下的應收款項由二零二零年十二月三十一日的約人民幣5,301.4百萬元增加約人民幣1,191.7百萬元至二零二一年十二月三十一日的約人民幣6,493.1百萬元，增幅約22.5%。增加主要是由於報告期內原在建項目轉運營所致。



# Management Discussion and Analysis

## 管理層討論及分析

### Trade and Other Receivables and Prepayments

The Group's trade and other receivables and prepayments decreased by approximately RMB653.8 million from approximately RMB9,604.8 million as at 31 December 2020 to approximately RMB8,951.0 million as at 31 December 2021, representing a decrease of approximately 6.8%. Such decrease was primarily due to the decrease in receivables from related parties and project owners due to the collection of receivables during the Reporting Period.

### Cash and Cash Equivalents

The Group's cash and cash equivalents decreased by approximately RMB1,269.3 million from approximately RMB1,697.7 million as at 31 December 2020 to approximately RMB428.4 million as at 31 December 2021, representing a decrease of approximately 74.8%. Such decrease was primarily due to the net cash used in operating and investment activities was greater than the net cash generated from financing activities during the Reporting Period.

### Trade and Other Payables

The Group's trade and other payables decreased by approximately RMB228.6 million from approximately RMB9,036.4 million as at 31 December 2020 to approximately RMB8,807.8 million as at 31 December 2021, representing a decrease of approximately 2.5%. Such decrease was primarily due to the reimbursement of construction and installation payables during the Reporting Period.

### Borrowings

As at 31 December 2021, the Group had borrowings of approximately RMB28,655.5 million (31 December 2020: approximately RMB27,541.8 million). As at 31 December 2021, the Group had unsecured borrowings of approximately RMB14,708.6 million (31 December 2020: approximately RMB15,365.8 million), and secured borrowings of approximately RMB13,946.9 million (31 December 2020: approximately RMB12,176.0 million).

### Pledge of Assets

As at 31 December 2021, borrowing of approximately RMB13,946.9 million (31 December 2020: approximately RMB12,176.0 million) were secured by the Group's receivables under service concession arrangements, contract assets, right-of-use assets, property, plant and equipment, intangible assets and the Company's investments in subsidiaries.

### 貿易及其他應收款項以及預付款項

本集團的貿易及其他應收款項以及預付款項由二零二零年十二月三十一日的約人民幣9,604.8百萬元減少約人民幣653.8百萬元至二零二一年十二月三十一日的約人民幣8,951.0百萬元，降幅約6.8%。該減少主要是由於在報告期內收取應收款項導致應收關聯方及工程發包商款項減少所致。

### 現金及現金等價物

本集團的現金及現金等價物由二零二零年十二月三十一日的約人民幣1,697.7百萬元減少約人民幣1,269.3百萬元至二零二一年十二月三十一日的約人民幣428.4百萬元，降幅約74.8%。該減少主要是由於報告期內用於經營和投資活動的現金淨額大於融資活動的現金淨流入部分。

### 貿易及其他應付款項

本集團的貿易及其他應付款項由二零二零年十二月三十一日的約人民幣9,036.4百萬元減少約人民幣228.6百萬元至二零二一年十二月三十一日的約人民幣8,807.8百萬元，降幅約2.5%。該減少主要是由於在報告期內償付建築安裝款。

### 借款

於二零二一年十二月三十一日，本集團借款約為人民幣28,655.5百萬元（二零二零年十二月三十一日：約人民幣27,541.8百萬元）。於二零二一年十二月三十一日，本集團的無抵押借款約為人民幣14,708.6百萬元（二零二零年十二月三十一日：約人民幣15,365.8百萬元）及有抵押的借款約為人民幣13,946.9百萬元（二零二零年十二月三十一日：約人民幣12,176.0百萬元）。

### 資產抵押

於二零二一年十二月三十一日，人民幣13,946.9百萬元（二零二零年十二月三十一日：約人民幣12,176.0百萬元）的借款由本集團服務特許經營安排下的應收款項、合約資產、使用權資產、物業、廠房及設備、以及無形資產及本公司於附屬公司的投資質押作抵押。

### Gearing Ratio

The Group's gearing ratio (calculated as net debt divided by total capital) increased from approximately 77.26% as at 31 December 2020 to approximately 78.79% as at 31 December 2021. The increase in gearing ratio was mainly due to the increased scale of debt financing during the Reporting Period.

The Board will closely monitor and improve the gearing ratio of the Group.

### Going Concern and Mitigation Measures

the Group reported a net loss of RMB1,055,254,000 for the year ended 31 December 2021 and the Group's current liabilities exceeded its current assets by RMB19,359,615,000 as at 31 December 2021. As at the same date, the Group's total borrowings amounted to RMB28,655,546,000, of which current borrowings amounted to RMB20,685,107,000, while its cash and cash equivalents amounted to RMB428,427,000 only. As at 31 December 2021, the Group had capital commitments of approximately RMB11,963,708,000, which were mainly related to various concession projects and construction projects of the Group.

In addition, as at 31 December 2021, the Group was in default in respect of borrowings totaling RMB5,616,161,000 due to either late or overdue payment of loan principals and interests of RMB1,157,710,000, or breach of certain terms and conditions of borrowings during the year ended 31 December 2021. These events of default also resulted in cross-default of certain borrowings other than those mentioned above of RMB10,781,143,000 as at 31 December 2021. Subsequent to the balance sheet date, the Group further failed to repay certain scheduled instalments and interest of its borrowings which caused default of additional borrowings other than those mentioned above amounted to RMB1,454,385,000. In addition, lenders of certain of the abovementioned overdue borrowings had taken property preservation measures and obtained enforcement order for settlement from the court through legal proceedings. These conditions, together with other matters described in Note 2.1 to the consolidated financial statements, indicate the existence of multiple uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

### 資產與負債的比率

本集團資產與負債的比率(按淨債務除以總資本計算)由二零二零年十二月三十一日的約77.26%增至二零二一年十二月三十一日的約78.79%。資產與負債的比例的增長主要是由於報告期內債務融資規模持續增加所致。

董事會將密切監察和改善本集團的資產與負債的比率。

### 持續經營及緩解措施

本集團呈報截至二零二一年十二月三十一日止年度淨虧損人民幣1,055,254,000元及本集團於二零二一年十二月三十一日的流動負債超過其流動資產人民幣19,359,615,000元。於同日，本集團借款總額為人民幣28,655,546,000元，其中即期借款為人民幣20,685,107,000元，而現金及現金等價物僅為人民幣428,427,000元。於二零二一年十二月三十一日，本集團擁有資本承諾約人民幣11,963,708,000元，主要與本集團的各種特許經營項目及建造項目有關。

此外，於二零二一年十二月三十一日，本集團因拖欠或逾期支付貸款本金及利息人民幣1,157,710,000元，或於截至二零二一年十二月三十一日止年度違反借款的若干條款及條件，就總額為人民幣5,616,161,000元的借款而言構成違約。該等違約事件亦導致若干借款(上述截至二零二一年十二月三十一日的人民幣10,781,143,000元借款除外)的交叉違約。於結算日後，本集團再次未能償還若干借款的計劃分期付款及利息，導致額外借款(上述人民幣1,454,385,000元的借款除外)違約。此外，若干上述逾期借款的貸款人已採取財產保全措施及透過法律訴訟取得法院的執行和解令。此等狀況連同合併財務報表附註2.1所述的其他事宜，表明存在重大不確定因素，可能使本集團之持續經營能力受到嚴重質疑。

## Management Discussion and Analysis

### 管理層討論及分析

The directors of the Company have been undertaking a number of measures to mitigate the Group's liquidity pressure and to improve its financial position, and to remediate certain delayed repayments to financial institutions, which include:

- (i) The Group had corporate bonds of RMB852,721,000 with early redemption option exercisable by bondholders in March 2022, out of which RMB577,028,000 was exercised by the bondholders and redeemed by the Group, while the bondholders for the remaining RMB275,693,000 did not exercise the option and such amount will be due for repayment by March 2024.
- (ii) In March 2022, the Group obtained a borrowing of RMB990,000,000 from its immediate holding company, Yunnan Green Environmental Protection Industry Group Co., Ltd. ("YEPI"). The proceed was partly used to redeem the corporate bonds of RMB577,028,000 as mentioned above, partly used to repay the Group's borrowings of RMB154,436,000 which were due for repayment in March 2022, which the remaining portion was used to repay the interest and other financing charges due to Yunnan Health & Cultural Tourism Holding Group Co., Ltd. ("YHTH"), an intermediate holding company. The Group also obtained borrowings of RMB212,000,000 from a subsidiary of YHTH to repay another corporate bonds which were due in March 2022.
- (iii) The Group will continue its ongoing effort to convince the respective lenders not to take any actions against the Group for immediate repayment of the Defaulted Borrowings. Other than the property preservation measures and enforcement incidents mentioned above, the directors are not aware of any indication that other lenders have any current intention to take actions against the Group to demand immediate payments.
- (iv) The Group is also in active negotiations with the respective lenders for renewal and extension of the relevant borrowings and for grant of waivers for non-compliance of financial covenants, defaults and cross defaults, and the directors are confident that agreements will be reached and appropriate waivers will be granted in a timely manner. Since 1 January 2022, the Group has successfully extended RMB412,984,000 of the Overdue Borrowings under the same terms of the original agreement despite the continuing defaulted status.
- (v) The Directors are confident that the Group will be able to renew certain uncommitted revolving loan facilities as at 31 December 2021 as well as to obtain new facilities as planned given the long standing relationship the Group has with the respective banks.

本公司董事已採取多項措施，以減輕本集團的流動資金壓力及改善財務狀況，並補救若干延後向金融機構還款的問題，其中包括：

- (i) 本集團的公司債券為人民幣852,721,000元，債券持有人可於二零二二年三月行使提早贖回權，其中人民幣577,028,000元已由債券持有人行使並由本集團贖回，而餘下人民幣275,693,000元的債券持有人並無行使贖回權，此類金額將於二零二四年三月前到期償還。
- (ii) 於二零二二年三月，本集團向直接控股公司雲南省綠色環保產業集團有限公司（「雲南綠色環保集團」）取得借款人民幣990,000,000元，所得款項部分用於贖回人民幣577,028,000元的公司債券（如上所述），部分用於償還本集團於二零二二年三月到期的借款人民幣154,436,000元，剩餘部分用於償還其中間控股公司雲南省康旅控股集團有限公司（「雲南康旅集團」）的利息及其他融資費用。本集團亦從雲南康旅集團的附屬公司取得借款人民幣212,000,000元，以償還於二零二二年三月到期的另一筆公司債券。
- (iii) 本集團將繼續努力說服各貸款人不要對本集團採取任何行動以要求立即償還違約借款。除上述財產保全措施及執行事件外，董事並不知悉有任何跡象表明其他貸款人目前有任何意圖對本集團採取行動，以要求立即付款。
- (iv) 本集團亦正與各貸款人就有關借款的續期及展期以及就未遵守財務契諾、違約及交叉違約授予豁免進行積極磋商，董事相信將能達成協議及將能及時授予適當豁免。自二零二二年一月一日起，儘管仍處於違約狀態，本集團已按照原協議的相同條款成功展期逾期借款人民幣412,984,000元。
- (v) 鑒於本集團與各銀行的長期關係，董事相信本集團將能夠續新截至二零二一年十二月三十一日的若干未承諾循環貸款融資並按計劃獲得新融資。

## Management Discussion and Analysis 管理層討論及分析

- (vi) The Group has plans to divest certain of the Group's concession projects and construction projects. As at 31 December 2021, the Group has received deposit from a potential acquirer amounted to RMB200,000,000 and the completion of the disposal is expected to take place before June 2022 with a further consideration of approximately RMB220,000,000 to be received. In the meantime, the Group is also actively looking for strategic investors to invest in certain existing projects of the Group so as to enhance the capital structure and reduce overall financing expenses of the Group.
- (vii) The Directors are of the view that they have the ability to manage the progress of the projects from time to time and defer the payment schedule of the borrowings in these projects, if necessary. The Group has uncommitted project loan facilities from banks to provide financing of up to RMB5,506,109,000 to satisfy part of the construction cost payable and committed capital expenditure in the next twelve months from 31 December 2021. The Group has also initiated the process to obtain new project loans to fund the Group's existing and new concession projects and construction projects. Despite the default situation as described above, the Directors believe that these uncommitted facilities will continue to be available to the Group and they are confident that they will be able to obtain such project loans from banks and other financial institutions as and when needed.
- (viii) The borrowings from YHTH was RMB4,366,330,000 as at 31 December 2021, of which RMB4,302,589,000 was classified as non-current. In addition, in order to facilitate the Group to issue perpetual bonds during the year, YHTH has undertaken to the bondholders to acquire the Group's perpetual bonds of RMB1,622,300,000 under certain circumstance and also provided certain properties of YHTH as security. Moreover, YHTH also issued a letter to the Group and agreed to provide financial support to the Group for a period up to 18 months from 31 December 2021 and to take measures to enable the Group to have sufficient working capital to meet its liabilities and obligations as and when they fall due and to continue to carry on its business.
- (ix) The Group is actively communicating with the relevant lenders that have taken property preservation measures and enforcement through legal proceedings, seeking solutions from the professional lawyer team, hoping to reach a settlement through mediation and ensure the smooth implementation of relevant settlement agreements.
- (vi) 本集團已計劃剝離若干本集團的特許經營項目及建造項目。截至二零二一年十二月三十一日，本集團已從潛在收購方收到按金人民幣200,000,000元，預計將於二零二二年六月前完成出售，進一步代價約人民幣220,000,000元即將收到。同時，本集團亦積極尋找戰略投資者投資本集團的若干現有項目，以加強資本結構及減少本集團的整體融資費用。
- (vii) 董事認為，彼等有能力不時管理項目的進度，並於必要時設法推遲該等項目中借款的付款時間表。本集團從銀行獲得未承諾項目貸款融資，可提供最多人民幣5,506,109,000元的融資，以支付自二零二一年十二月三十一日起未來十二個月的部分應付建築成本和承諾資本開支。本集團亦已啟動獲取新項目貸款的程序，以為本集團的現有及新增特許經營項目及建造項目提供資金。儘管出現上述違約情況，董事相信本集團將繼續獲得該等未承諾融資，且彼等有信心能夠在需要時從銀行及其他金融機構獲得該等項目貸款。
- (viii) 於二零二一年十二月三十一日，來自雲南康旅集團的借款為人民幣4,366,330,000元，其中人民幣4,302,589,000元被分類為非流動。此外，為便於本集團在本年度發行永續債，雲南康旅集團已向債券持有人承諾在特定情況下購買本集團人民幣1,622,300,000元的永續債，並提供雲南康旅集團若干物業作為擔保。此外，雲南康旅集團亦致函本集團，同意自二零二一年十二月三十一日起向本集團提供長達18個月的財務支持，並將採取措施使本集團有足夠的營運資金來履行其到期負債和義務並繼續開展業務。
- (ix) 本集團正積極與已採取財產保全措施並通過法律程序執行的相關貸款人進行溝通，向專業律師團隊尋求解決方案，希望通過調解的方式達成和解，確保相關和解協議的順利履行。



# Management Discussion and Analysis

## 管理層討論及分析

### Disclaimer of Opinion

As disclosed in the Independent Auditor's Report on pages 80 to 83 of this annual report, the Company's auditor PricewaterhouseCoopers (the "Auditor") expressed a disclaimer of opinion on the consolidated financial statements of the Group for the year 2021 (the "Disclaimer of Opinion").

Due to multiple uncertainties relating to going concern, the Auditor did not express an opinion on the consolidated financial statements of the Group for the year ended 31 December 2021. As stated in note 2 of the financial statements and notes to this report, in view of the Disclaimer of Opinion, the Group has taken certain measures and actions. Should the Group fail to achieve the planned measures and actions, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements of the Group for the year ended 31 December 2021. Disclaimer of Opinion is only related to going concern of the Group as a whole, not to the specific matters or things of the Group's financial position at the end of the above-mentioned reporting period. By far, we have not noticed any impact of the audit opinion on the future financial position of the Group.

### Employees and Remuneration Policy

As at 31 December 2021, the Group employed 6,998 employees (31 December 2020: 7,007). During the Reporting Period, staff cost was approximately RMB666.5 million (for the year ended 31 December 2020: RMB588.9 million). The Group will strive to ensure that the remuneration level of employees is in line with industry practices and prevailing market conditions, and remunerations of employees will be determined based on their performance. The remuneration package provided to employees also includes basic and floating salaries, discretionary bonus and staff benefits. The Group also provides external and internal training programs for its employees.

The Group did not experience any significant labour disputes causing any material impact on its normal business operations.

### 無法表示意見

正如載於本年報第80至83頁之獨立核數師報告所披露，本公司核數師羅兵咸永道會計師事務所(「核數師」)對本集團二零二一年度合併財務報表發表無法表示意見(「無法表示意見」)。

由於存在與持續經營相關的多項不確定因素，核數師對本集團二零二一年度合併財務報表無法表示意見。如本報告財務報表及附註之附註二所述，本集團針對無法表示意見計劃採取若干措施及行動，倘本集團未能實現所計劃的措施及行動，本集團可能無法持續經營，及將會作出調整以將本集團的資產的賬面值撇減至可收回金額，以就可能產生的任何進一步負債作出撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響並無於本集團截至二零二一年十二月三十一日止年度的合併財務報表中反映。無法表示意見僅與本集團整體的持續經營有關，而非與上述報告期末本集團財務狀況的具體事項或事宜相關。截至目前，暫時沒有關注到審計意見對本集團未來的財務情況產生任何影響。

### 僱員及薪酬政策

於二零二一年十二月三十一日，本集團聘用6,998名僱員(二零二零年十二月三十一日：7,007名)。報告期內，員工成本約為人民幣666.5百萬元(截至二零二零年十二月三十一日止年度：人民幣588.9百萬元)。本集團將致力確保僱員薪酬水準符合行業慣例及現行市場情況，而僱員薪酬乃基於彼等的表現釐定。為僱員提供的薪酬待遇亦包括基本及浮動薪資、酌情花紅及員工福利。本集團亦為僱員提供外部及內部培訓計劃。

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。

### Foreign Exchange Risk

The Group principally operates in the PRC with most of the transactions being settled in RMB, which is the functional currency of most of the group entities. The Group also has certain subsidiaries in foreign operations. Foreign exchange risk arises from the recognised assets and liabilities and net investments in foreign operations. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through financing activities denominated in the relevant foreign currencies.

The group entities are exposed to foreign exchange risk of foreign currencies other than their functional currencies, primarily with respect to the US dollars ("US\$"), Euro ("EUR") and Hong Kong dollars ("HKD") (together "Non-functional Currencies"). The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position. Management considers the fluctuations in exchange rates between the functional currencies of respective group entities and Non-functional Currencies in which the group entities conduct business will not have significant effect on the Group's financial position and results of operations.

### Contingent Liabilities

Affected by the cases of financial leasing contract dispute, some assets of the Group were taken property preservation measures by the relevant courts from December 2021 to January 2022. The above assets relate to the equity interest of some subsidiaries/associates held by the Group and some bank accounts of the Group. According to the inside information announcement issued by the Company on 25 March 2022, due to the continuous impact of one of the above financial leasing contract dispute cases, the Company has been listed as a person subject to enforcement by Urumqi Intermediate People's Court, and the subject matter of enforcement was the assets of the Group with a total value of no more than RMB371,502,848.

At present, the Company is actively communicating with relevant financial institutions involved in the lawsuit, seeking solutions from the professional lawyer team, hoping to reach a settlement through mediation and ensuring the smooth implementation of relevant settlement agreements. If the relevant settlement matters can be reached, the Company's assets subject to preservation measures and enforcement may be unfrozen, and such release will not have any adverse impact on the ownership of relevant assets and the circulation of funds in the account. Therefore, the Company believes that the property preservation and enforcement caused by relevant financial lease contract disputes will not constitute major contingent liabilities of the Group.

### Final Dividend

The Board does not recommend the distribution of a final dividend for the year ended 31 December 2021.

### 外匯風險

本集團主要在中國經營業務，大部分交易以人民幣結算，人民幣為大部分集團公司的功能貨幣。本集團亦有若干附屬公司經營境外業務。外匯風險來自境外業務的已確認資產及負債和投資淨額。本集團境外業務淨資產所產生的貨幣風險，主要透過以相關外幣計值的融資活動進行管理。

集團實體承受其功能貨幣以外外幣的外匯風險，主要涉及美元（「美元」）、歐元（「歐元」）及港元（「港元」）（統稱「非功能貨幣」）。本集團力圖通過密切監察及盡量減少其外幣持倉淨額來限制外幣風險敞口。管理層認為各集團實體的功能貨幣與各集團實體經營業務的非功能貨幣之間的匯率波動不會對本集團的財務狀況及經營業績產生重大影響。

### 或然負債

受融資租賃合同糾紛案件影響，本集團的部分資產於二零二一年十二月至二零二二年一月期間，被相關法院採取財產保全措施。上述資產涉及本集團持有部分附屬／聯營公司的股權以及本集團部分銀行賬戶。根據本公司於二零二二年三月二十五日發佈的內幕消息公告，受上述融資租賃合同糾紛案件其中之一案件的持續影響，本公司被烏魯木齊市中級人民法院列為被執行人，被執行標的為本集團總價值為不超過人民幣371,502,848元的資產。

目前，本公司正在積極與涉訴的相關金融機構進行溝通，向專業律師團隊尋求解決方案，希望通過調解的方式達成和解，確保相關和解協議的順利履行。若相關的和解事項能夠達成，公司被採取保全措施及被執行的資產存在解除凍結的可能性，解除後將不會對相關資產的所有權及賬戶資金流通產生任何不利影響。因此，本公司認為相關融資租賃合同糾紛引起的財產保全以及被執行的情況不會構成本集團的重大或然負債。

### 末期股息

董事會不建議分派截至二零二一年十二月三十一日止年度的末期股息。

# Management Discussion and Analysis

## 管理層討論及分析

### SIGNIFICANT INVESTMENTS AND ACQUISITIONS

- On 6 June 2021, the Company entered into the Equity Acquisition and Share Issuance Agreement with Zhejiang Qianjiang Biochemical Co., Ltd.\* (浙江錢江生物化學股份有限公司) (“**Qianjiang Biochemical**”) and Haining Municipal Water Investment Group Co., Limited\* (海寧市水務投資集團有限公司) (“**Haining Water Investment Group**”), pursuant to which Haining Water Investment Group conditionally agreed to sell and Qianjiang Biochemical conditionally agreed to acquire 51% equity interest in Zhejiang Haiyun Environmental Protection, 40% equity interest in Capital Water, 40% equity interest in Shikang Water, 40% equity interest in Lvdong Haiyun held by Haining Water Investment Group, and 49% equity interest in Zhejiang Haiyun Environmental Protection held by the Company at a total consideration of RMB2,103,200,000. Upon completion of the Acquisition, Qianjiang Biochemical will hold 100% equity interest in Zhejiang Haiyun Environmental Protection, 40% equity interest in Capital Water, 40% equity interest in Shikang Water and 40% equity interest in Lvdong Haiyun, and the Company will cease to hold any equity interest in Zhejiang Haiyun Environmental Protection and will hold approximately 20.24% equity interest in Qianjiang Biochemical (assuming there will be no other change in the registered capital of Qianjiang Biochemical), which will be accounted for as an associated company of the Company.

For details of the above-mentioned significant investment and acquisition, please refer to the announcement published by the Company on 6 June 2021.

#### Subsequent Events:

- On 11 January 2022, the name of the Company’s Controlling Shareholder has been formally changed from “Yunnan Province Water Industry Investment Co., Ltd.\* (雲南省水務產業投資有限公司)” to “Yunnan Green Environmental Protection Industry Group Co., Ltd\* (雲南省綠色環保產業集團有限公司)”.

For details of the above-mentioned subsequent event, please refer to the announcement published by the Company on 11 January 2022.

### 重大投資及收購

- 於二零二一年六月六日，本公司與浙江錢江生物化學股份有限公司(「**錢江生化**」)、海寧市水務投資集團有限公司(「**海寧水投集團**」)簽訂股權收購及股份發行協議，據此海寧水投集團有條件同意出售而錢江生化有條件同意收購海寧水投集團持有的浙江海雲環保51%股權、首創水務40%股權、實康水務40%股權、綠動海雲40%股權以及本公司持有的浙江海雲環保49%股權，總代價為人民幣2,103,200,000元。於收購事項完成後，錢江生化將持有浙江海雲環保100%股權、首創水務40%股權、實康水務40%股權及綠動海雲40%股權，本公司將不再持有浙江海雲環保任何股權而將持有錢江生化約20.24%股權(假設錢江生化之註冊資本未有其他變動)，錢江生化將作為本公司的聯營公司入賬。

有關上述重大投資及收購事項的詳情，請參閱本公司於二零二一年六月六日刊發的公告。

#### 報告期後事項：

- 於二零二二年一月十一日，本公司控股股東的名稱正式由「雲南省水務產業投資有限公司」變更為「雲南省綠色環保產業集團有限公司」。

有關上述期後事項的詳情，請參閱本公司於二零二二年一月十一日刊發的公告。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

### EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS

**Mr. Yu Long (“Mr. Yu”)**, aged 50, joined the Group in June 2011, and currently serves as an executive Director, vice chairman and the general manager of the Company. Mr. Yu obtained a MBA degree from Guanghua School of Management, Peking University in July 2013, and is now studying as a doctor at the School of Economics and Management at University of Chinese Academy of Sciences. Mr. Yu has more than 18 years of experience in environmental and water works industry, market development, project management, investment capital management, and risk control management, and he is mainly responsible for the overall operation and management, strategic planning and business development of the Company. Mr. Yu was appointed as general manager of water works division and deputy general manager of Beijing Tsinghua Novel Environmental Protection Company Limited between July 2003 and August 2007. Mr. Yu was appointed as project management director of Kardan Water Group Limited\* (凱丹水務國際有限集團) between August 2007 and July 2008. Between July 2008 and April 2009, Mr. Yu was appointed as the deputy general manager of Ruoshi (Beijing) Investment Co., Ltd.\* (若石(北京)投資有限公司). Between May 2009 and October 2012, Mr. Yu was appointed as the sales director and the deputy general manager of Beijing OriginWater. Between June 2011 and August 2017, Mr. Yu served as General Manager and executive Director of the Company, and as General Manager of the Company between August 2017 and December 2018. Mr. Yu has served as an executive Director, vice chairman and General Manager of the Company from December 2018 till now, and Mr. Yu has been elected by the Board to act as the Acting Chairman from September 2021 till now. In addition, Mr. Yu has been appointed as chairman or director of various subsidiaries of our Group since January 2011.

### 執行董事及非執行董事

于龍先生(「于先生」)，50歲，于先生於二零一一年六月加入本集團，現擔任本公司執行董事，副董事長及總經理。于先生於二零一三年七月取得北京大學光華管理學院工商管理碩士學位，現於中國科學院大學經濟與管理學院博士在讀。于先生於環保及水務行業、市場開發、項目管理、投資資本管理及風險控制管理擁有逾18年經驗，主要負責本公司的整體運營及管理、策略規劃及業務發展。於二零零三年七月至二零零七年八月期間，于先生擔任北京清華永新環保有限公司的副總經理及水務部門的總經理。於二零零七年八月至二零零八年七月期間，于先生擔任凱丹水務國際有限集團的項目管理總監。於二零零八年七月至二零零九年四月期間，于先生擔任若石(北京)投資有限公司的副總經理。於二零零九年五月至二零一二年十月期間，于先生擔任北京碧水源的銷售總監及副總經理。於二零一一年六月至二零一七年八月期間，于先生擔任本公司總經理及執行董事，自二零一七年八月起至二零一八年十二月期間，于先生擔任本公司總經理，自二零一八年十二月至今，于先生擔任本公司執行董事，副董事長及總經理，自二零二一年九月至今，于先生獲本公司董事會推舉代行董事長職權。此外，自二零一一年一月起于先生於本集團之多家附屬公司擔任董事長或董事。



## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Zhou Zhimi (“Mr. Zhou”),** aged 48, joined the Group in March 2011, and currently serves as an executive Director and Chief Financial Controller of the Company. Mr. Zhou obtained a bachelor’s degree in statistics from Shanxi University of Finance and Economics in July 1999, and obtained the title certificate of senior accountant in March 2022. Mr. Zhou has over 22 years of experience in corporate finance management. From July 1999 to March 2006, Mr. Zhou worked in Yunnan Beifang Optical Electronics Group Co., Ltd.\* (雲南北方光學電子集團有限公司); from August 2005 to March 2011, Mr. Zhou served as the deputy director in the finance, accounting and audit department of Yunnan Yunguang Development Co., Ltd.\* (雲南雲光發展有限公司); from March 2011 to June 2014, Mr. Zhou successively served as the deputy manager and the manager of the finance department of Yunnan Green Environmental Protection Group Industrial Investment Co., Ltd.\* (雲南綠色環保集團產業投資有限公司), and also acted as the chief financial controller of its subsidiary; from June 2014 to September 2015, Mr. Zhou served as the manager of the finance department of the Company, and also the chief financial controller of various subsidiaries; from September 2015 to September 2021, Mr. Zhou served as the deputy financial controller of the Company, and successively served as the deputy general manager of its associated company and the financial controller of Shanghai Center of the Company. From September 2021 till now, Mr. Zhou has served as the financial controller of the Company. Mr. Zhou also serves as director and chairman of several subsidiaries of the Company.

**Mr. Dai Richeng (“Mr. Dai”),** aged 57, joined the Group in October 2020, and currently serves as a non-executive Director of the Company. Mr. Dai holds a master’s degree in environmental engineering from the Department of Chemical Engineering in Nanjing University of Science and Technology and a doctoral degree in environmental engineering of the Department of Environmental Engineering from Tsinghua University. Mr. Dai has extensive experience for about 30 years in the water treatment industry. He was an engineer at the Water Pollution Research Office of the Quan Jun Environmental Science Research Centre\* (全軍環境科學研究中心水污染研究室) and later acted as a senior engineer in the China Water Pollution Research Centre\* (中國水污染研究中心). From 1998 to 2010, Mr. Dai acted as the general manager and senior engineer in a subsidiary principally engaged in wastewater treatment of Tsinghua Tongfang Co., Ltd.\* (清華同方股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600100). From 2010 to 2012, he was the vice-president and senior engineer of Beijing Enterprises Water Group Limited (北控水務集團有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 371). Mr. Dai has been the general manager of Beijing OriginWater from October 2012 to April 2016, has been the director of Beijing OriginWater from April 2014 to September 2020 and has been the general manager and executive general manager of Beijing OriginWater since March 2018; Mr. Dai was the executive Director and vice-chairman of the Company from June 2016 to August 2018, and the non-executive Director of the Company from August 2018 to December 2018, and from December 2018 till now, he has been the non-executive Director of the Company.

**周志密先生(「周先生」)**，48歲，於二零一一年三月加入本集團，現擔任本公司執行董事及財務總監。周先生於一九九九年七月獲山西財經大學授予的統計學學士學位，並於二零二二年三月取得高級會計師聯稱證書。周先生在企業財務管理方面擁有逾二十二年的經驗。於一九九九年七月至二零零六年三月，周先生在雲南北方光學電子集團有限公司工作；於二零零五年八月至二零一一年三月，周先生在雲南雲光發展有限公司擔任財會審計部副部長；於二零一一年三月至二零一四年六月，周先生在雲南綠色環保集團產業投資有限公司先後任財務部副經理、財務部經理，並兼任下屬公司財務總監；於二零一四年六月至二零一五年九月，周先生在本公司擔任財務部經理並兼任下屬多家公司財務總監；於二零一五年九月至二零二一年九月，周先生在本公司擔任財務副總監，並先後兼任下屬參股公司副總經理、本公司上海中心財務總監。二零二一年九月起至今，周先生擔任本公司財務總監職務。周先生亦擔任本公司多家下屬公司董事、董事長職務。

**戴日成先生(「戴先生」)**，57歲，於二零二零年十月加入本集團，現擔任本公司非執行董事。戴先生獲得南京理工大學化學工程系環境專業工學碩士及清華大學環境工程環境工程專業工學博士學位。戴先生於水處理行業擁有約三十年的豐富經驗，彼曾於全軍環境科學研究中心水污染研究室擔任工程師，其後於中國水污染研究中心擔任高級工程師。戴先生於一九九八年至二零一零年期間，於清華同方股份有限公司(於上海證券交易所上市的公司，股份代號：600100)以污水處理為主的附屬公司擔任總經理兼高級工程師。彼於二零一零年至二零一二年期間，於北控水務集團有限公司(於聯交所主板上市的公司，股份代號：371)擔任副總裁兼高級工程師。戴先生自二零一二年十月至二零一六年四月期間，擔任北京碧水源總經理，於二零一四年四月至二零二零年九月期間，擔任北京碧水源董事，於二零一八年三月起至今，擔任北京碧水源總經理、執行總經理；戴先生自二零一六年六月至二零一八年八月任本公司執行董事、副董事長，二零一八年八月至二零一八年十二月任本公司非執行董事，於二零一八年十二月至今，戴先生擔任本公司非執行董事。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Chen Yong (“Mr. Chen”)**, aged 49, joined the Group in June 2019, and currently serves as a non-executive Director of the Company. He is a postgraduate and senior accountant. Mr. Chen obtained a bachelor’s degree in computer science from Xinjiang University (新疆大學) in July 1999 and a master’s degree in business administration from Xinjiang University of Finance and Economics in June 2009. Mr. Chen has over 26 years of extensive experience in accounting and management. From February 1992 to July 2008, Mr. Chen worked for CNPC Xinjiang Sales Company\* (中國石油新疆銷售公司) and served as a Deputy Director of the Finance Department and a Director of the Corporate Management Department. Since September 2010, Mr. Chen has been the General Manager of the Equity Investment Department of Kunlun Trust Co., Ltd.\* (昆侖信託有限責任公司), the General Manager of the Equity Investment Department of CNPC Asset Management Co., Ltd.\* (中油資產管理有限公司), the Managing Director of Ningbo Kunlun Xinyuan Equity Management Partnership (Limited Partnership)\* (寧波昆侖信託元股權管理合夥企業(有限合夥)) and an Authorized Representative of the Executive Partner of Yantai Xinzhen Tianying Equity Investment Center (Limited Partnership)\* (煙台信貞添盈股權投資中心(有限合夥)). In addition, Mr. Chen has been a supervisor of Shandong International Trust Co., Ltd.\* (山東省國際信託股份有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 1697) since September 2014. He has been a director of Tianjin Climate Exchange Co., Ltd. (天津排放權交易所有限公司) since December 2015. He has been a director of Jiemian (Shanghai) Network Technology Co., Ltd.\* (界面(上海)網絡科技有限公司) since July 2016, and a director of Beijing Wuerzhilu Technology Co., Ltd.\* (北京無二之旅科技有限公司) since April 2017, and a director of Beijing Weiche Technology Co., Ltd.\* (北京喂車科技有限公司) since May 2017. Mr. Chen has been a director of Shandong Provincial Financial Asset Management Co., Ltd.\* (山東省金融資產管理股份有限公司) since July 2018, the vice chairman of Beijing Kunlun Zhihui Technology Co., Ltd.\* (北京昆侖致匯科技有限公司) since February 2018, and from June 2019 till now, he has been the non-executive Director of the Company.

陳勇先生(「陳先生」)，49歲，於二零一九年六月加入本集團，現擔任本公司非執行董事。研究生學歷，高級會計師。陳先生於一九九九年七月取得新疆大學電腦專業應用學士學位，於二零零九年六月取得新疆財經大學工商管理碩士學位。陳先生在會計及管理方面擁有逾二十六年豐富經驗。自一九九二年二月至二零零八年七月，陳先生就職於中國石油新疆銷售公司，先後擔任財務處副處長、企管處處長等職務。自二零一零年九月起，陳先生任昆侖信託有限責任公司股權投資部總經理、中油資產管理有限公司股權投資部總經理、寧波昆侖信託元股權管理合夥企業(有限合夥)董事總經理、煙台信貞添盈股權投資中心(有限合夥)執行事務合夥人委派代表。此外，陳先生自二零一四年九月起，任山東省國際信託股份有限公司(於聯交所主板上市的公司，股份代號：1697)監事。自二零一五年十二月起，任天津排放權交易所有限公司董事。自二零一六年七月起，任界面(上海)網絡科技有限公司董事。自二零一七年四月起，任北京無二之旅科技有限公司董事。自二零一七年五月起，任北京喂車科技有限公司董事。自二零一八年七月起，任山東省金融資產管理股份有限公司董事。自二零一八年二月起，任北京昆侖致匯科技有限公司副董事長。自二零一九年六月至今，擔任本公司非執行董事。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Liu Hui (“Mr. Liu”)**, aged 49, joined the Group in June 2021, and currently serves as a non-executive Director of the Company. Mr. Liu obtained a bachelor’s degree in medical insurance from Nanjing Railway Medical College in August 1999 and a master’s degree in political economics from Yunnan University in July 2008. Mr. Liu has over 22 years of extensive experience in corporate financial management. From August 1999 to September 2005, Mr. Liu acted as an assistant economist in the Third People’s Hospital of Yunnan Province\* (雲南省第三人民醫院); from July 2008 to January 2011, Mr. Liu worked in the accounting department of the Rural Credit Cooperative Union of Wuhua District, Kunming City; from January 2011 to August 2013, Mr. Liu served as the business supervisor in the financial management department of Yunnan Metropolitan Construction Investment Co., Ltd.\* (雲南省城市建設投資集團有限公司); from August 2013 to September 2014, Mr. Liu served as the chief financial officer of Yunnan Urban Investment and Venture Capital Co., Ltd.\* (雲南城投創業投資有限公司); from September 2014 to August 2016, Mr. Liu worked as a business supervisor in the financial management center of Yunnan Metropolitan Construction Investment Co., Ltd.; from August 2016 to November 2020, Mr. Liu worked as a deputy general manager of the financial management center of Yunnan Metropolitan Construction Investment Co., Ltd.; from June 2019 to December 2019, Mr. Liu concurrently served as the chief financial officer of Chengdu Global Century Convention & Exhibition Tourism Group Co., Ltd.\* (成都環球世紀會展旅遊集團有限公司); and since November 2020, Mr. Liu has acted as the deputy general manager of the financial management center of Yunnan Health & Cultural Tourism Holding Group Co., Ltd.\* (雲南省康旅控股集團有限公司), the controlling shareholder of the Company. From June 2021 till now, Mr. Liu has been the non-executive Director of the Company.

劉暉先生(「劉先生」)，49歲，於二零二一年六月加入本集團，現擔任本公司非執行董事。劉先生於一九九九年八月獲南京鐵道醫學院授予醫療保險專業學士學位，於二零零八年七月獲雲南大學政治經濟學碩士學位。劉先生在企業財務管理方面擁有逾二十二年的豐富經驗。於一九九九年八月至二零零五年九月，劉先生在雲南省第三人民醫院任助理經濟師；於二零零八年七月至二零一一年一月，劉先生在昆明市五華區農村信用合作聯社會計部工作；於二零一一年一月至二零一三年八月，劉先生在雲南省城市建設投資集團有限公司財務管理部任業務主管；於二零一三年八月至二零一四年九月，劉先生在雲南城投創業投資有限公司任財務總監；於二零一四年九月至二零一六年八月，劉先生在雲南省城市建設投資集團有限公司財務管理中心任業務主管；於二零一六年八月至二零二零年十一月，劉先生在雲南省城市建設投資集團有限公司財務管理中心任副總經理；於二零一九年六月至二零一九年十二月，劉先生兼任成都環球世紀會展旅遊集團有限公司財務總監；於二零二零年十一月至今，劉先生任本公司控股股東雲南省康旅控股集團有限公司財務管理中心副總經理；於二零二一年六月至今，劉先生任本公司非執行董事。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Liu Shuen Kong (“Mr. Liu”)**, aged 50, joined the Group in June 2018, and currently serves as an independent non-executive Director of the Company. Mr. Liu obtained a bachelor’s degree in accounting and a master’s degree in accounting from RMIT University of Australia in 1996 and 2002, respectively. He subsequently obtained a master’s degree in business administration from Deakin University of Australia in 2004. Mr. Liu has more than 21 years of experience in accounting, auditing and management and is a qualified accountant of CPA Australia and Hong Kong Institute of Certified Public Accountants. Mr. Liu has worked at KPMG since 1996 as a manager, senior manager and supervisor. From 1996 to 1999, he worked in the audit department of the Hong Kong office of KPMG. From 1999 to 2010, he worked in the financial advisory service department of the Guangzhou office and Shenzhen office of KPMG. From October 2010 to December 2013, Mr. Liu was chief financial officer and company secretary of Leoch International Technology Limited (a company listed on the Main Board of the Stock Exchange, stock code: 842). From December 2013 to May 2017, Mr. Liu was executive director, chief financial officer and company secretary of Yestock Car Rental Company Limited. Since May 2017, Mr. Liu has been the managing director of member companies of Heungkong Financial Group. From June 2018 till now, Mr. Liu has been the independent non-executive Director of the Company.

### 獨立非執行董事

廖船江先生(「廖先生」)，50歲，於二零一八年六月加入本集團，現擔任本公司獨立非執行董事。廖先生分別於一九九六年和二零零二年取得澳大利亞皇家墨爾本理工大學會計學士學位及會計碩士學位，其後於二零零四年獲得澳大利亞迪肯大學授予工商管理碩士學位。廖先生在會計、審計及管理方面擁有逾二十一年豐富經驗，是澳洲會計師公會及香港會計師公會的合資格會計師。廖先生自一九九六年起歷任畢馬威會計事務所經理、高級經理及主任等職務，其中：一九九六年至一九九九年，於畢馬威會計事務所香港辦事處的審計部工作；一九九九年至二零一零年，於畢馬威會計事務所廣州辦事處及深圳辦事處的財務顧問服務部工作。於二零一零年十月至二零一三年十二月期間，廖先生任理士國際技術有限公司(於聯交所主板上市之公司，股份代號：842)財務總監兼公司秘書。於二零一三年十二月至二零一七年五月期間，廖先生任贏時通汽車租賃有限公司執行董事、財務總監、公司秘書。自二零一七年五月起至今廖先生擔任香江金融集團成員公司董事總經理。自二零一八年六月起至今，廖先生擔任本公司獨立非執行董事。



## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Zhong Wei (“Mr. Zhong”)**, aged 53, joined the Group in October 2020, and currently serves as an independent non-executive Director of the Company. Mr. Zhong graduated from Nanjing University in 1990 majoring in applied physics and from Southeast University in 1994 majoring in industrial economics management. Mr. Zhong received his doctorate’s degree in 1999 from Beijing Normal University majoring in international economics. Between September 2001 and July 2004, Mr. Zhong engaged in postdoctoral research in management science at Tongji University. Mr. Zhong served as an assistant engineer at Wuxi Alarm Devices Factory from July 1990 to July 1992. Mr. Zhong worked as a lecturer at the Business School of Jiangnan University from July 1994 to July 1997. Mr. Zhong served as an associate professor at the Business School of Beijing Normal University between 1999 and 2003. Mr. Zhong has been a professor of the department of Economics and Business Management of Beijing Normal University since July 2003. Mr. Zhong has long been engaged in the field of finance and macroeconomic research. He was selected by the PRC Ministry of Education and the Beijing Supported by Program for New Century Excellent Talents in University\* (北京市新世紀優秀哲學社會科學人才計劃). From April 2017 till now, Mr. Zhong has served as an independent non-executive director of China Resources Land Limited (華潤置地有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 1109). From August 2020 till now, he has served as an independent non-executive director of China Jinmao Holdings Group Limited (中國金茂控股集團有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 817). From October 2020 till now, he has been the independent non-executive Director of the Company.

**Mr. Zhou Beihai (“Mr. Zhou”)**, aged 59, joined the Group in October 2020, and currently serves as an independent non-executive Director of the Company. Mr. Zhou Beihai obtained a doctoral degree in engineering from the Department of Environmental Engineering at Tsinghua University (清華大學環境工程系) in March 1992. Mr. Zhou carried out research on solid waste landfill technology at The University of Fukuoka in Japan from March 1992 to March 1994, and conducted research on photocatalysis water treatment technology at Saitama University in Japan from January 1995 to March 1995. Mr. Zhou served as the director of the Registration and Management Centre for the solid waste under the State Administration of Environmental Protection (國家環保總局固體廢物登記管理中心) from October 1996 to August 2001, and served as diplomatic officer of science and technology at the Chinese Embassy in Japan from October 2001 to December 2004. Mr. Zhou has been appointed as the professor at the School of Energy and Environmental Engineering of University of Science and Technology Beijing since January 2005. From October 2020 till now, he has been the independent non-executive Director of the Company.

**鍾偉先生(「鍾先生」)**，53歲，於二零二零年十月加入本集團，現擔任本公司獨立非執行董事。鍾先生於一九九零年畢業於南京大學應用物理學專業，一九九四年畢業於東南大學工業經濟管理學專業，一九九九年獲得北京師範大學世界經濟學專業博士學位。二零零一年九月至二零零四年七月，鍾先生在同濟大學從事管理科學博士後研究工作。一九九零年七月至一九九二年七月，鍾先生於無錫報警設備廠任助理工程師。一九九四年七月至一九九七年七月，於江南大學商學院擔任講師。一九九九年至二零零三年，鍾先生於北京師範大學經濟管理學院任副教授。二零零三年七月至今，於北京師範大學經濟與工商管理學院任教授。鍾先生長期從事金融領域及宏觀經濟研究，入選中國教育部和北京市新世紀優秀哲學社會科學人才計劃。二零一七年四月至今，鍾先生擔任華潤置地有限公司(於聯交所主板上市的公司，股份代號：1109)獨立非執行董事，於二零二零年八月至今擔任中國金茂控股集團有限公司(於聯交所主板上市的公司，股份代號：817)獨立非執行董事，於二零二零年十月至今擔任本公司獨立非執行董事。

**周北海先生(「周先生」)**，59歲，於二零二零年十月加入本集團，現擔任本公司獨立非執行董事。周先生於一九九二年三月在清華大學環境工程系研究生畢業，獲工學博士學位。一九九二年三月至一九九四年三月年在日本福岡大學從事固體廢物填埋技術的研究，一九九五年一月至一九九五年三月在日本埼玉大學從事光催化水處理技術的研究，一九九六年十月至二零零一年八月擔任國家環保總局固體廢物登記管理中心主任，二零零一年十月至二零零四年十二月擔任中國駐日本大使館高級科技外交官，二零零五年一月至今擔任北京科技大學能源與環境工程學院教授，二零二零年十月至今擔任本公司獨立非執行董事。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

### SUPERVISORS

**Mr. Long Limin (“Mr. Long”)**, aged 53, joined the Group in August 2017, and currently serves as a shareholder representative Supervisor and chairman of the Supervisory Committee of the Company. Mr. Long obtained a bachelor’s degree in engineering from Chongqing University in 1991 and a master’s degree in business administration from Tsinghua University in 2004. Between 1991 and 2000, Mr. Long acted as deputy factory director of Beijing Plumbing Equipment Factory 1 (北京市水暖器材一廠). Between 2000 and 2010, Mr. Long served as vice general manager of Tsinghua Tongfang Artificial Environment Co., Ltd\* (清華同方人工環境有限公司). Between 2010 and 2011, Mr. Long was the director of operation and the manager of procurement department of Beijing OriginWater. Between 2011 and 2013, Mr. Long served as the general manager of Shandong Yashi Co., Ltd.\* (山東雅士股份有限公司). Between 2013 and 2016, Mr. Long was the director of enquiry and procurement department of Beijing OriginWater. From 2016 to March 2018, Mr. Long was the director of operation planning center of Beijing OriginWater, and he has been the director and deputy general manager of Beijing OriginWater since March 2018.

**Mr. Zhu Zhen (“Mr. Zhu”)**, aged 37, joined the Group in August 2017, and currently serves as a shareholder representative Supervisor of the Company. Mr. Zhu obtained his master’s degree in law from Tsinghua University in September 2009. Mr. Zhu has almost 10 years of experience in law and investment related industries. Mr. Zhu was the deputy general manager of the auditing and legal department of YHTH from October 2013 to September 2016, and he was promoted as the general manager of the legal department of YHTH in September 2016. Mr. Zhu has also acted as the general manager of the leisure industry department under the investment and management center of YHTH since 2018. In addition, Mr. Zhu has served as director and supervisor in various subsidiaries of YHTH since September 2014.

### 監事

**龍利民先生(「龍先生」)**，53歲，於二零一七年八月加入本集團，現擔任本公司股東代表監事及監事會主席。龍先生於一九九一年獲重慶大學授予工學學士學位，於二零零四年獲清華大學授予工商管理碩士學位。於一九九一年至二零零零年期間，龍先生任北京市水暖器材一廠副廠長；於二零零零年至二零一零年期間，龍先生擔任清華同方人工環境有限公司副總經理職務。於二零一零年至二零一一年期間，龍先生擔任北京碧水源運營總監兼採購部經理。於二零一一年至二零一三年期間，龍先生擔任山東雅士股份有限公司總經理。於二零一三年至二零一六年期間，龍先生擔任北京碧水源詢價採購部總監。於二零一六年至二零一八年三月期間，龍先生擔任北京碧水源經營計劃中心總監，自二零一八年三月起龍先生擔任北京碧水源董事、副總經理。

**朱振先生(「朱先生」)**，37歲，於二零一七年八月加入本集團，現擔任本公司股東代表監事。朱先生於二零零九年九月於清華大學取得法律碩士學位。朱先生擁有近10年的法律及投資從業經驗。於二零一三年十月至二零一六年九月期間擔任雲南康旅集團審計與法律事務部副總經理，於二零一六年九月晉升為雲南康旅集團法務部總經理。二零一八年起兼任雲南康旅集團投資管理中心休閒產業部總經理。此外，自二零一四年九月起朱先生擔任雲南康旅集團多家附屬公司的董事、監事。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Huang Yi (“Mr. Huang”)**, aged 46, joined the Group in June 2011, and currently serves as an employee representative Supervisor, the deputy general manager of the technology and risk control center and the general manager of the southwest region of the Company. Mr. Huang obtained a bachelor’s degree in Computer and Application from Yunnan University in July 1998 and a master’s degree in Business Administration from Nanjing Normal University in July 2001. From July 2001 to November 2003, Mr. Huang served as a principal staff member of the economic and trade division in the Kunming Resident Office of the National Audit Office. From November 2003 to June 2009, Mr. Huang served successively as senior analyst in the planning and development department, assistant to the director of the audit department and deputy director of the discipline inspection office of Yunnan Malong Industry Group Company Limited\* (雲南馬龍產業集團股份有限公司). Since August 2009, Mr. Huang has served successively as deputy manager of the investment development department, manager of the investment development department, deputy general manager of the market and investment center, the deputy general manager of the technology and risk control center and the general manager of the southwest region of the Company. In addition, since August 2007, Mr. Huang has served as chairman or general manager of certain subsidiaries of the Group.

**Ms. Tang Shuang (“Ms. Tang”)**, aged 38, joined the Group in January 2015, and currently serves as the deputy manager of the business department and an employee representative Supervisor of the Company. Ms. Tang obtained a bachelor’s degree in management from Yunnan University in Yunnan in July 2007, and she obtained the qualification as an accountant in May 2006 awarded by the Ministry of Finance. Ms. Tang is mainly responsible for supervising the Directors, managers and other management personnel of the Company to ensure compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders’ meetings. Ms. Tang has more than 11 years of working experience in large-scale enterprises. Ms. Tang was an employee of the Yunnan branch office of Ping An Life Insurance Limited between July 2007 and June 2008, later she served as the accountant for the Beijing branch office of Ping An Property & Casualty Insurance Company of China Limited from July 2008 to March 2010. From March 2010 to February 2015, Ms. Tang served in the business department of Yunnan OriginWater Technology Company Limited. Ms. Tang served as the deputy manager of the bidding and procurement department of the Company from March 2015 to November 2015. Since December 2015, she has been the deputy manager of the business department of the Company.

**黃軼先生(「黃先生」)**，46歲，於二零一一年六月加入本集團，現擔任本公司職工代表監事及技術與風控中心副總經理兼西南大區總經理。黃先生於一九九八年七月取得雲南大學計算機及應用學士學位，並於二零零一年七月取得南京師範大學企業管理碩士學位。黃先生於二零零一年七月至二零零三年十一月期間擔任國家審計署駐昆明特派員辦事處經貿處主任科員。於二零零三年十一月至二零零九年六月期間，黃先生歷任雲南馬龍產業集團股份有限公司計劃發展部高級分析師，審計部主任助理及紀檢審辦辦公室副主任。自二零零九年八月起至今，黃先生歷任本公司投資發展部副經理，投資發展部經理，市場與投資中心副總經理，技術與風控中心副總經理兼西南大區總經理。此外，自二零零七年八月起，黃先生於本集團之多家附屬公司擔任董事長或總經理。

**唐爽女士(「唐女士」)**，38歲，於二零一五年一月加入本集團，現擔任本公司商務部副經理及職工代表監事。唐女士於二零零七年七月在雲南取得雲南大學管理學學士學位，於二零零六年五月獲財政部授予會計師資格。唐女士主要負責監督董事、本公司經理及其他管理層人員，以確保遵守法律及法規、公司章程及股東會議的決議。唐女士擁有逾十一年在大型企業工作的經驗。於二零零七年七月至二零零八年六月期間，唐女士在中國平安人壽保險股份有限公司雲南分行任職，其後於二零零八年七月至二零一零年三月期間在中國平安財產保險股份有限公司北京分行擔任會計師。於二零一零年三月至二零一五年二月期間，唐女士在雲南城投碧水源水務科技有限責任公司商務部任職。二零一五年三月至二零一五年十一月期間，唐女士任本公司招標採購部副經理，自二零一五年十二月起至今任本公司商務部副經理。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Tan Hairui (“Mr. Tan”)**, aged 51, joined the Group in January 2015, and currently serves as an independent Supervisor of the Company. Mr. Tan obtained a bachelor’s degree in economics from Yunnan Finance and Trade College (now known as Yunnan University of Finance and Economics) in July 1993. Mr. Tan obtained the certificate as a registered accountant issued by Accountant Examination Committee of Ministry of Finance of the PRC in April 1999 and a Lawyer’s License in August 2004. Mr. Tan has more than 19 years of working experience in large-scale enterprises, and he is mainly responsible for supervising the Directors, managers and other management personnel to ensure compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders’ meetings. Mr. Tan was the deputy manager of the financial department of Yunda Science & Technology Industry Company from 2000 to December 2001. Mr. Tan joined Yunnan Hengxin Law Firm as trainee solicitor and lawyer from January 2002 to August 2007. Mr. Tan joined the Yunnan Quzhi Law Firm as lawyer between September 2007 and March 2009. Mr. Tan worked in Yunnan Geyuan Law Firm as a lawyer from March 2009 to January 2018. Since January 2018, Mr. Tan has been working in Beijing Yingke (Kunming) Law Firm (北京盈科(昆明)律師事務所) as a lawyer.

**Ms. Zhang Ling (“Ms. Zhang”)**, aged 46, joined the Group in January 2018, and currently serves as an independent Supervisor of the Company. Ms. Zhang is the deputy professor and Master’s tutor of law school of Yunnan University of Finance and Economics and director of the collaborated regional resources law research center of law school of Yunnan University of Finance and Economics. Ms. Zhang obtained her law degree in July 1997 at Wuhan University and master degree in international business law and European Union law at University of Sheffield in November 2004. Since September 2005, Ms. Zhang has been working at the law school of Yunnan University of Finance and Economics, responsible for teaching, research and application of law. Ms. Zhang had published dozens of professional academic papers on law, held discussions on national social topics and research on provincial laws. She was invited by the Legal Affairs Office of the State Council\* (國務院法制辦), the Ministry of Civil Affairs\* (民政部) and the Ministry of Foreign Affairs\* (外交部) to participate in the amendments of two laws and regulations and legislative consultation. She has received the research award of Yunnan Philosophical Social Science Society\* (雲南省哲學社會科學研究獎勵) twice. In addition, Ms. Zhang had approximately 21 years of solid experience in the legal field. Since she was qualified as a practicing lawyer in November 1999, Ms. Zhang had worked in five different law firms in Yunnan Province and is currently working on or part-time basis at Yunnan Baqian Law Firm\* (雲南八謙律師事務所).

**譚海銳先生(「譚先生」)**，51歲，於二零一五年一月加入本集團，現擔任本公司獨立監事。譚先生於一九九三年七月取得雲南財貿學院(現稱雲南財經大學)經濟學學士學位，於一九九九年四月取得中國財政部會計師考試委員會頒發的註冊會計師證書，於二零零四年八月取得律師執業資格證。譚先生擁有逾19年在大型企業工作的經驗，主要負責監督董事、經理及其他管理層人員，以確保遵守法律及法規、公司章程及股東會議的決議。於二零零零年至二零零一年十二月期間，譚先生在雲大科技產業股份有限公司擔任財務部副經理。於二零零二年一月至二零零七年八月期間，譚先生加入雲南恒鑫律師事務所擔任實習律師和律師。於二零零七年九月至二零零九年三月期間，譚先生在雲南曲直律師事務所擔任律師。自二零零九年三月至二零一八年一月，譚先生在雲南格元律師事務所擔任律師，自二零一八年一月至今，譚先生在北京盈科(昆明)律師事務所擔任律師。

**張玲女士(「張女士」)**，46歲，於二零一八年一月加入本集團，現擔任本公司獨立監事。張女士現擔任雲南財經大學法學院副教授、碩士生導師，雲南財經大學法學院區域能源合作法律研究中心主任。張女士於一九九七年七月獲武漢大學授予法學學士學位，其後於二零零四年十一月獲英國謝菲爾德大學授予的國際商事法及歐盟法專業法學碩士學位。張女士自二零零五年九月起任職於雲南財經大學法學院，從事法律的教學、科研及實踐工作。張女士曾先後發表數十篇高級別法學專業學術論文，主持國家社科課題及數項省部級法學研究課題，受國務院法制辦、民政部及外交部邀請參加兩部法規及條例的修訂及立法諮詢工作，曾兩次榮獲雲南省哲學社會科學研究獎勵。此外，張女士擁有近二十一年涉外法律服務的豐富經驗，其自一九九九年十一月獲得中國執業律師資格證以來，先後於雲南省內五家不同律師事務所執業，現兼職於雲南八謙律師事務所。



## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

### SENIOR MANAGEMENT

**Mr. Yang Fang (“Mr. Yang”)**, aged 48, joined the Group in June 2012, and currently serves as the deputy general manager of the Company. Mr. Yang obtained a bachelor’s degree in accounting and statistics from Yunnan University of Finance and Economics in July 1998, and further obtained an executive master’s degree in business administration from Dalian University of Technology in June 2008. Mr. Yang was qualified as a first-class enterprise human resources managing personnel in March 2009 certified by the Ministry of Labor and Social Security. From March 2013 to January 2021, Mr. Yang served as party secretary of the Company, and he was subsequently appointed as deputy general manager of the Company in November 2014, and served as an executive Director of the Company from August 2017 to June 2021. Mr. Yang has more than 12 years of senior management experience in water works related companies, and he is responsible for operation and management of some regions. Mr. Yang served in various positions in YHTH, including manager of personnel and organization department, manager of the human resources department.

**Mr. Liu Xujun (“Mr. Liu”)**, aged 49, joined the Group in June 2011, and currently serves the deputy general manager of the Company. Mr. Liu obtained a bachelor’s degree in water supply and drainage engineering from Tongji University in Shanghai in July 1995. Later, he further obtained a master’s degree in environmental engineering from Kunming University of Science & Technology in Kunming in June 2009, and he obtained a doctorate degree in environment engineering at Tongji University in Shanghai in September 2017. Mr. Liu was qualified as a senior engineer specialized in water supply and drainage in September 2006 by the Kunming Architecture Senior Engineer Certifying Committee (昆明市建築工程高級工程師評審委). Mr. Liu has become a member of the International Water Association (IWA) (國際水協) since January 2013. He was subsequently qualified as a professorate senior engineer specialized in water supply and drainage in November 2014 by the Yunnan Professorate Senior Engineer Certifying Committee (雲南省正高級工程師評審委員會). Mr. Liu has more than 23 years of technical experience in the water works industry, including 9 years of senior management experience in water works enterprises, mainly responsible for the technical management, research and development, and services of the Company. Mr. Liu served as engineering staff in Kunming Municipal Sewerage Co., Ltd., a deputy director and later a director of World Bank project office between July 1995 and October 2005. Mr. Liu worked as a procurement specialist for the World Bank Resident Mission from December 2007 to October 2009. He served as chief engineer and deputy general manager of YEPI from January 2010 to June 2011. Mr. Liu served as executive Director and deputy general manager of the Company from June 2011 to August 2017. He has been the deputy general manager of the Company since August 2017.

### 高級管理人員

**楊方先生(「楊先生」)**，48歲，於二零一二年六月加入本集團，現擔任本公司副總經理。楊先生於一九九八年七月取得雲南財經大學會計與統計學學士學位，並於二零零八年六月取得大連理工大學高級工商管理碩士學位。楊先生於二零零九年三月獲勞動和社會保障部認證為一級企業人力資源管理師。楊先生自二零一三年三月至二零二一年一月擔任本公司黨委書記，其後於二零一四年十一月獲委任為本公司副總經理，並於二零一七年八月至二零二一年六月擔任本公司執行董事。楊先生於水務相關公司擁有逾12年的高級管理層經驗，負責部分片區的經營管理工作。楊先生曾於雲南康旅集團擔任多個職務，包括組織人事部經理，人力資源部經理等職務。

**劉旭軍先生(「劉先生」)**，49歲，於二零一一年六月加入本集團，現擔任本公司副總經理，劉先生於一九九五年七月取得上海同濟大學給水排水工程專業學士學位。於二零零九年六月取得昆明市昆明理工大學環境工程碩士學位，其後於二零一七年九月取得上海同濟大學環境工程工學博士學位。二零零六年九月劉先生取得昆明市建築工程高級工程師評審委頒發的給排水高級工程師資格。劉先生自二零一三年一月起成為IWA國際水協的會員。其後於二零一四年十一月取得雲南省正高級工程師評審委員會頒發的給排水正高級工程師資格。劉先生在水務行業擁有逾23年的技術經驗，其中包括9年在水務企業擔任高級管理層的經驗，主要負責本公司技術管理、技術研發和技術服務。於一九九五年七月至二零零五年十月期間，劉先生在昆明市城市排水公司擔任工程人員、世界銀行項目辦事處副主任，其後升任為主任。於二零零七年十二月至二零零九年十月期間，劉先生擔任世界銀行中國代表處的採購專家。於二零一零年一月至二零一一年六月期間，劉先生擔任雲南綠色環保集團的總工程師及副總經理。於二零一一年六月至二零一七年八月，劉先生擔任本公司執行董事及副總經理，自二零一七年八月起至今劉先生擔任本公司副總經理。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

**Mr. Wang Yong (“Mr. Wang”)**, aged 50, joined the Group in January 2013. Mr. Wang obtained a bachelor’s degree in economics in July 1993 from Yunnan Finance and Trade College (now known as Yunnan University of Finance and Economics) and a master’s degree in business administration in January 2009 from the Yunnan University. He was qualified as an accountant in the PRC in May 1996, and also qualified as a registered tax agent in the PRC in October 2000, later he was promoted to a senior accountant in October 2004. From April 2002 to January 2013, Mr. Wang was appointed as the manager of finance department of Kunming Sino-Platinum Metals Catalyst Co., Ltd\* (昆明貴研催化劑有限公司). Mr. Wang joined the Group in January 2013 as manager of finance department of the Company, subsequently he was appointed as financial controller of the Company in November 2013. Mr. Wang has ceased to be the financial controller of the Company since March 2021.

**Mr. Ma Xiangyi (“Mr. Ma”)**, aged 47, joined the Group in February 2016, successively served as the deputy general manager and general manager of the project management center and was appointed as a deputy general manager of the Company by the second session of the Board. Mr. Ma obtained a bachelor’s degree in industrial and civil construction from Yunnan Polytechnic University in July 1997 and the qualification of intermediate engineer (in water supply and drainage) in August 2002. Mr. Ma has over 23 years of rich experience in water and relevant industries. Mr. Ma served as an engineer at the infrastructure construction division of Kunming Municipal Water Discharge Company\* (昆明市城市排水公司) from August 1997 to August 2005, a deputy general manager of Kunming Dianchi Project Management Company\* (昆明滇池項目管理公司) from September 2005 to October 2012 and a standing deputy general manager of Kunming Dianchi Construction Management Company\* (昆明滇池建設管理公司) from November 2012 to February 2016. In addition, Mr. Ma served as the chairman or a senior management member of a number of subsidiaries of the Group since September 2016.

**Mr. Zhao Peng (“Mr. Zhao”)**, aged 41, joined the Group as the general manager assistant and general manager of the marketing and investment center of the Group in June 2011 and was appointed as a deputy general manager of the Company by the second session of the Board. Mr. Zhao obtained a bachelor’s degree in law from Hebei University of Economics and Business in July 2003. Mr. Zhao has approximately 17 years of rich experience in the environmental protection industry. Mr. Zhao served as the business manager of Beijing Novel Environmental Protection Co., Ltd.\* (北京永新環保有限公司) from September 2003 to April 2004 and subsequently as the marketing director for North China area of Veolia Water Solutions & Technologies (Beijing) Co., Ltd.\* (威立雅水務工程(北京)有限公司) from May 2005 to June 2011.

**王勇先生(「王先生」)**，50歲，於二零一三年一月加入本集團。王先生於一九九三年七月取得雲南財貿學院(現稱雲南財經大學)經濟學學士學位，於二零零九年一月取得雲南大學工商管理碩士學位。一九九六年五月成為合資格中國會計師，於二零零零年十月成為合資格中國註冊稅務師，其後於二零零四年十月晉升為高級會計師。二零零二年四月至二零一三年一月期間王先生擔任昆明貴研催化劑有限公司的財務部經理，二零一三年一月王先生加入本集團擔任本公司財務部經理，其後於二零一三年十一月獲委任為本公司財務總監。王先生自二零一一年三月起，不再擔任本公司財務總監。

**馬祥迺先生(「馬先生」)**，47歲，二零一六年二月加入本集團歷任項目管理中心副總經理、總經理，由公司第二屆董事會聘任為本公司副總經理。馬先生於一九九七年七月取得雲南工業大學工民建專業學士學位，並於二零零二年八月取得中級工程師(給排水)資格。馬先生於水務及相關行業擁有逾23年的豐富經驗。馬先生於一九九七年八月至二零零五年八月期間任昆明市城市排水公司基建處工程師。二零零五年九月至二零一二年十月期間，馬先生擔任昆明滇池項目管理公司副總經理。二零一二年十一月至二零一六年二月期間，馬先生擔任昆明滇池建設管理公司常務副總經理。此外，自二零一六年九月起馬先生於本集團之多家附屬公司擔任主席或高級管理人員。

**趙鵬先生(「趙先生」)**，41歲，於二零一一年六月加入本集團擔任本公司總經理助理兼市場與投資中心總經理，並由第二屆董事會聘任為本公司副總經理。趙先生於二零零三年七月獲得河北經貿大學授予法學專業學士學位。趙先生於環保行業擁有約17年的豐富經驗。趙先生於二零零三年九月至二零零四年四月期間在北京永新環保有限公司擔任商務經理。其後於二零零五年五月至二零一一年六月期間，於威立雅水務工程(北京)有限公司擔任華北片區市場總監。

## Directors, Supervisors and Senior Management 董事、監事及高級管理人員

### COMPANY SECRETARY

**Mr. Li Bo (“Mr. Li”)**, aged 43, joined the Group in August 2013 as company secretary of the Company. Mr. Li graduated from Capital University of Economics and Business in Beijing with a bachelor’s degree in economics in July 2001 and obtained a master’s degree in accounting from Macquarie University in Australia in April 2006. Mr. Li is currently a member of the Hong Kong Institute of Certified Public Accountants and a member of the Certified Public Accountants of Australia. He is mainly responsible for assisting with the operation of our Company and the operation of the Board. Mr. Li has more than 10 years of experience in finance related senior positions. Mr. Li was engaged by Audit Office of New South Wales as an auditor since August 2007 and was later promoted to senior auditor. From March 2011 to June 2013, Mr. Li served as the financial controller and the company secretary of Beijing Jingkelong Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 814).

### 公司秘書

李博先生(「李先生」)，43歲，於二零一三年八月加入本集團擔任本公司公司秘書。李先生於二零零一年七月取得北京市首都經貿大學並取得經濟學學士學位，於二零零六年四月取得澳大利亞麥考瑞大學(Macquarie University)會計學碩士學位。李先生現時為香港會計師公會會員及澳大利亞會計師公會會員，主要負責協助本公司營運及董事會運作。李先生於財務相關高級職位擁有逾10年經驗。李先生於二零零七年八月起獲聘為Audit Office of New South Wales的核數師，其後晉升為高級核數師。於二零一一年三月至二零一三年六月期間，李先生擔任北京市京客隆商業集團(於聯交所主板上市的公司，股份代號：814)的財務總監兼公司秘書。

The Board is pleased to present the annual report and the audited financial statements of the Group (the “**Financial Statements**”) for the year ended 31 December 2021 to the Shareholders.

### SHARE CAPITAL

As at 31 December 2021, the total share capital of the Company was RMB1,193,213,457, divided into 1,193,213,457 Shares of RMB1.00 each. Details of changes in share capital of the Company during the year are set out in note 26 to the Consolidated Financial Statements.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the Reporting Period.

### PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the laws of the PRC, the Company is not subject to any pre-emptive rights requiring it to propose new issues to its existing Shareholders in proportion to their shareholdings.

### PRINCIPAL BUSINESS

The Group is an operator primarily engaged in municipal environmental integrated services and the only urban environmental integrated service provider in Yunnan Province. The Group is also one of the few integrated operators in municipal environmental services in China that has expanded overseas successfully, and our overseas business is mainly located in Southeast Asian regions. In addition, the Group operates upstream and downstream development industries to improve the Group's profitability structure and broaden the sources of income. The Group has good track records in projects such as urban wastewater treatment, tap water and raw water supply, watercourse management, solid waste treatment and others.

The major business segments of the Group include investment, construction and management services for urban water supply, waste water treatment, solid waste treatment, and comprehensive environmental treatment projects, construction and sales of equipment and other environmental protection related services. The corporate strategy of the Group is to set our foundation of business in Yunnan, identify overseas investment opportunities continuously, and gradually expand our business to other favourable regions in China and overseas emerging markets, in order to secure stable income sources.

董事會謹此向股東提呈本集團截至二零二一年十二月三十一日止年度的年報及經審計財務報表(「**財務報表**」)。

### 股本

截至二零二一年十二月三十一日，本公司股本總額為人民幣1,193,213,457元，分為1,193,213,457股每股面值人民幣1.00元的股份。年內本公司股本變動的詳情載於合併財務報表附註26。

### 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概無購買、出售或贖回任何本公司上市證券。

### 優先購買權

根據公司章程及中國法律，本公司並無任何有關優先購買權的規定，使本公司須建議按其現有股東的股權比例向現有股東發行新股。

### 主要業務

本集團為一家主要從事城鎮環境綜合服務的運營商，為雲南省唯一一家提供城鎮環境綜合服務的公司。本集團亦為中國少數成功擴展至海外的城鎮環境服務綜合運營商，本集團的海外業務主要在東南亞地區。此外，本集團從事上下游開發產業以改善本集團的盈利結構，擴闊收入來源。本集團擁有城市污水處理、自來水及原水供應、河道治理、固廢處理等項目的良好往績。

本集團的主要業務板塊包括城市供水、污水處理、固廢處理、環境綜合治理項目之投資、建設及管理服務、設備建造及銷售以及其他環保相關服務。本集團之企業策略以雲南為業務據點，持續物色海外投資機會並將業務逐步擴展至中國其他具前景地區以至新興市場，以保障穩定收入來源。



# Directors' Report

## 董事會報告

### RESULTS

The audited results of operations of the Group for the year ended 31 December 2021 are set out in the consolidated statement of comprehensive income on pages 84 to 85. The financial position of the Group as at 31 December 2021 is set out in the consolidated balance sheet on pages 86 to 88. The consolidated cash flow of the Group for the year ended 31 December 2021 is set out in the consolidated statement of cash flows on pages 91 to 92.

Discussion and analysis about the operating performance and significant elements affecting the results of operations and financial condition of the Company during the Reporting Period are set out in the chapter headed "Management Discussion and Analysis" in this annual report from pages 12 to 28.

### DISTRIBUTIONS AND DIVIDENDS

Considering the actual situation of the Group, the Board has decided not to recommend the payment of final dividends for the year ended 31 December 2021, and such non-recommended payment of final dividends is subject to the Shareholders' review and approval at the AGM.

### PROPERTY, PLANT AND EQUIPMENT

Details of movement in property, plant and equipment of the Group during the Reporting Period are set out in note 17 to the Financial Statements.

### RESERVES

Details of movements in the reserves of the Company during the Reporting Period are set out in consolidated statement of changes in equity, of which details of reserves available for distribution to Shareholders are set out in consolidated statement of changes in equity.

### DONATIONS

During the Reporting Period, the Group made external donations of approximately RMB0.6 million (contractual value) (excluding personal donations by employees).

### 業績

本集團截至二零二一年十二月三十一日止年度的經審計經營業績載於第84至85頁的合併綜合收益表。本集團於二零二一年十二月三十一日的財務狀況載於第86至88頁的合併資產負債表。本集團截至二零二一年十二月三十一日止年度的合併現金流量載於第91至92頁的合併現金流量表。

對於經營表現及影響報告期內本公司經營業績及財務狀況的重大因素的論述及分析，載於本年報第12至28頁的「管理層討論及分析」章節內。

### 分派及股息

結合公司實際情況，董事會議決不建議派發截至二零二一年十二月三十一日止年度末期股息。不建議派發末期股息須待股東於股東週年大會上審議及批准後始可作實。

### 物業、廠房及設備

報告期內本集團物業、廠房及設備變動的詳情載於財務報表附註17。

### 儲備

報告期內本公司儲備變動的詳情載於合併權益變動表，其中可供分派予股東儲備的詳情亦載於合併權益變動表。

### 捐款

於報告期內，本集團的對外捐款為約人民幣0.6百萬元(合同價值)(不包括僱員的個人捐款)。

## BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group as of 31 December 2021 are set out in note 29 to the Financial Statements in this annual report.

## DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Certain information concerning the Directors and the Supervisors and senior management of the Company during the Reporting Period and as of the date of this annual report is set out below.

### Directors

Name 姓名	Title in the Company 於本公司的職銜	Date of Appointment for the Current Term 現行任期的委任日期
<b>Executive Directors</b> 執行董事		
Mr. Yu Long 于龍先生	Executive Director, Acting Chairman, General Manager 執行董事、代理董事長、總經理	Appointed as executive Director and General Manager on 12 October 2020, and elected as Acting Chairman on 30 September 2021. 於二零二零年十月十二日獲委任為執行董事，總經理，於二零二一年九月三十日獲推舉為代理董事長。
Mr. Zhou Zhimi 周志密先生	Executive Director, Chief Financial Controller 執行董事，財務總監	10 November 2021 二零二一年十一月十日
Mr. Yang Fang (Resigned as executive Director on 11 June 2021) 楊方先生(於二零二一年六月十一日辭任執行董事)	Executive Director 執行董事	12 October 2020 二零二零年十月十二日
Ms. Li Bo (Resigned as executive Director and Chairperson on 30 September 2021) 李波女士(於二零二一年九月三十日辭任執行董事，董事長)	Executive Director, Chairperson 執行董事，董事長	Appointed as a non-executive Director on 12 October 2020; elected as Chairperson on 11 June 2021; re-designated from non-executive Director to executive Director on 24 June 2021. 於二零二零年十月十二日獲委任為非執行董事；於二零二一年六月十一日獲選舉擔任董事長；於二零二一年六月二十四日由非執行董事調任為執行董事。
Ms. Ling Hui (Resigned as executive Director on 10 November 2021) 凌慧女士(於二零二一年十一月十日辭任執行董事)	Executive Director, Chief Financial Controller 執行董事，財務總監	11 June 2021 二零二一年六月十一日

## 銀行借款及其他借款

本集團於二零二一年十二月三十一日的銀行借款及其他借款的詳情載於本年報財務報表附註29。

## 董事、監事及高級管理人員

下表載列本公司於報告期內及截至本年報日期董事、監事和高級管理人員的部分數據。

### 董事

# Directors' Report

## 董事會報告

Name 姓名	Title in the Company 於本公司的職銜	Date of Appointment for the Current Term 現行任期的委任日期
<b>Non-executive Directors</b> 非執行董事		
Mr. Dai Richeng 戴日成先生	Non-executive Director 非執行董事	12 October 2020 二零二零年十月十二日
Mr. Chen Yong 陳勇先生	Non-executive Director 非執行董事	12 October 2020 二零二零年十月十二日
Mr. Liu Hui 劉暉先生	Non-executive Director 非執行董事	11 June 2021 二零二一年六月十一日
Mr. Li Jialong (Resigned as non-executive Director and Chairman on 11 June 2021) 李家龍先生(於二零二一年六月十一日辭任非執行董事、董事長)	Non-executive Director, Chairman 非執行董事、董事長	16 July 2020 二零二零年七月十六日
<b>Independent Non-executive Directors</b> 獨立非執行董事		
Mr. Liu Shuen Kong 廖船江先生	Independent Non-executive Director 獨立非執行董事	12 October 2020 二零二零年十月十二日
Mr. Zhong Wei 鐘偉先生	Independent Non-executive Director 獨立非執行董事	12 October 2020 二零二零年十月十二日
Mr. Zhou Beihai 周北海先生	Independent Non-executive Director 獨立非執行董事	12 October 2020 二零二零年十月十二日

## Supervisors and Senior Management

## 監事及高級管理人員

Name 姓名	Title in the Company 於本公司的職銜	Date of Appointment for the Current Term 現行任期的委任日期
<b>Supervisors</b>		
<b>監事</b>		
Mr. Long Limin 龍利民先生	Chairman of the Supervisory Committee, shareholder representative Supervisor 監事會主席、股東代表監事	12 October 2020 二零二零年十月十二日
Mr. Zhu Zhen 朱振先生	Shareholder representative Supervisor 股東代表監事	12 October 2020 二零二零年十月十二日
Mr. Tan Hairui 譚海銳先生	Independent Supervisor 獨立監事	12 October 2020 二零二零年十月十二日
Ms. Zhang Ling 張玲女士	Independent Supervisor 獨立監事	12 October 2020 二零二零年十月十二日
Ms. Tang Shuang 唐爽女士	Employee representative Supervisor 職工代表監事	12 October 2020 二零二零年十月十二日
Mr. Huang Yi 黃軼先生	Employee representative Supervisor 職工代表監事	12 October 2020 二零二零年十月十二日
<b>Senior management</b>		
<b>高級管理人員</b>		
Mr. Yang Fang 楊方先生	Deputy general manager 副總經理	12 October 2020 二零二零年十月十二日
Mr. Liu Xujun 劉旭軍先生	Deputy general manager 副總經理	12 October 2020 二零二零年十月十二日
Mr. Wang Yong (Resigned as chief financial controller on 31 March 2021) 王勇先生(於二零二一年三月三十一日辭任財務總監)	Senior management 高級管理人員	12 October 2020 二零二零年十月十二日
Mr. Ma Xiangyi 馬祥迺先生	Deputy general manager 副總經理	12 October 2020 二零二零年十月十二日
Mr. Zhao Peng 趙鵬先生	Deputy general manager 副總經理	12 October 2020 二零二零年十月十二日
Mr. Li Bo 李博先生	Company Secretary 公司秘書	15 August 2013 二零一三年八月十五日



## Directors' Report 董事會報告

During the period from the listing date of the Company to the Reporting Period, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules, and considers all the independent non-executive Directors to be independent from the Company.

### BIOGRAPHIES OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The biographical details of Directors, Supervisors and senior management of the Company are set out on pages 29 to 40 of this annual report. There are no relationships among the Directors, Supervisors and senior management of the Company, including financial, business, family or other material relationships as defined in Appendix 14 to the Listing Rules.

### SERVICE CONTRACTS OF THE DIRECTORS AND SUPERVISORS

The Company has entered into a service contract with each of the Directors and Supervisors containing terms relating to, among other things, compliance with relevant laws and regulations, observation of the Articles of Association and provision on arbitration. The service contracts may be renewed in accordance with the Articles of Association and applicable rules.

None of the Directors or Supervisors has entered into any service contract with the Company during the Reporting Period which is not terminable within one year nor may be terminated by the Company without payment of compensation (other than statutory compensation).

### DETERMINATION OF AND BASIS FOR DETERMINATION OF THE REMUNERATION OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The remuneration of the Directors, Supervisors and senior management of the Company is subject to the recommendations of the Remuneration Committee and determined by the Board.

The Remuneration Committee is responsible for recommending remuneration for Directors, Supervisors and senior management of the Company to the Board with reference to, among other factors, salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company.

於本公司上市日期截至報告期止期間，董事會一直符合上市規則有關委任至少三名獨立非執行董事(佔董事會人數的三分之一)而當中有一名獨立非執行董事須具有合適專業資格或會計或相關財務管理專業知識之規定。

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出的年度獨立性確認書，並認為全體獨立非執行董事均為獨立於本公司的人士。

### 董事、監事及高級管理人員簡歷

本公司董事、監事及高級管理人員簡歷的詳情載於本年報第29至40頁。根據上市規則附錄十四本公司董事、監事及高級管理人員彼此間概無財務、業務、家族等關連或其他重大關連。

### 董事及監事服務合約

本公司已與各董事及監事訂立服務合約，其中載有有關(其中包括)遵守相關法律及法規、遵守公司章程及仲裁條文的條款。該等服務合約可根據公司章程及適用法例予以重續。

於報告期內概無董事或監事與本公司已訂立不可於一年內屆滿或由本公司在毋須支付補償(惟法定補償除外)的情況下終止的任何服務合約。

### 董事、監事及高級管理人員的薪酬釐定及釐定基準

董事、監事及本公司高級管理人員的薪酬須由薪酬委員會作出建議及董事會釐定。

薪酬委員會負責就董事、監事及本公司高級管理人員的薪酬向董事會作出建議，並參考(其中包括)可資比較公司所支付的薪金、投入時間及責任，以及本公司其他職位的僱用條件。

## EMOLUMENTS OF DIRECTORS AND SUPERVISORS

Details of the emoluments of the Directors and Supervisors of the Company are set out in note 39 to the Financial Statements.

## DIRECTORS' AND SUPERVISORS' INTERESTS TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During the Reporting Period, there were no transaction, arrangement or contract of significance subsisting in relation to the Group's business in which the Company or any of its subsidiaries was directly or indirectly a party and any Director or Supervisor had a material interest.

## CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report and the prospectus, at no time during the Reporting Period had the Company or any of its subsidiaries entered into any contract of significance with any controlling shareholder or any of its subsidiaries, nor had any contract of significance been entered into for the services provided by any controlling shareholder or any of its subsidiaries to the Company or any of its subsidiaries.

## DIRECTORS' AND SUPERVISORS' INTERESTS IN COMPETING BUSINESS

From the listing date until the date of this report, to the best knowledge of the Board, none of the Directors and Supervisors and their respective associates has any business or interest that competes or may compete with the business of the Group or have or may have any conflict of interest with the Group.

## EQUITY-LINKED AGREEMENTS

Except for the initial public offering, the Company has not entered into any equity-linked agreement during the Reporting Period.

## 董事及監事薪酬

本公司董事及監事薪酬的詳情載於財務報表附註39。

## 董事及監事於交易、安排或合約中的權益

於報告期內，概無仍然存續而對本集團業務而言屬重大、本公司或其任何附屬公司直接或間接為訂約方及任何董事或監事於其中擁有重大權益的重要交易、安排或合約。

## 重大合約

除本年報及招股章程所披露者外，於報告期內，本公司或其任何附屬公司並無與任何控股股東或其任何附屬公司訂立任何重大合約，亦無就由任何控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務而訂立之任何重大合約。

## 董事及監事於競爭業務的權益

自上市日期起直至本報告日期，董事會概不知悉董事及監事及彼等各自聯繫人的任何業務或權益對本集團業務構成競爭或可能構成競爭或對本集團造成或可能造成任何其他利益衝突。

## 股票掛鈎協議

除首次公開發售外，本公司於報告期內並未訂立任何股票掛鈎協議。

## Directors' Report 董事會報告

### INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of 31 December 2021, the Directors, Supervisors and chief executives of the Company had the following interest in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to Section 352 of the SFO or otherwise, to be entered in the register maintained thereunder, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, or held interest in the Company as follows:

### 董事、監事及最高行政人員在股份、相關股份及債券之權益及淡倉

於二零二一年十二月三十一日，本公司董事、監事及最高行政人員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、相關股份及債券中，擁有根據證券及期貨條例第352條或以其他方式須載入本公司根據該條文所存置的登記名冊的權益，或根據標準守則須知會本公司及聯交所的權益，或已持有的本公司權益如下：

Name of Director, Supervisor and chief executive 董事、監事及最高行政人員姓名	Capacity 身份	Type of Shares 股份類別	Number of Shares held 持有股份數目	Percentage of the respective type of Shares in issue (%) 佔已發行類別股份的比例(%)	Percentage of the total number of Shares in issue (%) 佔已發行總股份的比例(%)
Mr. Yu Long 于龍先生	Beneficial owner 實益擁有人	Domestic Shares 內資股	10,820,000 (L)	1.30	0.91
Mr. Yu Long 于龍先生	Beneficial owner 實益擁有人	H Shares H股	770,000 (L)	0.21	0.06
Mr. Zhou Zhimi 周志密先生	Beneficial owner 實益擁有人	Domestic Shares 內資股	325,000 (L)	0.04	0.03
Mr. Huang Yi 黃軼先生	Beneficial owner 實益擁有人	Domestic Shares 內資股	1560,000 (L)	0.19	0.13

Note:

(L) refers to long position

Save as disclosed above, to the best knowledge of the Company, as at 31 December 2021, none of the Directors, Supervisors and the chief executives of the Company had any interests and short positions in the Shares, underlying Shares or debentures of the Company or its associated corporation which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

(L) 代表好倉

除上文披露者外，據本公司所深知，於二零二一年十二月三十一日，概無董事、監事及本公司最高行政人員於本公司或其相聯法團的任何股份、相關股份及債券中，擁有根據證券及期貨條例第352條須載入本公司登記名冊的權益及淡倉或根據標準守則須另行知會本公司及聯交所的權益。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

To the Company's best knowledge, as of 31 December 2021, the following persons (other than Directors or Supervisors whose interests are disclosed in the section headed "Interests and Short Positions of Directors, Supervisors and Chief Executives in Shares, Underlying Shares and Debentures" above) had interests or short positions in the Shares, underlying Shares or debentures of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or had interests or short positions in 5% or more of the respective type of share capital in issue of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

## 主要股東於股份中的權益及淡倉

據本公司所深知，於二零二一年十二月三十一日，下列人士(本公司的董事及監事除外，彼等之權益於上文「董事、監事及最高行政人員在股份、相關股份及債券之權益及淡倉」一節披露)於本公司股份、相關股份及債券中擁有根據《證券及期貨條例》第XV部第2及第3分部須向本公司披露權益或淡倉或根據證券及期貨條例第336條須存置在本公司登記冊中記錄的權益或淡倉，擁有佔本公司類別已發行股本5%或以上的權益或淡倉：

Name of Shareholder 股東名稱	Capacity 持股身份	Type of Shares 股份類別	Number of Shares 股份數目	Percentage of the respective type of Shares in issue (%) 佔已發行類別股份的比例(%)	Percentage of the total number of Shares in issue (%) 佔已發行總股份的比例(%)
YEPI <sup>1</sup> 雲南綠色環保集團 <sup>1</sup>	Beneficial owner, interests held jointly with another person 實益擁有人，與另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Mr. Huang Yunjian <sup>1</sup> 黃雲建先生 <sup>1</sup>	Beneficial owner, interests held jointly with another person 實益擁有人，與另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Mr. Liu Xujun <sup>1</sup> 劉旭軍先生 <sup>1</sup>	Beneficial owner, interests held jointly with another person 實益擁有人，與另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Mr. Wang Yong <sup>1</sup> 王勇 <sup>1</sup>	Beneficial owner, interests held jointly with another person 實益擁有人，與另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
YHTH <sup>1</sup> 雲南康旅集團 <sup>1</sup>	Interests in controlled corporation, interests held jointly with another person 於受控法團的權益，與另一名人士共同持有權益	Domestic Shares 內資股	361,487,162 (L)	43.58	30.30
Beijing OriginWater 北京碧水源	Beneficial owner 實益擁有人	Domestic Shares 內資股	286,650,000 (L)	34.56	24.02
China National Petroleum Corporation <sup>2</sup> 中國石油天然氣集團有限公司 <sup>2</sup>	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	124,754,169 (L)	15.04	10.46



# Directors' Report

## 董事會報告

Name of Shareholder 股東名稱	Capacity 持股身份	Type of Shares 股份類別	Number of Shares 股份數目	Percentage of the respective type of Shares in issue (%) 佔已發行內資股的比例(%)	Percentage of the total number of Shares in issue (%) 佔已發行總股份的比例(%)
CNPC Capital Company Limited <sup>2</sup> 中國石油集團資本股份有限公司 <sup>2</sup>	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	124,754,169 (L)	15.04	10.46
CNPC Assets Management Co., Ltd. <sup>2</sup> 中油資產管理有限公司 <sup>2</sup>	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	124,754,169 (L)	15.04	10.46
Kunlun Trust Co., Ltd. <sup>2</sup> 昆侖信託有限責任公司 <sup>2</sup>	Interests in controlled corporation 於受控法團的權益	Domestic Shares 內資股	124,754,169 (L)	15.04	10.46
Ningbo Kunlun Xinyuan Equity Investment Management Partnership (Limited Partnership) <sup>2</sup> 寧波昆侖信元股權投資管理合夥企業 <sup>2</sup>	Interests in controlled corporation 於受控發團的權益	Domestic Shares 內資股	124,754,169 (L)	15.04	10.46
Yantai Xinzhen Tianying Equity Investment Center (Limited Partnership) <sup>2</sup> 煙台信貞添盈股權投資中心(有限合夥) <sup>2</sup>	Beneficial owner 實益擁有人	Domestic Shares 內資股	124,754,169 (L)	15.04	10.46
Caiyun International Investment Limited <sup>1</sup> 彩雲國際投資有限公司 <sup>1</sup>	Beneficial owner 實益擁有人	H Shares H股	8,449,000 (L)	2.32	0.71
YHTH <sup>1</sup> 雲南康旅集團 <sup>1</sup>	Interests in controlled corporation 於受控法團的權益	H Shares H股	8,449,000 (L)	2.32	0.71

Notes:

- (L) refers to long position
- (1) YEPI is wholly owned by YHTH and is the beneficial owner of 361,487,162 Domestic Shares. Caiyun International Investment Limited is wholly owned by YHTH and is the beneficial owner of 8,449,000 H Shares. YHTH is deemed to be interested in all the Domestic Shares held by YEPI and H Shares held by Caiyun International Investment Limited pursuant to the SFO which representing approximately 31.01% of total issued Shares. By virtue of the Acting in Concert Agreement, Each of YEPI and YHTH is deemed to be interested in all the Domestic Shares held by Mr. Huang Yunjian, Mr. Liu Xujun, Mr. Wang Yong and itself in aggregate pursuant to the SFO.

Mr. Huang Yunjian is the beneficial owner of 1,950,000 Domestic Shares. By virtue of the acting in concert agreement (the "Acting in Concert Agreement") dated 24 July 2014 entered into between YEPI, Mr. Liu Xujun, Mr. Huang Yunjian and Mr. Wang Yong, each of Mr. Liu Xujun, Mr. Huang Yunjian and Mr. Wang Yong agreed to act in concert with YEPI in exercising their voting rights at the Shareholders' meeting of the Company. Mr. Huang is deemed to be interested in all the Domestic Shares held by YEPI, Mr. Liu Xujun, Mr. Wang Yong and himself in aggregate pursuant to the SFO.

Mr. Liu Xujun is the beneficial owner of 195,000 Domestic Shares. By virtue of the Acting in Concert Agreement, he is deemed to be interested in all the Domestic Shares held by YEPI, Mr. Huang Yunjian, Mr. Wang Yong and himself in aggregate pursuant to the SFO.

Mr. Wang Yong is the beneficial owner of 585,000 Domestic Shares. By virtue of the Acting in Concert Agreement, he is deemed to be interested in all the Domestic Shares held by YEPI, Mr. Huang Yunjian, Mr. Liu Xujun and himself in aggregate pursuant to the SFO.

- (2) Ningbo Kunlun Xinyuan Equity Investment Management Partnership (Limited Partnership) ("Ningbo Kunlun Xinyuan") is a general partner of Yantai Xinzhen Tianying Equity Investment Center (Limited Partnership) ("Xinzhen Tianying"), holds 3.85% equity interests in Xinzhen Tianying and is the beneficial owner of 124,754,169 Domestic Shares; Ningbo Kunlun Xinyuan is owned as to 99% by Kunlun Trust Co., Ltd.; Kunlun Trust Co., Ltd. is owned as to 82.18% by CNPC Assets Management Co., Ltd., which in turn is wholly owned by CNPC Capital Limited; CNPC Capital Limited is wholly owned by CNPC Capital Company Limited, which in turn is owned as to 77.35% by China National Petroleum Corporation.

Save as disclosed above, to the best knowledge of the Company, as at 31 December 2021, no person (other than the Directors, Supervisors and chief executives) had informed the Company that he had interests or short positions in the Shares or underlying Shares of equity derivatives of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or held any interests or short positions in 5% or more of the respective types of capital in issue of the Company.

附註：

- (L) 代表好倉
- (1) 雲南綠色環保集團由雲南康旅集團全資擁有並為361,487,162股內資股的實益擁有人。彩雲國際投資有限公司由雲南康旅集團全資擁有並為8,449,000股H股的實益擁有人。根據證券及期貨條例，雲南康旅集團被視為於雲南綠色環保集團及彩雲國際投資有限公司持有的所有股份中擁有權益佔所有已發行股份約31.01%。憑藉一致行動協議，根據證券及期貨條例，雲南綠色環保集團及雲南康旅集團均被視為於黃雲建、劉旭軍、王勇及其合共持有的所有內資股中擁有權益。

黃雲建為1,950,000股內資股的實益擁有人。憑藉雲南綠色環保集團、劉旭軍、黃雲建與王勇簽訂的日期為二零一四年七月二十四日的一致行動協議（「一致行動協議」），劉旭軍、黃雲建與王勇分別同意就在本公司股東大會上行使投票權與雲南綠色環保集團一致行動。根據證券及期貨條例，黃先生被視為於雲南綠色環保集團、劉旭軍、王勇及其合共持有的所有內資股中持有權益。

劉旭軍為195,000股內資股的實益擁有人。憑藉一致行動協議，根據證券及期貨條例，彼被視為於雲南綠色環保集團、黃雲建、王勇及其合共持有的所有內資股中持有權益。

王勇為585,000股內資股的實益擁有人。憑藉一致行動協議，根據證券及期貨條例，彼被視為於雲南綠色環保集團、黃雲建、劉旭軍及其合共持有的所有內資股中擁有權益。

- (2) 寧波昆侖信元股權投資管理合夥企業（有限合夥）（「寧波昆侖信元」）為煙台信貞添盈股權投資中心（有限合夥）（「信貞添盈」）的普通合夥人，其擁有信貞添盈3.85%權益並為124,754,169股內資股的實益擁有人；寧波昆侖信元由昆侖信託有限責任公司控制99%；昆侖信託有限責任公司由中油資產管理有限公司控制82.18%；中油資產管理有限公司由中國石油集團資本有限責任公司全資擁有；中國石油集團資本有限責任公司由中國石油集團資本股份有限公司全資擁有；中國石油集團資本股份有限公司由中國石油天然氣集團有限公司控制77.35%。

除上文披露者外，據本公司所深知，於二零二一年十二月三十一日，本公司並無獲任何人士（董事、監事或最高行政人員除外）告知，彼於本公司股份或股票衍生工具的相關股份中，擁有根據證券及期貨條例第XV部第2及3分部有關條文須向本公司披露的權益或淡倉或根據證券及期貨條例第336條須存置在本公司登記冊中記錄的權益或淡倉，擁有佔本公司類別已發行股本5%或以上的權益或淡倉。

# Directors' Report

## 董事會報告

### MANAGEMENT CONTRACT

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the year.

### CONTINUING CONNECTED TRANSACTIONS

From the listing date of the Company to 31 December 2021, the Group has entered into a number of non-exempt continuing connected transactions., the Group conducted a number of non-exempt continuing connected transactions. The Company has been approved by the Stock Exchange not to be exempted from the annual cap for continuing connected transactions after the initial public offering and is exempted from the independent shareholders' approval requirement. The table below shows the annual caps and actual transaction value of such continuing connected transactions during the period from the listing date of the Company to 31 December 2021:

Name, date and term of the agreement 協議名稱、日期及期限	Connected Persons 關連人士	Nature and description of the transaction 交易性質及概況	Pricing Basis 定價基礎	Annual cap for 2021 二零二一年度 上限 RMB'000 人民幣千元	Actual Transaction amount in 2021 二零二一年 實際交易價值 RMB'000 人民幣千元
Master Procurement Agreement for Membrane Ancillary Materials	Beijing OriginWater Technology Co., Ltd. ("Beijing OriginWater") and its subsidiaries	Yunnan Water purchases membrane ancillary materials from Beijing OriginWater	On an arm's length basis and on normal commercial terms	30,000	1,397
膜輔料採購總協議	北京碧水源科技股份有限公司及其附屬公司	雲南水務向北京碧水源採購膜輔料	公平原則及一般商業條款		

It was entered into on 16 April 2021 to set the annual cap of transaction for 3 years from 2021 to 2023.

於二零二一年四月十六日訂立，以設定二零二一年至二零二三年三年度交易上限。

### 管理合約

除僱員聘任合約外，集團年內並沒有就全部或任何重大部分的本公司業務管理及行政訂立或存在任何合約。

### 持續關連交易

由本公司上市日期起至二零二一年十二月三十一日止，本集團曾進行多項不獲豁免持續關連交易。本公司已獲聯交所批准首次公開發售後不獲豁免持續關連交易的年度上限，並獲豁免遵守獨立股東批准的規定。下表載列該等持續關連交易於本公司上市日期起至二零二一年十二月三十一日止期間內的年度上限及實際交易價值：

Several related-party transactions as disclosed in note 37 to the Financial Statements prepared in accordance with HKFRS fall under the definition of "continuing connected transaction" in Chapter 14A of the Listing Rules. The Company has complied with the requirements in accordance with Chapter 14A of the Listing Rules.

### Review by and confirmation of independent non-executive Directors of the Company

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that such transactions were:

- (1) entered into in the ordinary and usual course of business of the Group;
- (2) carried out on normal commercial terms or better;
- (3) carried out according to the relevant transaction agreements, the terms of which are fair and reasonable, and in the interests of the Shareholders as a whole.

### Auditor's Letter

The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing the conclusions in respect of the abovementioned continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The Directors confirmed that the Company has complied with the requirements under Chapter 14A of the Listing Rules with regard to the above continuing connected transactions.

財務報告準則編製的財務報表附註37所披露的若干關連方交易符合上市規則第十四A章對「持續關連交易」的定義。本公司已遵守根據上市規則第十四A章的規定。

### 本公司獨立非執行董事審閱及確認

根據上市規則第14A.55條，獨立非執行董事已審閱上述持續關連交易，並確認該等交易：

- (1) 乃於本集團日常業務中訂立；
- (2) 按照一般或更佳商務條款進行；
- (3) 乃根據相關交易的協議進行，條款公平合理，並符合股東的整體利益。

### 核數師確認

根據香港會計師公會頒佈的香港鑒證業務準則第3000號(經修訂)「非審核或審閱過往財務資料的鑒證工作」規定，並參照實務說明第740號(經修訂)「關於香港上市規則所述持續關連交易的核數師函件」，本公司核數師獲委聘就本集團的持續關連交易作出報告。根據上市規則第14A.56條，本公司核數師已就上述持續關連交易的審查結果及結論發出無保留意見函件。核數師函件的副本已經由本公司提交聯交所。

董事確認本公司已就上述持續關連交易遵守上市規則第14A章項下相關規定。



### COMPLIANCE WITH THE NON-COMPETITION UNDERTAKING

Each of the Acting in Concert Parties signed a non-competition undertaking on 6 May 2015, in favor of the Company (the “**Non-competition Undertaking**”). Pursuant to the Non-competition Undertaking, each of the Acting in Concert Parties has irrevocably undertaken that it will not, and will procure that its associates (except the Company) will not, directly or indirectly, whether as principal or agent, either on its own account or in conjunction with or on behalf of any person, firm or company, whether inside or outside the PRC, among other things, carry on, engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business which is in competition with the business of the Company from time to time (the “**Restricted Business**”). Each of the Acting in Concert Parties has also undertaken to the Company that, if there is any new business opportunity in the Restricted Business, it shall within a reasonable period of time refer such new business opportunities to the Company on a pre-emptive basis.

The Acting in Concert Parties have confirmed in writing to the Company of their compliance with the Non-competition Undertaking for disclosure in this report during the Reporting Period.

The independent non-executive Directors have reviewed the information provided by the Acting in Concert Parties regarding compliance with the Non-competition Undertaking and had determined that the Acting in Concert Parties have fully complied with and are not in breach of the Non-competition Undertaking during the Reporting Period.

### COMPLIANCE WITH NON-COMPETITION AGREEMENTS

The Undertaking Shareholders signed non-competition agreements (the “**Non-Competition Agreements**”) on 6 May 2015, in favour of the Company. Pursuant to the Non-competition Agreements, each of the Undertaking Shareholders has irrevocably undertaken that it will not and will procure that its associates (except the Company) will not, directly or indirectly, whether as principal or agent, either on its own account or in conjunction with or on behalf of any person, firm or company, whether inside or outside the PRC, among other things, carry on, engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business which is in competition with the business of the Company from time to time. Each of the Undertaking Shareholders has also undertaken to the Company that, if there is any new business opportunity in the Restricted Business, it shall within a reasonable period of time refer such new business opportunities to the Company on a pre-emptive basis.

### 遵守不競爭承諾

各一致行動人士已於二零一五年五月六日簽署以本公司為受益人的不競爭承諾（「**不競爭承諾**」）。根據不競爭承諾，各一致行動人士已不可撤回地承諾，其不會並將促使其聯繫人（本公司除外）不會直接或間接（無論以當事人或代理的身份，無論為其自身利益或會同或代表任何人士、商號或公司，無論在中國境內或境外）（其中包括）開展、從事、參與與本公司業務不時存在競爭的任何業務（「**受限制業務**」）或於該等業務中持有任何權利或利益或為該等業務提供任何服務或涉足該等業務。各一致行動人士亦已向本公司承諾，倘受限制業務中出現任何新商機，其將於一段合理期間內將該新商機優先推介予本公司。

一致行動人士已以書面形式向本公司確認，於報告期內，彼等已遵守在本年報內披露的不競爭承諾。

獨立非執行董事已審閱一致行動人士就遵守不競爭承諾提供的一切必需資料，並確定自報告期內，一致行動人士已完全遵守且並無違反不競爭承諾。

### 遵守不競爭協議

有承諾的股東已於二零一五年五月六日簽署以本公司為受益人的不競爭協議（「**不競爭協議**」）。根據不競爭協議，各有承諾的股東已不可撤回地承諾，其不會並將促使其聯繫人（本公司除外）不會直接或間接（無論以當事人或代理的身份，無論為其自身利益或會同或代表任何人士、商號或公司，無論在中華人民共和國境內或境外）（其中包括）開展、從事、參與與本公司業務不時存在競爭的任何業務或於該等業務中持有任何權利或利益或為該等業務提供任何服務或涉足該等業務。各有承諾的股東亦已向本公司承諾，倘受限制業務中出現任何新商機，其將於一段合理期間內將該新商機優先推介予本公司。

The Undertaking Shareholders have confirmed in writing to the Company of their compliance with the Non-competition Agreements for disclosure in this report during the Reporting Period.

The independent non-executive Directors have reviewed the information provided by the Undertaking Shareholders regarding compliance with the Non-competition Agreements and confirmed that all Undertaking Shareholders have fully complied with and are not in breach of the Non-competition Agreements during the Reporting Period.

### MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the total amount of procurement from the five largest suppliers of the Group accounted for approximately 46.52% of the total amount of procurement for the year ended 31 December 2021, and the procurement from the largest supplier accounted for 29.25% of the total amount of procurement for the year ended 31 December 2021.

During the Reporting Period, the total amount of sales to the five largest customers of the Group accounted for approximately 23.12% of the total amount of revenue for the year ended 31 December 2021, and the total amount of sales to the largest customer accounted for approximately 7.19% of the total amount of revenue of the Group for the year ended 31 December 2021.

The Directors and the Supervisors of the Company, and their respective close associates, or any Shareholder (which to the knowledge of the Directors own more than 5% of the issued Shares of the Company) do not hold any interest in the top five customers and top five suppliers of the Group.

### RETIREMENT AND EMPLOYEE BENEFITS SCHEME

Please refer to the note 2.26 to the Financial Statements for detailed information on the retirement and employee benefits scheme of the Company.

### BUSINESS REVIEW

The Company's business review and the discussion and analysis of the Group's performance for the year and material factors relating to its results and financial conditions are respectively set out in the chapter headed "Chairman's Statement/General Manager's Report" from pages 9 to 11 and the chapter headed "Management Discussion and Analysis" from pages 12 to 28 in this annual report. Such discussions constitute an integral part of this annual report.

有承諾的股東已以書面形式向本公司確認，於報告期內，彼等已遵守將在本年報內披露的不競爭協議。

獨立非執行董事已審閱有承諾的股東就遵守不競爭協議提供的一切必需資料，並確認自報告期內，各有承諾的股東已完全遵守且並無違反不競爭協議。

### 主要客戶及供應商

報告期內本集團向五大供應商的採購總額佔截至二零二一年十二月三十一日止年度採購總額的46.52%，而向最大供貨商的採購額佔截至二零二一年十二月三十一日止年度採購總額的29.25%。

報告期內本集團向五大客戶的銷售總額佔截至二零二一年十二月三十一日止年度收益總額的23.12%，而向最大的客戶的銷售總額佔集團截至二零二一年十二月三十一日止年度收益的7.19%。

本公司董事及監事及彼等各自的緊密聯繫人或據董事及監事所知持有本公司5%以上已發行股份的任何股東概無於本集團五大客戶及五大供應商中擁有任何權益。

### 退休及僱員福利計劃

有關本公司退休及僱員福利計劃的詳情，請參閱財務報表附註2.26。

### 業務回顧

本年度本公司業務回顧及本集團表現之討論及分析以及與其業績及財務狀況相關之重大因素，分別載於本年報第9至11頁之「董事長致辭／總經理報告」以及第12至28頁之「管理層討論及分析」章節內。該等討論構成本報告之一部分。

# Directors' Report

## 董事會報告

### ENVIRONMENTAL POLICY

As one of the leading integrated urban environmental treatment services providers in the PRC, the Company is committed to operating its various business segments in an environmentally-friendly manner. The Board believes that compliance with the relevant environmental protection rules and regulations is crucial to the long term development and success of the Group's businesses. In order to maintain a high standard of staff awareness of the relevant rules and regulations, the Company offers periodical trainings to the key technical personnel at the various water treatment plants and solid waste treatment plants. As a result of the Company's commitment to environmental protection and through the implementation of advanced technologies, the Group has achieved safe and environmentally-friendly production during the Reporting Period.

### COMPLIANCE WITH LAWS AND REGULATIONS

The Board believes the compliance with laws and regulations as the cornerstone of a business and attaches considerable importance to it. To the best knowledge of the Board, during the Reporting Period, the Company has complied with the relevant laws and regulations that have a significant impact on the Company. Furthermore, as the H Shares of the Company are listed on the Main Board of Stock Exchange, the Company shall be bound by the Listing Rules and the SFO.

### RISKS AND UNCERTAINTIES

The Group's business, future results of operations and prospects could be affected by certain risks and uncertainties. Please refer to the chapter headed "Chairman's Statement/General Manager's Report" from pages 9 to 11 in this annual report for detail analysis of the relevant risks and uncertainties.

### PERMITTED INDEMNITY PROVISIONS

During the Reporting Period and up to the date of this annual report, the Company has undertaken and maintained a collective liability insurance policy covering, among others, all directors of the Company and its "associated companies" (as defined under the Companies Ordinance (Chapter 622 of the laws of Hong Kong)).

### DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Reporting Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director and Supervisor or their respective spouses or children under the age of 18, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

### 環境政策

作為中國領先的城市綜合環境治理服務供應商之一，本公司致力以保護環境的方式經營其多個業務分部。董事會相信遵守相關環保規則及法規對本集團業務的長期發展及成功至關重要。為維持員工對相關規則及法規有高度意識，本公司向不同水處理廠及固廢處理廠的主要技術人員定期提供培訓。鑒於本公司對環保的承擔且採用先進的技術，故本集團於報告期內的生產達致安全且環保。

### 遵守法律及法規

董事會認為遵守法律及法規乃企業的基石，故十分關注其重要性。就董事會所知悉，本公司於報告期一直遵守對本公司具重大影響力的相關法律及法規。此外，由於本公司之H股於聯交所主板上市，故此，本公司須受上市規則及證券及期貨條例約束。

### 風險及不確定性

本集團的業務、未來經營業績及前景可能會因該等風險及不確定性而受到重大且不利的影響。本年報第9至11頁之「董事長致辭／總經理報告」章節內列出本集團現時面對的主要風險及不確定性。

### 獲准許的彌償條文

於報告期內及截至本年度報告日期，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。

### 董事及監事購買股份或債券之權利

自報告期內，概無授予任何董事及監事或彼等各自之配偶或十八歲以下之子女權利，可藉購買本公司股份或債券而取得利益，彼等亦無行使任何該等權利；本公司或其任何附屬公司亦概無達成任何安排，致使董事能購入任何其他法人團體之該等權利。

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance with a view to safeguarding the interest of shareholders and enhancing corporate value. The Board believes that good corporate governance is one of the factors leading to the success of the Company and balancing the interests of Shareholders, customers and employees.

During the Reporting Period, the Company has complied with all code provisions as set out in the Corporate Governance Code in Appendix XIV of the Listing Rules. Details of the corporate governance practice of the Company are set out in the Corporate Governance Report from pages 60 to 79 in this annual report.

## SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules as at the date of this annual report.

## SIGNIFICANT LEGAL PROCEEDINGS

On 25 March 2022, having made an enquiry, the Company has been listed as a person subject to enforcement by Urumqi Intermediate People's Court under case No. (2022) Xin 01 Zhi 150 ((2022) 新01執150號), pursuant to which the assets of the Group with a total value of no more than RMB371,502,848 are subject to enforcement (the "Enforcement"). To the knowledge of the Board, the Enforcement was attributable to a dispute between the plaintiff, Greatwall Guoxing Finance Leasing Company Limited\* (長城國興金融租賃有限公司) and the defendants, Langfang Hyflux NewSpring Co., Ltd.\* (廊坊凱發新泉水務有限公司), being a wholly owned subsidiary of the Company, as well as the Company in relation to the financial leasing contract. For details, please refer to the inside information announcement issued by the Company on 25 March 2022.

## EVENTS AFTER THE REPORTING PERIOD

Details of the events after the Reporting Period of the Company are set out in the chapter headed "Management Discussion and Analysis" from pages 12 to 28 in this annual report.

## 遵守企業管治守則

本公司致力維持高水準的企業管治，務求維護股東利益及提升企業價值。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之因素之一。

於報告期內，本公司已遵守上市規則附錄十四企業管治守則所載的所有守則條文。本公司企業管治常規之詳情載於本年報第60頁至79頁之企業管治報告內。

## 公眾持股量的足夠性

根據本公司的公開可得資料及據董事所知，於本年報日期，本公司已維持經聯交所批准及上市規則准許的規定最低公眾持股量。

## 重大訴訟

於二零二二年三月二十五日，本公司經查詢得知，本公司已被烏魯木齊市中級人民法院列為被執行人，案件編號為(2022)新01執150號，被執行標的為本集團總價值為不超過人民幣371,502,848元的資產(「該執行」)。據董事會了解，該執行是源於原告長城國興金融租賃有限公司與被告本公司全資附屬公司廊坊凱發新泉水務有限公司及本公司有關融資租賃合同糾紛一案。詳情參閱本公司於二零二二年三月二十五日發佈之內幕消息公告。

## 期後事項

本公司期後事項之詳情載於本年報第12頁至28頁之「管理層討論及分析」章節內。



# Directors' Report

## 董事會報告

### DIVIDEND POLICY

The Company has adopted a dividend policy (the “**Dividend Policy**”), pursuant to which, before declaration or proposed distribution of dividends, the Board shall consider the following factors:

- the actual and expected financial performance of the Company;
- the retained earnings and distributable reserves of the Company and the subsidiaries of the Group;
- the working capital requirements, capital expenditure requirements and future expansion plans of the Group;
- the liquidity of the Group;
- the overall economic conditions, the business cycle of the Group's business and the inherent or external factors that may affect the business, financial performance and positioning of the Company; and
- Other factors that the Board considers relevant.

The distribution of dividends is also subject to any applicable laws and the Articles of Association.

### AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the annual results and the Financial Statements of the Company for the year ended 31 December 2021.

### AUDITOR

PricewaterhouseCoopers was appointed as auditor of the Company for the financial statements prepared in accordance with HKFRS for the year ended 31 December 2021. The Company's financial statements for the year ended 31 December 2021 prepared in accordance with HKFRS have been audited by PricewaterhouseCoopers. The Company has retained the services of PricewaterhouseCoopers since 2013.

### 股息政策

本公司已採納股息政策(「**股息政策**」)，在宣派或建議分派股息前，董事會須考慮下列因素：

- 本公司的實際及預期財務表現；
- 本公司及本集團各附屬公司的留存收益及可分派儲備；
- 本集團的營運資金要求、資本開支要求及未來擴展計劃；
- 本集團的流動資金狀況；
- 整體經濟狀況、本集團業務的商業週期及可能對本公司業務、財務業績及定位構成影響的內在或外在因素；及
- 董事會認為相關的其他因素。

派付股息亦須受任何適用法律及公司章程的規限。

### 審核委員會

本公司審核委員會已審閱本公司截至二零二一年十二月三十一日止年度的全年業績及財務報表。

### 核數師

羅兵咸永道會計師事務所獲委聘為本公司截至二零二一年十二月三十一日止年度就根據香港財務報告準則編製財務報表的核數師。本公司根據香港財務報告準則編製的截至二零二一年十二月三十一日止年度財務報表已經羅兵咸永道會計師事務所審計。本公司自二零一三年起委聘羅兵咸永道會計師事務所提供審計服務。

## FINANCIAL HIGHLIGHTS

Summary of results of operation and the position of assets and liabilities of the Group for the recent five financial years is set out on page 239 in this annual report.

For and on behalf of the Board

**Yunnan Water Investment Co., Limited\***

**Yu Long**

*Acting Chairman*

Kunming, the PRC

29 April 2022

## 財務摘要

本集團於過往五個財政年度的經營業績及資產及負債載於本年報第239頁。

代表董事會

雲南水務投資股份有限公司

代理董事長

于龍

中國·昆明

二零二二年四月二十九日

# Corporate Governance Report

## 企業管治報告

The Board is pleased to present this corporate governance report of the Company from the listing date of the Company to 31 December 2021.

The Group strives to maintain high standards of corporate governance to enhance Shareholder value and safeguard Shareholders' interests. The Company's corporate governance principles emphasize the importance of a quality Board, effective internal control and accountability to the Shareholders.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance with a view of safeguarding the interest of the Shareholders and enhancing corporate value. The Board believes that good corporate governance is one of the factors leading to the success of the Company and balancing the interests of the Shareholders, customers and employees.

During the Reporting Period, the Company has complied with all code provisions as set out in the Corporate Governance Code.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Group has adopted the Model Code as the code of conduct regarding securities transactions by the Directors and Supervisors. The Group has made specific enquiries with all of its Directors and Supervisors, and all Directors and Supervisors have confirmed that they have fully complied with the required standard set out in the Model Code during the Reporting Period.

### BOARD OF DIRECTORS

#### Board composition

The Directors who held office during the Reporting Period are:

#### Executive Directors

- Mr. Yu Long (Acting chairman, General manager)
- Mr. Zhou Zhimi (Chief financial controller)
- Mr. Yang Fang (resigned on 11 June 2021)
- Ms. Ling Hui (appointed on 11 June 2021, and resigned on 10 November 2021)
- Ms. Li Bo (appointed on 24 June 2021, and resigned on 30 September 2021)

#### Non-executive Directors

- Mr. Dai Richeng
- Mr. Chen Yong
- Mr. Liu Hui (appointed on 11 June 2021)
- Mr. Li Jialong (resigned on 11 June 2021)

董事會欣然提呈載自本公司上市日至本公司截至二零二一年十二月三十一日止的企業管治報告。

本集團致力維持高水平企業管治，以提升股東價值及保障股東權益。本公司的企業管治原則重視質素優良的董事會、有效的內部監控及向股東負責。

### 遵守企業管治守則

本公司致力維持高水準的企業管治，務求維護股東利益及提升企業價值。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之因素之一。

於報告期內，本公司已遵守企業管治守則所載的所有守則條文。

### 董事及監事進行證券交易的標準守則

本集團已採納標準守則作為董事及本公司監事進行證券交易的守則。本集團已向全體董事及監事作出具體查詢，全體董事及監事已確認，彼等於報告期內一直完全遵守標準守則所載的規定標準。

### 董事會

#### 董事會的組成

於報告期內任職的董事為：

#### 執行董事

- 于龍先生(代理董事長，總經理)
- 周志密先生(財務總監)
- 楊方先生(於二零二一年六月十一日辭任)
- 凌慧女士(於二零二一年六月十一日獲委任，並於二零二一年十一月十日辭任)
- 李波女士(於二零二一年六月二十四日獲委任，並於二零二一年九月三十日辭任)

#### 非執行董事

- 戴日成先生
- 陳勇先生
- 劉暉先生(於二零二一年六月十一日獲委任)
- 李家龍先生(於二零二一年六月十一日辭任)

### **Independent Non-executive Directors**

Mr. Liu Shuen Kong  
Mr. Zhong Wei  
Mr. Zhou Beihai

To the best knowledge of the Company, none of the Directors has any financial, business, family or other material/relevant relationships with each other. In particular, there is no such relationship between the Chairman and the general manager. The roles of Chairman and the general manager are assumed by Ms. Li Bo and Mr. Yu Long, respectively. On 30 September 2021, Ms. Li Bo resigned from all positions of the Company, and the Board elected Mr. Yu Long to act as the Acting Chairman in accordance with the Articles of Association. For details, please refer to the section headed “Chairman and Chief Executive Officer” below.

The biographies of the Directors are set out in the section headed “Directors, Supervisors and Senior Management” in this annual report.

The Company has entered into a service contract with each of the Directors containing terms relating to, among other things, compliance with relevant laws and regulations, observation of the Articles of Association and provision on arbitration. Pursuant to the Articles of Association, the Directors (including the non-executive Directors and the independent non-executive Directors) shall serve a term of three years from the date of he/she takes up the appointment.

During the Reporting Period, the Board at all times complied with the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors (at least one-third of the Board) with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written confirmation from each of the independent non-executive Directors of his independence during the Reporting Period pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent during the Reporting Period in accordance with the independence guidelines as set out in the Listing Rules.

All Directors, including the non-executive Directors and the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

### **Responsibilities of the Board**

The Board’s fundamental responsibility is to exercise its best judgement and to act in the best interests of the Company and its Shareholders. The Board oversees management’s efforts to promote the Company’s success while operating in an effective and responsible manner. The Board also formulates the Company’s overall business strategies and monitors management’s execution of such strategies.

### **獨立非執行董事**

廖船江先生  
鐘偉先生  
周北海先生

據本公司目前所知，董事彼此間概無任何財務、業務、家族或其他重大／相關關連。尤其是董事長與總經理之間概無該等關連。董事長及總經理職位分別由李波女士及于龍先生擔任，於二零二一年九月三十日李波女士辭任本公司全部職務，董事會根據公司章程推舉于龍先生代行董事長職權。有關詳情請參閱下文「董事長及總經理」章節。

董事簡歷載於本年報「董事、監事及高級管理人員」章節內。

本公司已與各董事訂立服務合約，當中載有有關(其中包括)遵守相關法律及法規、遵守章程及仲裁相關條文的條款。根據章程，董事(包括非執行董事及獨立非執行董事)的任期由其獲委任之日起計為期三年。

於報告期內，董事會一直遵守上市規則中有關委任至少三名獨立非執行董事(佔董事會人數至少三分之一)以及其中至少一名獨立非執行董事須擁有合適專業資格或會計或相關財務管理知識之規定。

本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定於報告期內就其獨立性發出的確認書。本公司認為全體獨立非執行董事於報告期內根據上市規則所載獨立性指引均具獨立性。

全體董事(包括非執行董事及獨立非執行董事)為董事會帶來不同範疇之寶貴業務經驗、知識及專長，使其高效及有效運作。

### **董事會的職責**

董事會的基本責任為行使其最佳判斷及以本公司及其股東的最佳利益行事。董事會在以有效及負責任方式運營的同時監管管理層的努力以推動本集團成功。董事會亦制訂本公司的整體業務策略及監控管理層對該等策略的執行。



# Corporate Governance Report

## 企業管治報告

By discharging its responsibilities, the Board has defined the business and governance issues for which it needs to be responsible, and these matters reserved for the Board have been separately defined, and are reviewed periodically, to ensure that the Company maintains the proper level of corporate governance and to ensure they are up to date. In this regard, the Board discharges, among others, the following duties:

- (1) to be responsible for convening general meetings, to propose at a general meeting to pass the relevant matters and to report on its work to the general meeting and to implement the resolutions of the general meetings;
- (2) to decide on the Company's business plans and investment plans;
- (3) to formulate the Company's proposed annual preliminary and final financial budgets and profit distribution plans and plans for recovery of losses;
- (4) to draw up plans for the material asset acquisition or disposal, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;
- (5) to decide on the proposals for salaries, incentives and punishments of the Company's staff;
- (6) to decide on the establishment of special committees under the Board and to appoint or remove its person-in-charge;
- (7) to propose at general meetings for the appointment, renewal or remove of accountants' firm conducting auditing for the Company; and
- (8) to review and supervise the policies and practices of the Company in compliance with legal and regulatory requirements.

The Board delegates the responsibility of day-to-day business and operations to the Company's senior management, which includes its chief administration officers, the general manager and deputy general manager. The senior management of the Company meets regularly or as frequent as necessary to formulate policies and make recommendations to the Board. The senior management of the Company administers, enforces, interprets and supervises compliance with the internal rules and operational procedures of the Company as well as its subsidiaries and conducts regular reviews, recommends and advises on appropriate amendments to such rules and procedures. The senior management of the Company reports to the Board on a regular basis and communicates with the Board whenever required.

通過履行其責任，董事會已界定其須負責的業務及管治事務，而就董事會保留的有關事宜已獲單獨界定及獲定期審閱，以確保本公司維持適當水平的企業管治，並確保其企業管治持續更新。就此而言，董事會行使如下職能(其中包括)：

- (1) 召集股東大會會議，提請股東大會通過有關事項，並向股東大會報告工作及執行股東大會的決議；
- (2) 決定公司的經營計劃和投資方案；
- (3) 制訂公司的年度財務預算方案和決算方案及利潤分配方案和彌補虧損方案；
- (4) 擬訂公司重大資產收購和出售、回購本公司股票或合併、分立、解散及變更公司形式的方案；
- (5) 決定公司職工的工資、福利及獎懲方案；
- (6) 決定董事會專門委員會的設置和任免專門委員會負責人；
- (7) 向股東大會提請聘任、續聘或解聘承辦公司審計業務的會計師事務所；及
- (8) 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。

董事會已將其日常業務及經營職責轉授本公司高級管理團隊，高級管理團隊包括主要行政管理人員、總經理及副總裁。本公司高級管理團隊定期舉行會議或不時就制訂政策及向董事會作出推薦意見的需要而舉行會議。本公司高級管理團隊掌管、執行、詮釋及監督本公司及其附屬公司遵守內部規則及操作程序的情況及定期進行檢討、推薦及建議對有關規則及程序進行適當修訂。本公司高級管理團隊定期向董事會匯報，並在有需要時與董事會保持溝通。

### Corporate Governance Functions of the Board

The Board is responsible for formulating the corporate governance policies and performing the corporate governance duties, which include, among others:

- (1) to develop and review the policies and practices of the Company on corporate governance and make recommendations;
- (2) to review and monitor the training and continuous professional development of the Directors and senior management of the Company;
- (3) to review and monitor the policies and practices of the Company on compliance with legal and regulatory requirements;
- (4) to review and supervise the compliance of the Directors and employees of the Company and its subsidiaries with the required standards as set out in the Model Code; and
- (5) to review the compliance of the Company with relevant code provisions as set out in the Corporate Governance Code and make its disclosure in the corporate governance report prepared under the Listing Rules.

### Operation of the Board

Regular meetings of the Board shall be held at least four times a year. Meetings shall be convened by the Chairman and notice of and documents for regular meetings and extraordinary meetings of the Board shall be sent to all Directors and Supervisors 10 days and 5 days before the meeting is held. In case of urgency, the extraordinary Board meeting may be held upon approval by the chairman, not subject to the requirement of meeting notice as set out in the Articles of Association, provided that reasonable notice shall be given to Directors, Supervisors and the general manager of the Company. The Chairman, any Shareholder(s) representing more than one-tenth voting rights, more than one-third of the Directors, the Supervisory Committee or more than two independent non-executive Directors or the general manager of the Company may propose the holding of an extraordinary meeting of the Board. The chairman shall convene and preside over the extraordinary meeting of the Board within 14 days upon receipt of the proposal. During the Reporting Period, the Board held 63 Board meetings, 1 annual general meeting and 4 extraordinary general meetings.

### 董事會企業管治功能

董事會負責制訂企業管治政策及履行企業管治責任其中包括：

- (1) 發展並檢討本公司的企業管治制度及慣例，並依此提出建議；
- (2) 審核及監察董事及本公司高級管理人員的培訓及持續專業發展；
- (3) 審閱並監督有關本公司遵守法律法規相關要求的制度及慣例；
- (4) 審閱並監督本公司及其附屬公司的董事及僱員遵守標準守則所載的規定標準；及
- (5) 檢討本公司遵守企業管治守則的守則條文規定的情況，並將其披露於按照上市規則規定籌備的企業管治報告中。

### 董事會的運作

董事會每年至少召開四次定期會議，由董事長召集，會議通知及會議文件應於董事會定期會議召開10日前，董事會臨時會議召開5日前送達全體董事和監事。遇緊急情況時，經董事長批准，董事會臨時會議的召開不受章程所載會議通知的限制，但應當給予董事、監事和本公司總經理合理通知。董事長、代表十分之一以上表決權的股東、三分之一以上董事、監事會、兩名以上獨立非執行董事、本公司總經理可以提議召開董事會臨時會議。董事長應當自接到提議後14日內，召集和主持董事會臨時會議。於報告期內，董事會共召開了63次董事會會議，1次股東週年大會及4次臨時股東大會。

# Corporate Governance Report

## 企業管治報告

### Nomination, Appointment and Removal of Directors

The Company has formulated formal and transparent procedures for the appointment of new directors to the Board. The nominations of new directors are considered first by the nomination committee and the remuneration committee, then they will make recommendations to the Board for consideration. All nominees of new directors must be approved by the Shareholders at the general meeting of the Company. Dismissal of members of the Board must also obtain approval of the Shareholders at the general meeting of the Company.

### Attendance of Board Meetings and General Meetings

During the Reporting Period, the Board held 63 Board meetings. All Directors duly performed their duties and attended the meetings in person or by electronic communication means. They made informed decisions to safeguard the interests of the Company and the Shareholders as a whole. The attendance of Directors is as follows:

Name of Director	董事姓名	Attendance/ Number of Board Meetings 董事會出席次數/ 舉行次數
Mr. Yu Long	于龍先生	63/63
Mr. Zhou Zhimi (appointed on 10 November 2021)	周志密先生 (於二零二一年十一月十日獲委任)	5/5
Mr. Dai Richeng	戴日成先生	63/63
Mr. Chen Yong	陳勇先生	62/63
Mr. Liu Hui (appointed on 11 June 2021)	劉暉先生 (於二零二一年六月十一日獲委任)	34/34
Mr. Liu Shuen Kong	廖船江先生	63/63
Mr. Zhong Wei	鐘偉先生	63/63
Mr. Zhou Beihai	周北海先生	63/63
Mr. Li Jialong (resigned on 11 June 2021)	李家龍先生 (於二零二一年六月十一日辭任)	28/29
Ms. Li Bo (resigned on 30 September 2021)	李波女士 (於二零二一年九月三十日辭任)	51/51
Mr. Yang Fang (resigned on 11 June 2021)	楊方先生 (於二零二一年六月十一日辭任)	29/29
Ms. Ling Hui (appointed on 11 June 2021, and resigned on 10 November 2021)	凌慧女士 (於二零二一年六月十一日獲委任， 並於二零二一年十一月十日辭任)	29/29

Apart from regular Board meetings, the Chairman also held a meeting with the independent non-executive Directors without the presence of executive Directors during the year ended 31 December 2021.

### 董事的提名及任免

本公司已就委任新董事加入董事會制訂正式及具透明度的程序。新董事的提名先由提名委員會和薪酬委員會考慮，再向董事會推薦以待考慮。所有新提名的董事須經股東於本公司股東大會上批准。罷免董事會成員亦須經股東於本公司股東大會上批准。

### 董事出席董事會及股東大會情況

於報告期內，董事會舉行了63次會議。所有董事均妥善履行其責任親自或通過電子通訊方式出席會議。彼等作出知情決定保障本公司及股東的整體利益。董事的出席率如下：

除定期董事會會議外，於截至二零二一年十二月三十一日止年度，董事長亦曾在執行董事不在場之情況下與獨立非執行董事舉行一次會議。

During the Reporting Period, the Board considered and approved important proposals, mainly including:

- Proposal in respect of the approval of the 2020 annual report of the Company
- Proposal in respect of the approval of the 2020 profit distribution plan of the Company
- Proposal in respect of the approval of the 2020 financial statements and the 2021 financial budget report of the Company
- Proposal in respect of the approval of the re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the PRC auditor and PricewaterhouseCoopers as the international auditor of the Company
- Proposal in respect of the approving the change of members of the third session of the Board
- The resolution on the members and chairman of the Nomination Committee of the Company
- Proposal in respect of the approval of the 2021 interim results report of the Company
- The resolution on planning equity financing and spin off listing of solid waste sector
- The resolution on election of chairman of the third session of the Board
- The resolution on changing the authorized representative of the Company
- The resolution on appointment of the chief financial controller

本報告期內，董事會審議並通過的重要議案主要包括：

- 關於批准本公司2020年度報告的議案
- 關於批准本公司2020年度利潤分配方案的議案
- 關於批准本公司2020年度財務決算及2021年財務預算報告的議案
- 關於批准續聘普華永道中天會計師事務所(特殊普通合伙)為中國核數師及續聘羅兵咸永道會計師事務所為本公司的國際核數師的議案
- 關於批准本公司第三屆董事會成員變更的議案
- 關於本公司變更提名委員會委員及主席的議案
- 關於批准本公司2021年中期業績報告的議案
- 關於擬籌劃固廢板塊股權融資及分拆上市的議案
- 關於選舉第三屆董事會董事長的議案
- 關於變更公司授權代表的議案
- 關於聘任公司財務總監的議案



# Corporate Governance Report

## 企業管治報告

Pursuant to the Articles of Association, general meetings comprise annual general meetings and extraordinary general meetings. Annual general meetings are held once every year and within six months after the conclusion of the previous financial year. During the Reporting Period, a total of 5 general meetings were held, including 1 annual general meeting and 4 extraordinary general meetings. The attendance of Directors is as follows:

根據《公司章程》，股東大會分為股東週年大會和臨時股東大會。股東週年大會每年召開一次，並應於上一個財務年度結束後的六個月內舉行。於報告期內，我們共召開了5次股東大會，其中有1次為股東週年大會，4次為臨時股東大會。董事的出席率如下：

Name of Director	董事姓名	Attendance/ Number of annual general meeting 股東週年大會 出席次數/ 會議次數	Attendance/ Number of extraordinary general meeting 臨時股東大會 出席次數/ 會議次數
Mr. Yu Long	于龍先生	1/1	2/4
Mr. Zhou Zhimi (appointed on 10 November 2021)	周志密先生 (於二零二一年十一月十日獲委任)	N/A 不適用	1/1
Mr. Dai Richeng	戴日成先生	1/1	4/4
Mr. Chen Yong	陳勇先生	1/1	4/4
Mr. Liu Hui (appointed on 11 June 2021)	劉暉先生 (於二零二一年六月十一日獲委任)	1/1	1/2
Mr. Liu Shuen Kong	廖船江先生	1/1	4/4
Mr. Zhong Wei	鐘偉先生	1/1	4/4
Mr. Zhou Beihai	周北海先生	1/1	4/4
Mr. Li Jialong (resigned on 11 June 2021)	李家龍先生 (於二零二一年六月十一日辭任)	1/1	0/2
Ms. Li Bo (resigned on 30 September 2021)	李波女士 (於二零二一年九月三十日辭任)	1/1	3/3
Mr. Yang Fang (resigned on 11 June 2021)	楊方先生 (於二零二一年六月十一日辭任)	1/1	1/2
Ms. Ling Hui (appointed on 11 June 2021, and resigned on 10 November 2021)	凌慧女士 (於二零二一年六月十一日獲委任， 並於二零二一年十一月十日辭任)	1/1	2/2

### Continuous Professional Development of Directors and Supervisors

Directors shall from time to time understand their responsibilities as Directors of the Company, and the mode of operation, business activities and development of the Company.

All newly appointed Directors will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment, so as to ensure that newly appointed Directors have appropriate understanding of the business and operations of the Company and are fully aware of their responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company constantly arranges internal seminars and provides reading materials on relevant topics to Directors, and all Directors are encouraged to attend relevant training courses.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and duties of the chairman and the general manager of the Company are separate and held by different persons and have been clearly defined in the Articles of Association. Ms. Li Bo, the chairman of the third session of the Board, resigned from all positions of the Company on 30 September 2021. Before the election of the new chairman, the Company elected Mr. Yu Long to act as the Acting Chairman in accordance with the Articles of Association. Mr. Yu Long serves as general manager of the Company. The Chairman is elected by a majority vote of all Directors, and the general manager of the Company is nominated and appointed by the Board.

The Chairman places great emphasis on the communication with the independent non-executive Directors. The Chairman holds meetings with the independent non-executive Directors at least once every year, in respect of development strategy, corporate governance, operational management, at which no executive Director is present.

The Chairman encourages open and active discussions. Directors may speak freely at the Board meetings and actively participate in the discussions of significant decision making in the Board meetings.

### 董事及監事之持續專業發展

董事須不時了解其作為本公司董事之職責，以及本公司之經營方式、業務活動及發展。

全體董事均於首次獲委任時獲提供正式、全面及針對性就任介紹，確保新任董事們可適當掌握本公司業務及營運，並全面理解根據上市規則及相關法律規定的職責及責任。

董事須參與適當的持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。本公司持續為董事安排內部研討會及就有關主題刊發閱讀材料，並鼓勵董事參加相關培訓課程。

### 董事長及總經理

本公司董事長及總經理的職責有所區分，並由不同人士擔任，且於公司章程明確界定。第三屆董事會董事長李波女士於二零二一年九月三十日辭去於公司所有職務，在新任董事長選舉產生之前，本公司根據章程選舉于龍先生代行董事長職權。本公司總經理由于龍先生擔任。董事長由全體董事過半數選舉產生。本公司總經理由董事會提名並聘任。

董事長注重與獨立非執行董事溝通，與獨立非執行董事在執行董事不場情況下至少單獨會面一次，溝通公司發展戰略、公司治理、經營管理等情況。

董事長提倡公開、積極討論的文化，董事在董事會會議上暢所欲言，就公司重大決策事項積極充分討論。

### BOARD COMMITTEES

The Board had delegated certain responsibilities to various committees. The Company had established four Board committees, being the Nomination Committee, the Remuneration Committee, Compliance Committee and Audit Committee.

#### (1) Nomination Committee

The principal responsibilities of the Nomination Committee include: reviewing and monitoring the structure, size, composition and diversity of members of the Board in light of the Company's strategy; identifying suitably qualified individuals and making recommendations to the Board to be new Board members; reviewing and making recommendations to the Board on individuals nominated to be Directors by the Shareholders; assessing the independence of independent non-executive Directors; and reviewing and monitoring the implementation of diversity policy of Board members of the Company. Terms of reference of the Nomination Committee have been published on the website of the Company.

During the Reporting Period, the original Nomination Committee consists of one non-executive Director, Mr. Li Jialong (as chairman) and two independent non-executive Directors, Mr. Zhou Beihai and Mr. Zhong Wei. According to the announcement on, among other things, the re-designation of Director published by the Company on 24 June 2021, the changed Nomination Committee consisted of one executive Director, Ms. Li Bo (as chairman), and two independent non-executive Directors, Mr. Zhou Beihai and Mr. Zhong Wei, with effect from 24 June 2021. According to the announcement on, among other things, the appointment of Director and the change of the composition of the Board committee published by the Company on 30 September 2021, the changed Nomination Committee consisted of one executive Director, Mr. Yu Long (as the acting chairman), and two independent non-executive Directors, Mr. Zhou Beihai and Mr. Zhong Wei, with effect from 10 November 2021.

### 董事委員會

董事會已將部分職責轉授予多個委員會。本公司已設立四個董事委員會，即提名委員會、薪酬委員會、合規委員會及審核委員會。

#### (1) 提名委員會

提名委員會的主要職責包括：根據本公司策略檢討及監察董事會架構、規模、組成及成員多元化；物色合資格的人士及向董事會提供建議新董事會成員；就股東提名擔任董事的人士進行審閱及向董事會提供建議；評估獨立非執行董事的獨立性；檢討及監察本公司董事會成員多元化政策的實行。有關提名委員會的職權範圍已載列於本公司網站。

於報告期內，原提名委員會由一名非執行董事李家龍先生(作為主席)以及兩名獨立非執行董事周北海先生及鐘偉先生組成。根據本公司於二零二一年六月二十四日刊載的有關(其中包括)董事調任的公告，變更後的提名委員會由一名執行董事李波女士(作為主席)以及兩名獨立非執行董事周北海先生及鐘偉先生組成，自二零二一年六月二十四日起生效。根據本公司於二零二一年九月三十日刊載的有關(其中包括)委任董事，以及變更董事委員會之組成的公告，變更後的提名委員會由一名執行董事于龍先生(作為代主席)以及兩名獨立非執行董事周北海先生及鐘偉先生組成，自二零二一年十一月十日起生效。

# Corporate Governance Report

## 企業管治報告

During the Reporting Period, the Nomination Committee had held 2 meetings, to discuss the nomination and appointment matters of Directors of the third session of the Board, and review the structure, size and composition of the Board and the independence of the independent non-executive Directors. At such meetings, Ms. Ling Hui was nominated as a candidate for an executive Director of the third session of the Board. Mr. Liu Hui was nominated as a candidate for a non-executive Director of the third session of the Board. Mr. Yu Long was nominated to act as chairman of the Board and the chairman of the Nomination Committee, and Mr. Zhou Zhimi was nominated as a candidate for an executive Director of the third session of the Board.

The attendance record of the committee members are as follows:

Name of Director	董事姓名	Attendance/ Number of Meetings 出席次數/ 會議次數
Mr. Yu Long	于龍先生	2/2
Mr. Zhou Beihai	周北海先生	2/2
Mr. Zhong Wei	鐘偉先生	2/2

The Company had adopted a board diversity policy with a view to achieving the diversity of the Board. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard to the benefits of diversity of the Board members.

The Nomination Committee will follow a range of diversified perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be made upon the possible contribution that the selected candidates will bring to the Board.

於報告期內，提名委員會共舉行了2次會議，以討論第三屆董事會董事之提名委任事宜，並檢討董事會架構、人數及組成以及獨立非執行董事之獨立性。會議提名凌慧女士先生為第三屆董事會執行董事候選人、提名劉暉先生為第三屆董事會非執行董事候選人、提名于龍先生代行董事長及提名委員會主席職務、提名周志密先生為第三屆董事會執行董事候選人。

委員會之成員出席記錄如下：

本公司已採取董事會多元化政策，務求達到董事會多元化之目的。本公司承認並接受構建一個多元化的董事會可提升董事會表現質素的理念。董事會致力確保董事會因應本公司業務具備適當技巧、經驗及多樣的觀點及角度。本公司仍會按有關人選的長處並考慮對董事會成員多元化的裨益而作出董事會委任。

提名委員會將從多方面就多元化因素進行考慮，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年資，並按董事人選可為董事會帶來的貢獻而作出最終決定。



## (2) Remuneration Committee

The principal responsibilities of the Remuneration Committee include, among others, making recommendations to the Board on the policy and structure of remuneration for all Directors and senior management members and on the establishment of a formal and transparent procedure for developing remuneration policy; review and approval of the remuneration proposals from the management; making recommendations to the Board on the remuneration packages of individual executive Directors and senior management members; and to advise Shareholders of the Company with respect to the service contracts of Directors that require Shareholders' approval under the Listing Rules. Terms of reference of the Remuneration Committee have been published on the website of the Company.

During the Reporting Period, the third session of the Remuneration Committee consists of two independent non-executive Directors Mr. Zhong Wei (as chairman) and Mr. Zhou Beihai and one executive Director, Mr. Yu Long.

## (3) Compliance Committee

The principal responsibilities of the Compliance Committee are to conduct independent investigation and make decisions on compliance matters with respect to our business operations by authorization from the Board. The Company has established the Compliance Committee to ensure the operation of any projects acquired and operated by us are in compliance with the Group's internal control standards and the relevant PRC laws and regulations.

During the Reporting Period, the original Compliance Committee was consisted of two executive Directors, Mr. Yu Long and Mr. Yang Fang, three independent non-executive Directors, Mr. Liu Shuen Kong, Mr. Zhong Wei (as chairman) and Mr. Zhou Beihai and one employee representative Supervisor, Mr. Huang Yi. According to the announcement on, among other things, the appointment of Director and the change of the composition of the Board Committee published by the Company on 11 June 2021, the changed Compliance Committee of the Board consisted of one executive Director, Mr. Yu Long, three independent non-executive Directors, Mr. Liu Shuen Kong, Mr. Zhong Wei (as chairman) and Mr. Zhou Beihai and one employee representative Supervisor, Mr. Huang Yi, with effect from 11 June 2021.

## (2) 薪酬委員會

薪酬委員會的主要職責，其中包括：就董事及高級管理人員的全體薪酬政策及架構及就設立正規而具透明度的程序制訂薪酬政策向董事會提出建議；檢討及批准管理層的薪酬建議；向董事會建議個別執行董事及高級管理人員的薪酬待遇；及根據上市規則就有關需要由股東批准的董事服務合同向本公司的股東提出建議。有關薪酬委員會的職權範圍已載列於本公司網站。

於報告期內，第三屆董事會薪酬委員會由兩名獨立非執行董事鐘偉先生（作為主席）、周北海先生以及一名執行董事于龍先生組成。

## (3) 合規委員會

合規委員會主要職責為董事會所授權的運營進行獨立調查及就合規事宜進行決策。本公司成立合規委員會以確保本集團收購項目及運營符合內部監控及相關的中國法律法規。

於報告期內，原合規委員會由由兩名執行董事于龍先生及楊方先生、三名獨立非執行董事廖船江先生、鐘偉先生（作為主席）及周北海先生，以及一名職工代表監事黃軼先生組成。根據本公司於二零二一年六月十一日刊載的有關（其中包括）委任董事，以及變更董事委員會之組成的公告，變更後的董事會合規委員會由一名執行董事于龍先生，三名獨立非執行董事廖船江先生、鐘偉先生（作為主席）及周北海先生，以及一名職工代表監事黃軼先生組成，自二零二一年六月十一日起生效。

**(4) Audit Committee**

The principal responsibilities of the Audit Committee include reviewing and supervising the financial reporting process, risk management and internal control systems of the Company, including making recommendations on appointing or changing the external auditor and its terms of engagement; reviewing and monitoring external auditor's independence and audit process objectively; monitor the truthfulness, accuracy and integrity of the Company's financial statements, annual report and accounts and half-year report; oversight of the Company's financial reporting system, risk management and internal control system; and other matters that the Board has authorized it to deal with. Terms of reference of the Audit Committee have been published on the website of the Company.

During the Reporting Period, the third session of the Audit Committee was consisted of three independent non-executive Directors, Mr. Liu Shuen Kong (as chairman), Mr Zhou Beihai and Mr. Zhong Wei.

During the Reporting Period, the Audit Committee had held 3 meetings, to review the annual report 2020 of the Company, interim report 2021 of the Company, to fix the resolution of remuneration of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers, to propose the payment of dividends, and to discuss and make recommendations on matters such as internal control and internal audit procedures. During the Reporting Period, the attendance of the committee members are as follows:

Name of Director	董事姓名	Attendance/ Number of Meetings 出席次數/ 會議次數
Mr. Liu Shuen Kong	廖船江先生	3/3
Mr. Zhou Beihai	周北海先生	3/3
Mr. Zhong Wei	鐘偉先生	3/3

**(4) 審核委員會**

審核委員會的主要職責包括：檢討及監督本公司的財務申報過程、風險管理及內部控制制度，包括就委任及更換外部核數師及其委任條款提出推薦意見；客觀檢討及監察外部核數師的獨立性及審核過程；監察本公司財務報表、年度報告及賬目以及半年度報告的真實、準確和完整性；監督本公司財務報告制度、風險管理及內部監控系統；董事會授權其處理的其他事項。有關審核委員會的職權範圍已載列於本公司網站。

於報告期內，第三屆董事會審核委員會由三名獨立非執行董事廖船江先生(作為主席)、周北海先生以及鐘偉先生組成。

於報告期內，審核委員會共舉行了3次會議，會議審閱了本公司二零二零年度報告、二零二一年半年度報告、關於釐定普華永道中天會計師事務所和羅兵咸永道會計師事務所酬金的議案、建議派發股息事項及對內部監控、內部審計程序等進行討論及提出建議。報告期內，委員會之成員出席記錄如下：

# Corporate Governance Report

## 企業管治報告

### REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established a formal and transparent procedure for formulating policies on remuneration of senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2021 are set out in Note 39 to the Financial Statements.

Pursuant to paragraph B.1.5 of the Corporate Governance Code, the remuneration paid to the senior management of the Company (excluding the Directors) by bands for the year ended 31 December 2021 is set out below:

Remuneration bands (RMB)	薪酬區間(人民幣)	Number of individuals 人數
Nil to 500,000	零至500,000元	1
500,001 to 800,000	500,001至800,000元	5

### ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the Financial Statements of the Company for the year ended 31 December 2021. The Directors consider that the Group has adequate resources to continue in business for the foreseeable future and are not aware of material uncertainties that may cast significant doubt on the Company's ability to continue its operation as a going concern.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The management of the Company has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's Financial Statements, which were put to the Board for approval.

### 董事及高級管理人員的薪酬

本公司已就制訂本集團高級管理人員的薪酬政策建立正式及具透明度的程序。截至二零二一年十二月三十一日止年度各董事薪酬的詳情載於合併財務報表附註39。

根據企業管治守則第B.1.5段，下表載列截至二零二一年十二月三十一日止年度按區間劃分支付予本公司高級管理人員(不包括董事)的薪酬：

### 問責及審計

董事確知悉編製本公司截至二零二一年十二月三十一日止年度的合併財務報表之責任。董事認為本集團擁有充足資源以在可見將來繼續經營業務，而且並不知悉可能引致本公司能否持續經營業務成為重大疑問的重大不明朗因素。

董事會須負責就年度及中期報告、內幕消息公佈及根據上市規則及其他法律及監管規定而須發表之其他披露呈報作出平衡、清晰及可理解之評估。

本公司管理層已向董事會提供必要的解釋及數據，讓董事會可就提交予董事會批准的本公司合併財務報表作出知情評審。

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The Group believes that effective environmental, social and corporate governance (ESG) management policies are crucial to the sustainability of the Group's business. As such, the Group proactively enhances its understanding of the latest laws and regulations and the best practices both within and outside the PRC, which are relevant to the Group's business, as well as its management approach and management system. As a responsible corporation, the Group is also committed and dedicated to maintaining the highest environmental and social standards.

During the Reporting Period, the Group was not aware of any material noncompliance with all relevant laws and regulations in relation to its business, including but not limited to health and safety, labour standards, employment and the environment, which would have a significant impact on the Group, such as the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), the Law of the PRC on Work Safety (《中華人民共和國安全生產法》), 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 Environment Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》), the Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Law of the PRC on Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》), the Standard for Pollution Control on the Landfill Site of Municipal Solid Waste (《生活垃圾填埋場污染控制標準》) (GB16889-2008), the Standard for Pollution Control on the Municipal Solid Waste Incineration (《生活垃圾焚燒污染控制標準》) (GB18485-2014), the Technical Requirements on Medical Waste Incinerator (《醫療廢物焚燒爐技術要求》) (GB19218-2003), the Pollution Control Standard for Hazardous Waste Incineration (《危險廢物焚燒污染控制標準》) (GB18484-2014) and the applicable pollutant emission standards formulated by local governments. The Group believes that a better future depends on everyone's participation and contribution. To this end, the Group has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a 33 whole. The Group also maintains strong relationships with its employees, has enhanced cooperation with its suppliers and has provided high quality products and services to its customers so as to ensure sustainable development.

An ESG report has been prepared with reference to ESG Guide set out in Appendix 27 of the Listing Rules. The report presents our contributions to sustainable development during the Reporting Period, and covers the major environmental and social policies, environmental indicators of our Group, measures adopted for reducing emissions by the Group and the relevant achievements of the Group. The ESG Report is set out on pages 240 to 292 in this annual report.

## 環境、社會及企業管治

本集團認為，有效的環境、社會及企業管治管理政策對於本集團業務的可持續發展至關重要。因此，本集團積極加深了解與本集團業務、其管理方針及管理系統有關的中國境內外最新法律及法規以及最佳實踐。作為一家負責任的企業，本集團亦決心致力維持最高的環境及社會標準。

報告期內，本集團並不知悉任何嚴重違反包括(但不限於)健康及安全、勞工準則、僱傭及環境方面的相關法律及法規而對本集團造成重大影響的情況，例如《中華人民共和國勞動合同法》、《中華人民共和國安全生產法》、《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《生活垃圾填埋場污染控制標準》(GB16889-2008)、《生活垃圾焚燒污染控制標準》(GB 18485-2014)、《醫療廢物焚燒爐技術要求》(GB19218-2003)、《危險廢物焚燒污染控制標準》(GB18484-2014)以及地方政府制定的適用污染物排放標準等。本集團認為，更美好的未來需要社會上每一個人參與共建。為了達成這個目標，本集團鼓勵僱員、客戶、供應商及其他股份持有者參與對社區整體有益的環境及社會活動。此外，本集團與僱員維持堅固的關係、已加強與供應商的合作，以及向客戶提供優質產品及服務，藉以確保可持續發展。

本公司現已參照上市規則附錄二十七ESG報告指引編製一份環境、社會及管治報告。該報告呈列我們於報告期內對可持續發展的貢獻，並涵蓋了本集團的主要環境及社會政策、環境指標、所採取的減低排放量措施以及相關的成果。該環境、社會及管治報告載於本年報第240至292頁。



# Corporate Governance Report

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for maintaining an adequate risk management and internal control system to safeguard the Shareholder's investments and the Company's assets and reviewing the effectiveness of such system on an annual basis with the support of the Audit Committee.

The Board, through the Audit Committee, has reviewed the effectiveness of the internal audit system and the risk management and internal control system of the Company and its subsidiaries, including the adequacy of resources, qualifications and experience of staff in the aforementioned systems and of the Company's accounting and financial reporting function, and the adequacy of their training programmes and budget.

During the Reporting Period, the Board, through a review, considered that the risk management and internal control system of the Company and its subsidiaries was effective and adequate.

### AUDITOR AND AUDITOR'S REMUNERATION

The statement of the auditor of the Company about its reporting responsibilities for the Financial Statements is set out in the "Independent Auditor's Report" from page 80 to 83 of this annual report.

During the Reporting Period, the remuneration paid/payable to PricewaterhouseCoopers as the auditor of the Company is set out below:

		<b>Amount</b> <b>金額</b> <b>RMB'000</b> <b>人民幣千元</b>
Fee for audit services	審計服務收費	7,250
Fee for non-audit services	非審計服務收費	200
Total fees	費用總額	7,450

The Group also appointed other external auditors in respect of audit services and non-audit services during the Reporting Period.

### 風險管理與內部監控

董事會負責維持充分的風險管理及內部監控系統，以保障股東投資及本公司的資產，並在審核委員會的支持下，每年檢討有關係統的效能。

董事會透過審核委員會檢討本公司及其附屬公司的內部審計系統及風險管理及內部監控系統的效能，包括本公司在上述系統及在會計及財務申報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。

於報告期內，董事會通過檢討認為本公司及其附屬公司的風險管理及內部監控系統有效及足夠。

### 核數師及核數師酬金

本公司核數師有關其就合併財務報表須承擔的申報責任的聲明載於本年報第80至83頁的「獨立核數師報告」內。

下表載列本報告期內支付／應付予本公司核數師羅兵咸永道的薪酬：

本集團於報告期內亦聘請了其他核數師提供核數服務及非核數服務。

## GOING CONCERN AND MITIGATION MEASURES

The below sections set out an extract of the report by PricewaterhouseCoopers, the auditor of the Company, regarding the consolidated financial statements of the Group for the year ended 31 December 2021:

### Multiple Uncertainties Relating to Going Concern

The Group reported a net loss of RMB1,055,254,000 for the year ended 31 December 2021 and the Group's current liabilities exceeded its current assets by RMB19,359,615,000 as at 31 December 2021. As at the same date, the Group's total borrowings amounted to RMB28,655,546,000, of which current borrowings amounted to RMB20,685,107,000, while its cash and cash equivalents amounted to RMB428,427,000 only. As at 31 December 2021, the Group had capital commitments of approximately RMB11,963,708,000, which were mainly related to various concession projects and construction projects of the Group.

In addition, as at 31 December 2021, the Group was in default in respect of borrowings totaling RMB5,616,161,000 due to either late or overdue payment of loan principals and interests of RMB1,157,710,000, or breach of certain terms and conditions of borrowings during the year ended 31 December 2021. These events of default also resulted in cross-default of certain borrowings other than those mentioned above of RMB10,781,143,000 as at 31 December 2021. Subsequent to the balance sheet date, the Group further failed to repay certain scheduled instalments and interest of its borrowings which caused default of additional borrowings other than those mentioned above amounted to RMB1,454,385,000. In addition, lenders of certain of the abovementioned overdue borrowings had taken property preservation measures and obtained enforcement order for settlement from the court through legal proceedings.

These conditions, together with other matters described in Note 2.1 to the consolidated financial statements, indicate the existence of multiple uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

## 持續經營及緩解措施

以下章節摘錄自本公司核數師羅兵咸永道會計師事務所就本集團截至二零二一年十二月三十一日止年度合併財務報表發出之報告：

### 有關持續經營的多項不確定因素

貴集團呈報截至二零二一年十二月三十一日止年度淨虧損人民幣1,055,254,000元及貴集團於二零二一年十二月三十一日的流動負債超過其流動資產人民幣19,359,615,000元。於同日，貴集團借款總額為人民幣28,655,546,000元，其中即期借款為人民幣20,685,107,000元，而現金及現金等價物僅為人民幣428,427,000元。於二零二一年十二月三十一日，貴集團擁有資本承諾約人民幣11,963,708,000元，主要與貴集團的各種特許經營項目及建造項目有關。

此外，於二零二一年十二月三十一日，貴集團因拖欠或逾期支付貸款本金及利息人民幣1,157,710,000元，或於截至二零二一年十二月三十一日止年度違反借款的若干條款及條件，就總額為人民幣5,616,161,000元的借款而言構成違約。該等違約事件亦導致若干借款（上述截至二零二一年十二月三十一日的人民幣10,781,143,000元借款除外）的交叉違約。於結算日後，貴集團再次未能償還若干借款的計劃分期付款及利息，導致額外借款（上述人民幣1,454,385,000元的借款除外）違約。此外，若干上述逾期借款的貸款人已採取財產保全措施及透過法律訴訟取得法院的執行和解令。

此等狀況連同合併財務報表附註2.1所述的其他事宜，表明存在重大不確定因素，可能使貴集團之持續經營能力受到嚴重質疑。

# Corporate Governance Report

## 企業管治報告

The directors of the Company have been undertaking a number of measures to mitigate the Group's liquidity pressure and to improve its financial position, and to remediate certain delayed repayments to financial institutions, which are set out in Note 2.1 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, which are subject to multiple uncertainties, including (i) the successful negotiations with or obtaining waivers from the Group's existing lenders in respect of the borrowings that were either overdue or otherwise in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the relevant defaulted borrowings; (ii) the successful in renewal of existing revolving bank facilities and obtaining new bank facilities and drawing down from those facilities, as and when needed; (iii) the successful and timely in divesting (including receipt of proceeds) the Group's concession projects and construction projects and introduction of strategic investors to existing projects as planned; (iv) the successful in managing the progress of its concession projects and construction projects, deferring the payment schedule of the borrowings in these projects if necessary, and obtaining project and other financings to meet the construction cost obligations, as and when needed; (v) the successful in obtaining sufficient financial support from Yunnan Health & Cultural Tourism Holding Group Co., Ltd. ("YHTH"), an intermediate holding company to meet with its financial obligation as and when needed; and (vi) the successful and timely in reaching a settlement for the lawsuits with the relevant lenders through mediation and implementation of relevant settlement agreements. As a result of these multiple uncertainties, the potential interaction of these uncertainties, and the possible cumulative effect thereof, we were unable to form an opinion as to whether the going concern basis of preparation is appropriate.

Should the Group fail to achieve the above mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these consolidated financial statements.

### DISCLAIMER OF OPINION ISSUED BY THE INDEPENDENT AUDITOR

As a result of the matters discussed in the section headed "GOING CONCERN AND MITIGATION MEASURES", the Group's financial conditions, together with the other matters as described in note 2.1 to the consolidated financial statements, indicate the existence of multiple uncertainties which may cast significant doubt about the Group's ability to continue as a going concern, the Company's auditor does not express an opinion on the Group's consolidated financial statements for the year ended 31 December 2021. The Independent Auditor's Report is contained in pages 80 to 83 of this annual report.

貴公司董事已採取多項措施，以減輕 貴集團的流動資金壓力及改善財務狀況，並補救若干延後向金融機構還款的問題，有關資料載於合併財務報表附註2.1。合併財務報表乃按持續經營基準編製，其有效性取決於該等措施的結果，其受制於多項不確定因素，包括(i)成功與 貴集團現有貸款人就逾期或因其他原因違約的借款進行磋商，或獲得彼等的豁免，使有關貸款人不會行使其合約權利，要求立即償還有關違約借款；(ii)成功更新現有迴圈銀行融資，獲得新的銀行融資，並於需要時從該等融資中提款；(iii)成功並及時剝離 貴集團特許經營項目及建造項目（包括收到所得款項），並按計劃向現有項目引入戰略投資者；(iv)成功管理其特許經營項目及建設項目的進度，延後該等項目中借款的支付進度（如有必要），並於需要時取得項目及其他融資，以履行其建造成本責任；(v)成功取得中間控股公司雲南省康旅控股集團有限公司（「雲南康旅集團」）的足夠財務支援，以在需要時履行其財務責任；及(vi)通過調解及履行相關和解協議，成功並及時地與有關貸款人達成訴訟和解。由於該等多項不確定因素，不確定因素之間潛在的相互影響及其中可能的累計影響，我們無法就編製持續經營基準是否合適發表意見。

倘 貴集團未能達成上述計劃及措施，則可能無法維持持續經營並須作出調整，分別將 貴集團資產之賬面值撇減至其可收回金額，就可能產生之任何進一步負債作出撥備以及將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整之影響尚未在該等合併財務報表內反映。

### 獨立核數師發出的無法表示意見

由於「持續經營及緩解措施」一節所討論的事宜、本集團的財務狀況以及合併財務報表附註2.1所述的其他事宜，表明存在重大不確定因素，可能使本集團之持續經營能力受到嚴重質疑，故本公司核數師不對本集團截至二零二一年十二月三十一日止年度的合併財務報表發表意見。獨立核數師報告載於本年第80至83頁。

As set out in note 2.1 to the consolidated financial statements as contained in this annual report, the Directors of the Company have been undertaking a number of measures to remediate certain delayed repayments to financial institutions. With all the measures mentioned in note 2.1 to the consolidated financial statements, the Directors of the Company are expecting the Group's overall financial position to be further improved in the coming year.

The Board and Audit Committee agreed with the views of the management and the auditor regarding the uncertainties relating to going concern. There is no disagreement by the Board, the management nor the Audit Committee with the position taken by the Company's auditor regarding the disclaimer of opinion.

The Directors will continue to use their best efforts to protect and uphold the Company's best interest. The Group, the Directors and the management will proactively to resolve matters relating to the disclaimer of opinion throughout the financial year 2021.

## COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with the Shareholders is essential to enhance investor relations and investors understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which enable Shareholders and investors to make the best investment decisions. The general meetings of the Company provide a forum for face-to-face communication between the Board and the Shareholders.

## SHAREHOLDERS' RIGHTS

Pursuant to the Articles of Association, the Shareholder(s) holding more than 10% (individually or together with others) of Shares of the Company shall be entitled to request for an extraordinary general meeting or class meeting according to the following procedures:

- (1) Upon signing one or several written requests with the same content and format, and stating the subject of the meeting, the aforesaid Shareholders may request the Board to convene an extraordinary general meeting or class meeting. Concerning the above request, the Board shall, in accordance with the law, administrative regulations and the Articles of Association, reply with a written opinion to state whether it agrees or disagrees to convene an extraordinary general meeting within ten days upon receipt of the proposal. Shares held by the above Shareholders who made the requests shall be calculated as at the date of submitting the written request.

誠如本年度報告所載合併財務報表附註2.1所述，本公司董事已實施多項措施，以補救若干延後向金融機構還款的問題。根據合併財務報表附註2.1所述的所有措施，本公司董事預計本集團的整體財務狀況將在來年進一步改善。

董事會及審核委員會同意管理層及核數師關於有關持續經營的多項不確定因素的意見。董事會、管理層及審核委員會對本公司核數師就無法表示意見採取的立場並無異議。

董事將繼續竭力保障及維護本公司的最佳利益。本集團、董事及管理層將於二零二一年財政年度積極解決有關無法表示意見之事項。

## 與股東及投資者的溝通／投資者關係

本公司認為，與股東保持有效溝通，對促進投資者關係及加深投資者對本集團業務表現及戰略的了解至為重要。本公司亦明白保持公司資料透明度及適時披露公司資料的重要性，此舉將使股東及投資者作出最佳投資決定。本公司股東大會為董事會與股東提供直接對話的平台。

## 股東的權利

根據公司章程，單獨或者合計持有百分之十以上公司股份的股東，有權按照下列程序要求召開臨時股東大會或者類別股東會議：

- (1) 簽署一份或者數份同樣格式內容的書面要求，要求董事會召開臨時股東大會或者類別股東會議，並闡明會議的議題。董事會應當根據法律、行政法規和公司章程的規定，在收到前述要求後十日內提出同意或不同意召開臨時股東大會或者類別股東會議的書面反饋意見。上述提議股東的持股數按股東提出書面要求之日計算。



# Corporate Governance Report

## 企業管治報告

- (2) If the Board agrees to convene an extraordinary general meeting or class meeting, it shall issue a notice of general meeting within five days upon making the Board decision. Any changes made to the original request in the notice shall be agreed by the relevant Shareholders.
- (3) If the Board disagrees to convene the extraordinary general meeting or class meeting, or does not reply within 10 days upon receipt of the proposal, the Shareholders individually or together holding more than 10% of the Shares are entitled to request the Supervisory Committee in writing to hold an extraordinary general meeting or class meeting.
- (4) If the Supervisory Committee agrees to convene the extraordinary general meeting or class meeting, it shall issue a notice of general meeting within five days upon receiving the requests. Any changes made to the original request in the notice shall be agreed by the relevant Shareholders.
- (5) If the Supervisory Committee does not issue the notice of general meeting within the prescribed period, it shall be deemed as the Supervisory Committee not convening and not holding the general meeting. Then the Shareholders who individually or together hold more than 10% of the Shares for more than 90 consecutive days may convene and hold the meeting themselves. Before publicly announcing the resolution(s) of the general meeting, the convening Shareholders shall hold no less than 10% of the Shares. When the convening Shareholder issues the notice for general meeting and publicly announces the resolution(s) of the general meeting, they shall submit the relevant proof materials to the securities regulatory authority where the Company is located and relevant stock exchange.
- (2) 董事會同意召開臨時股東大會或者類別股東會議的，應當在作出董事會決議後五日內發出召開股東大會的通知，通知中對原要求的變更，應當徵得相關股東的同意。
- (3) 董事會不同意召開臨時股東大會或者類別股東會議提議的，或在收到要求後十日內未作出反饋的，單獨或者合計持有百分之十以上股份的股東有權以書面形式要求監事會召開會議。
- (4) 監事會同意召開臨時股東大會或者類別股東會議的，應當在收到要求後五日內發出召開股東大會的通知，通知中對原要求的變更，應當徵得相關股東的同意。
- (5) 監事會未在規定期限內發出股東大會通知的，視為監事會不召集和主持股東大會，連續九十日以上單獨或者合計持有百分之十以上股份的股東可以自行召開和主持大會。在股東大會決議公告前，召集股東持股比例不得低於百分之十。召集股東應在發出股東大會通知及股東大會決議公告時，向公司所在地證券監督管理機構和證券交易所提交有關證明材料。

Pursuant to the Articles of Association, Shareholders who individually or together holding more than 3% of the Shares may submit ad-hoc proposals in writing to the convener of the general meeting ten days before the holding of the general meeting. The convener shall issue a supplementary notice of the general meeting within two days upon receipt of the proposals and announce the contents of the ad-hoc proposals.

The Company sets out the following contact details for the Shareholders to communicate with the Company:

Telephone number: +86 871 6720 3907  
Company website: [www.yunnanwater.cn](http://www.yunnanwater.cn)  
E-mail address: [ir@yunnanwater.com.cn](mailto:ir@yunnanwater.com.cn)

根據公司章程，單獨或者合計持有百分之十以上股份的股東，可以在股東大會召開十日前提出臨時提案並書面提交召集人。召集人應當在收到提案後兩日內發出股東大會補充通知，公告臨時提案的內容。

本公司現載列下列通訊資料，以便股東與本公司溝通：

電話號碼：+86 871 6720 3907  
公司網站：[www.yunnanwater.cn](http://www.yunnanwater.cn)  
電郵地址：[ir@yunnanwater.com.cn](mailto:ir@yunnanwater.com.cn)

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by the law.

### COMPANY SECRETARY

Mr. Li Bo has been the company secretary of the Company. Pursuant to Rule 3.29 of the Listing Rules, the Company Secretary must take no less than 15 hours of relevant professional training in each financial year. Mr. Li Bo provided his training records to the Company indicating more than 15 hours of relevant professional development by attending courses on company secretary functions, accounting system and Listing Rules, etc. offered by qualified professional training institutions.

為免存疑，股東須將妥為簽署之書面要求、通知或聲明、或查詢(視情況而定)之正本存置於及寄送至上述地址，並提供彼等的全名、聯絡詳情及身份，以便本公司回覆。股東資料可能根據法律規定而予以披露。

### 公司秘書

李博先生為本公司公司秘書。根據上市規則第3.29條，公司秘書必須在每個財政年度參加不少於15小時的相關專業培訓。李博先生已向本公司提供培訓記錄，通過參加由合資格專業培訓機構提供的有關公司秘書職能、會計制度及上市規則等內容的課程以完成15小時以上的相關專業培訓。

# Independent Auditor's Report

## 獨立核數師報告



羅兵咸永道

To the Shareholders of Yunnan Water Investment Co., Limited  
(incorporated in the People's Republic of China with limited liability)

致雲南水務投資股份有限公司股東  
(於中華人民共和國註冊成立的有限公司)

### DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Yunnan Water Investment Co., Limited (the "Company") and its subsidiaries (the "Group") set out on pages 84 to 238, which comprise:

- the consolidated balance sheet as at 31 December 2021;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 無法表示意見

我們受委聘審計載於第84至238頁的雲南水務投資股份有限公司(「貴公司」)及其附屬公司(「貴集團」)的合併財務報表，包括：

- 於二零二一年十二月三十一日的合併資產負債表；
- 截至該日止年度的合併損益及其他綜合收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策及其他解釋性資料。

我們並無就貴集團的合併財務報表發表意見。由於我們報告中不發表意見的基礎所述多項不確定因素的潛在相互影響及其對合併財務報表的可能累計影響，我們未能就該等合併財務報表發表審計意見。於所有其他方面，我們認為合併財務報表已遵照香港《公司條例》的披露規定妥為編製。

### BASIS FOR DISCLAIMER OF OPINION

#### Multiple Uncertainties Relating to Going Concern

As described in Note 2.1 to the consolidated financial statements, the Group reported a net loss of RMB1,055,254,000 for the year ended 31 December 2021 and the Group's current liabilities exceeded its current assets by RMB19,359,615,000 as at 31 December 2021. As at the same date, the Group's total borrowings amounted to RMB28,655,546,000, of which current borrowings amounted to RMB20,685,107,000, while its cash and cash equivalents amounted to RMB428,427,000 only. As at 31 December 2021, the Group had capital commitments of approximately RMB11,963,708,000, which were mainly related to various concession projects and construction projects of the Group.

### 無法表示意見的基礎

#### 有關持續經營的多項不確定因素

誠如合併財務報表附註2.1所述，貴集團呈報截至二零二一年十二月三十一日止年度淨虧損人民幣1,055,254,000元及貴集團於二零二一年十二月三十一日的流動負債超過其流動資產人民幣19,359,615,000元。於同日，貴集團借款總額為人民幣28,655,546,000元，其中即期借款為人民幣20,685,107,000元，而現金及現金等價物僅為人民幣428,427,000元。於二零二一年十二月三十一日，貴集團擁有資本承諾約人民幣11,963,708,000元，主要與貴集團的各種特許經營項目及建造項目有關。

**BASIS FOR DISCLAIMER OF OPINION (Continued)**  
**Multiple Uncertainties Relating to Going Concern (Continued)**

In addition, as at 31 December 2021, the Group was in default in respect of borrowings totaling RMB5,616,161,000 due to either late or overdue payment of loan principals and interests of RMB1,157,710,000, or breach of certain terms and conditions of borrowings during the year ended 31 December 2021. These events of default also resulted in cross-default of certain borrowings other than those mentioned above of RMB10,781,143,000 as at 31 December 2021. Subsequent to the balance sheet date, the Group further failed to repay certain scheduled instalments and interest of its borrowings which caused default of additional borrowings other than those mentioned above amounted to RMB1,454,385,000. In addition, lenders of certain of the abovementioned overdue borrowings had taken property preservation measures and obtained enforcement order for settlement from the court through legal proceedings. These conditions, together with other matters described in Note 2.1 to the consolidated financial statements, indicate the existence of multiple uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

The directors of the Company have been undertaking a number of measures to mitigate the Group's liquidity pressure and to improve its financial position, and to remediate certain delayed repayments to financial institutions, which are set out in Note 2.1 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, which are subject to multiple uncertainties, including (i) the successful negotiations with or obtaining waivers from the Group's existing lenders in respect of the borrowings that were either overdue or otherwise in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the relevant defaulted borrowings; (ii) the successful in renewal of existing revolving bank facilities and obtaining new bank facilities and drawing down from those facilities, as and when needed; (iii) the successful and timely in divesting (including receipt of proceeds) the Group's concession projects and construction projects and introduction of strategic investors to existing projects as planned; (iv) the successful in managing the progress of its concession projects and construction projects, deferring the payment schedule of the borrowings in these projects if necessary, and obtaining project and other financings to meet the construction cost obligations, as and when needed; (v) the successful in obtaining sufficient financial support from Yunnan Health & Cultural Tourism Holding Group Co., Ltd. ("YHTH"), an intermediate holding company to meet with its financial obligation as and when needed; and (vi) the successful and timely in reaching a settlement for the lawsuits with the relevant lenders through mediation and implementation of relevant settlement agreements. As a result of these multiple uncertainties, the potential interaction of these uncertainties, and the possible cumulative effect thereof, we were unable to form an opinion as to whether the going concern basis of preparation is appropriate.

**無法表示意見的基礎(續)**  
**有關持續經營的多項不確定因素(續)**

此外，於二零二一年十二月三十一日，貴集團因拖欠或逾期支付貸款本金及利息人民幣1,157,710,000元，或於截至二零二一年十二月三十一日止年度違反借款的若干條款及條件，就總額為人民幣5,616,161,000元的借款而言構成違約。該等違約事件亦導致若干借款（上述截至二零二一年十二月三十一日的人民幣10,781,143,000元借款除外）的交叉違約。於結算日後，貴集團再次未能償還若干借款的計劃分期付款及利息，導致額外借款（上述人民幣1,454,385,000元的借款除外）違約。此外，若干上述逾期借款的貸款人已採取財產保全措施及透過法律訴訟取得法院的執行和解令。此等狀況連同合併財務報表附註2.1所述的其他事宜，表明存在重大不確定因素，可能使貴集團之持續經營能力受到嚴重質疑。

貴公司董事已採取多項措施，以減輕貴集團的流動資金壓力及改善財務狀況，並補救若干延後向金融機構還款的問題，有關資料載於合併財務報表附註2.1。合併財務報表乃按持續經營基準編製，其有效性取決於該等措施的結果，其受制於多項不確定因素，包括(i)成功與貴集團現有貸款人就逾期或因其他原因違約的借款進行磋商，或獲得彼等的豁免，使有關貸款人不會行使其合約權利，要求立即償還有關違約借款；(ii)成功更新現有迴圈銀行融資，獲得新的銀行融資，並於需要時從該等融資中提款；(iii)成功並及時剝離貴集團特許經營項目及建造項目（包括收到所得款項），並按計劃向現有項目引入戰略投資者；(iv)成功管理其特許經營項目及建設項目的進度，延後該等項目中借款的支付進度（如有必要），並於需要時取得項目及其他融資，以履行其建造成本責任；(v)成功取得中間控股公司雲南省康旅控股集團有限公司（「雲南康旅集團」）的足夠財務支援，以在需要時履行其財務責任；及(vi)通過調解及履行相關和解協議，成功並及時地與有關貸款人達成訴訟和解。由於該等多項不確定因素，不確定因素之間潛在的相互影響及其中可能的累計影響，我們無法就編製持續經營基準是否合適發表意見。



# Independent Auditor's Report

## 獨立核數師報告

### **BASIS FOR DISCLAIMER OF OPINION (Continued)** **Multiple Uncertainties Relating to Going Concern (Continued)**

Should the Group fail to achieve the above mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these consolidated financial statements.

### **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 Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors 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 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.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. We report solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements.

### **無法表示意見的基礎(續)** **有關持續經營的多項不確定因素(續)**

倘貴集團未能達成上述計劃及措施，則可能無法維持持續經營並須作出調整，分別將貴集團資產之賬面值撇減至其可收回金額，就可能產生之任何進一步負債作出撥備以及將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整之影響尚未在該等合併財務報表內反映。

### **董事及治理層就合併財務報表須承擔的責任**

貴公司董事須負責根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「《香港財務報告準則》」)及香港《公司條例》的披露規定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，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。

治理層須負責監督貴集團的財務報告過程。

### **核數師就審計合併財務報表承擔的責任**

我們的責任是根據香港會計師公會頒佈的《香港審計準則》對貴集團的合併財務報表進行審計，並出具審計報告。我們僅向閣下(作為整體)報告，除此之外本報告別無其他目的。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。然而，由於我們報告中「無法表示意見的基礎」一節所述的事項，由於多項不確定因素的潛在相互作用及其可能對合併財務報表產生的累積影響，我們無法對該等合併財務報表發表意見。

# Independent Auditor's Report 獨立核數師報告

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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.

The engagement partner on the audit resulting in this independent auditor's report is Pang Ho Yin.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 29 April 2022

## 核數師就審計合併財務報表承 擔的責任(續)

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

出具本獨立核數師報告的審計項目合夥人為彭浩賢。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零二二年四月二十九日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 合併損益及其他綜合收益表

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
		Note 附註	
Revenue	收益	5	8,396,630
Cost of sales	銷售成本	9	(6,300,498)
<b>Gross profit</b>	<b>毛利</b>		<b>2,096,132</b>
Other income	其他收入	6	86,668
Other gains — net	其他收益淨額	7	48,810
Selling expenses	銷售開支	9	(42,445)
Administrative expenses	行政開支	9	(441,692)
Net impairment losses on financial and contract assets	金融及合約資產減值 虧損淨額	3.1(b), 8	(70,156)
<b>Operating profit</b>	<b>經營溢利</b>		<b>1,677,317</b>
Finance income	融資收入	11	28,995
Finance expenses	融資開支	11	(1,282,258)
Finance costs — net	融資成本淨額	11	(1,253,263)
Share of profit of investments accounted for using the equity method	以權益法入賬的 應佔投資溢利	16	78,570
<b>(Loss)/profit before income tax</b>	<b>所得稅前(虧損)/溢利</b>		<b>502,624</b>
Income tax expenses	所得稅開支	12	(161,313)
<b>(Loss)/profit for the year</b>	<b>年內(虧損)/溢利</b>		<b>341,311</b>
<b>Other comprehensive income</b>	<b>其他綜合收益</b>		
<i>Items that may be reclassified to profit or loss</i>	<i>可能重新分類至損益的項目</i>		
– Exchange differences on translation of foreign operations	– 換算海外業務的 匯兌差額		12,009
<b>Total comprehensive income for the year, net of tax</b>	<b>除稅後年內綜合收益總額</b>		<b>353,320</b>

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

### 合併損益及其他綜合收益表

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
	Note 附註		
<b>(Loss)/profit attributable to:</b>	<b>以下人士應佔(虧損)/溢利：</b>		
– Ordinary shareholders of the Company	– 本公司普通股股東	<b>(1,001,876)</b>	223,095
– Holders of perpetual capital instruments	– 永久資本工具持有人	<b>113,587</b>	117,640
– Non-controlling interests	– 非控股權益	<b>(166,965)</b>	576
		<b>(1,055,254)</b>	341,311
<b>Total comprehensive income attributable to:</b>	<b>以下人士應佔綜合收益總額：</b>		
– Ordinary shareholders of the Company	– 本公司普通股股東	<b>(1,024,023)</b>	235,104
– Holders of perpetual capital instruments	– 永久資本工具持有人	<b>113,587</b>	117,640
– Non-controlling interests	– 非控股權益	<b>(166,965)</b>	576
		<b>(1,077,401)</b>	353,320
<b>(Loss)/earnings per share for profit attributable to ordinary shareholders of the Company (expressed in RMB per share)</b>	<b>本公司普通股股東應佔溢利的每股(虧損)/盈利(以每股人民幣元表示)</b>		
– Basic and diluted	– 基本及攤薄	<b>(0.840)</b>	0.187

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述合併損益及其他綜合收益表應與相關附註一併閱讀。



# Consolidated Balance Sheet

## 合併資產負債表

		As at 31 December		
		於十二月三十一日		
		2021	2020	
		二零二一年	二零二零年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	4,250,964	4,081,849
Investment properties	投資物業	18	23,115	23,960
Right-of-use assets	使用權資產	19	333,390	336,517
Receivables under service concession arrangements	服務特許經營安排下的 應收款項	20	6,406,389	5,235,494
Contract assets	合約資產	5	12,700,091	10,959,833
Intangible assets	無形資產	21	12,409,296	12,888,550
Investments accounted for using the equity method	以權益法入賬的投資	16	1,084,751	852,784
Financial asset at fair value through other comprehensive income	以公平值計量且其變動計入 其他綜合收益的金融資產		4,675	4,675
Trade and other receivables	貿易及其他應收款項	23	914,561	422,564
Prepayments	預付款項	23	1,463,032	1,168,930
Deferred income tax assets	遞延所得稅資產	32	872,127	701,437
			<b>40,462,391</b>	36,676,593
Current assets	流動資產			
Receivables under service concession arrangements	服務特許經營安排下的 應收款項	20	86,731	65,877
Inventories	存貨	22	116,043	108,337
Contract assets	合約資產	5	486,042	565,470
Trade and other receivables	貿易及其他應收款項	23	6,427,612	7,837,887
Prepayments	預付款項	23	145,841	175,461
Restricted cash	受限制現金	24	272,533	125,501
Cash and cash equivalents	現金及現金等價物	25	428,427	1,697,688
			<b>7,963,229</b>	10,576,221
Total assets	總資產		<b>48,425,620</b>	47,252,814



# Consolidated Balance Sheet

## 合併資產負債表

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Note			
附註			
	<b>Current liabilities</b>		
	<b>流動負債</b>		
	Contract liabilities	87,344	88,151
	合約負債	5	
	Lease liabilities	14,315	13,258
	租賃負債		
	Borrowings	20,685,107	9,675,894
	借款	29	
	Trade and other payables	5,974,439	3,129,990
	貿易及其他應付款項	30	
	Current income tax liabilities	561,639	445,428
	即期所得稅負債		
		<b>27,322,844</b>	13,352,721
	<b>Total liabilities</b>	<b>40,827,482</b>	39,645,252
	<b>總負債</b>		
	<b>Total equity and liabilities</b>	<b>48,425,620</b>	47,252,814
	<b>權益及負債總額</b>		

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述合併資產負債表應與相關附註一併閱讀。

The financial statements on pages 84 to 238 were approved by the Board of Directors of the Company on 29 April 2022 and were signed on its behalf.

第84至238頁的財務報表已於二零二二年四月二十九日經本公司董事會批准，並由下列人士代表簽發。

Director  
董事

Director  
董事

# Consolidated Statement of Changes in Equity

## 合併權益變動表

		Attributable to ordinary shareholders of the Company 本公司普通股股東應佔						
						Holders of perpetual capital instruments	Non- controlling interests	Total equity
		Share capital 股本	Other reserves 其他儲備	Retained earnings 保留盈利	Total 總計	永久資本 工具持有人	非控股權益	總權益
		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	RMB'000 人民幣千元
		(note 26) (附註26)	(note 27) (附註27)			(note 28) (附註28)		
<b>Balance at 1 January 2021</b>	於二零二一年 一月一日的結餘	1,193,213	2,800,727	1,181,421	5,175,361	500,000	1,932,201	7,607,562
<b>Total comprehensive income for the year</b>	年內綜合收益總額							
Loss for the year	年內虧損	—	—	(1,001,876)	(1,001,876)	113,587	(166,965)	(1,055,254)
Currency translation differences	貨幣換算差額	—	(22,147)	—	(22,147)	—	—	(22,147)
		—	(22,147)	(1,001,876)	(1,024,023)	113,587	(166,965)	(1,077,401)
<b>Transactions with owners in their capacity as owners</b>	與擁有人以其擁有人身份進行的交易							
Disposal of a subsidiary	出售附屬公司	—	—	—	—	—	(48,116)	(48,116)
Capital contribution by non-controlling interests	非控股權益出資	—	—	—	—	—	188,518	188,518
Issuance of perpetual capital instruments	發行永久資本工具	—	—	—	—	1,622,300	—	1,622,300
Redemption of perpetual capital instruments	贖回永久資本工具	—	—	—	—	(500,000)	—	(500,000)
Transfer to statutory reserve	轉至法定儲備	—	39,693	(39,693)	—	—	—	—
Change of ownership interests in a subsidiary without loss of control	在不喪失控制權的情況下變更附屬公司的所有權權益	—	(66,198)	—	(66,198)	—	66,198	—
Dividends for the year ended 31 December 2020	截至二零二零年十二月三十一日止年度股息	—	—	(70,938)	(70,938)	—	—	(70,938)
Distribution to holders of perpetual capital instruments	分派予永久資本工具持有人	—	—	—	—	(113,587)	—	(113,587)
Distribution to non-controlling interests	分派予非控股權益	—	—	—	—	—	(10,200)	(10,200)
		—	(26,505)	(110,631)	(137,136)	1,008,713	196,400	1,067,977
<b>Balance at 31 December 2021</b>	於二零二一年 十二月三十一日的結餘	1,193,213	2,752,075	68,914	4,014,202	1,622,300	1,961,636	7,598,138

# Consolidated Statement of Changes in Equity

## 合併權益變動表

		Attributable to ordinary shareholders of the Company 本公司普通股股東應佔				Total	Holders of perpetual capital instruments 永久資本 工具持有人 RMB'000 人民幣千元 (note 28) (附註28)	Non- controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
		Share capital 股本 RMB'000 人民幣千元 (note 26) (附註26)	Other reserves 其他儲備 RMB'000 人民幣千元 (note 27) (附註27)	Retained earnings 保留盈利 RMB'000 人民幣千元					
<b>Balance at 1 January 2020</b>	於二零二零年 一月一日的結餘	1,193,213	2,280,588	1,275,515	4,749,316	2,610,000	1,186,669	8,545,985	
<b>Total comprehensive income for the year</b>	年內綜合收益總額								
Profit for the year	年內溢利	—	—	223,095	223,095	117,640	576	341,311	
Currency translation differences	貨幣換算差額	—	12,009	—	12,009	—	—	12,009	
		—	12,009	223,095	235,104	117,640	576	353,320	
<b>Transactions with owners in their capacity as owners</b>	與擁有人以其擁有人身份 進行的交易								
Capital contribution by non-controlling interests	非控股權益出資	—	369,923	—	369,923	—	828,166	1,198,089	
Acquisition of additional interests in subsidiaries	收購附屬公司的額外權益	—	—	—	—	—	(56,000)	(56,000)	
Issuance of perpetual capital instruments	發行永久資本工具	—	—	—	—	500,000	—	500,000	
Redemption of perpetual capital instruments	贖回永久資本工具	—	—	—	—	(2,610,000)	—	(2,610,000)	
Transfer to statutory reserve	轉至法定儲備	—	138,207	(138,207)	—	—	—	—	
Dividends for the year ended 31 December 2019	截至二零一九年 十二月三十一日止年度 股息	—	—	(178,982)	(178,982)	—	—	(178,982)	
Distribution to holders of perpetual capital instruments	分派予永久資本工具持有人	—	—	—	—	(117,640)	—	(117,640)	
Distribution to non-controlling interests	分派予非控股權益	—	—	—	—	—	(27,210)	(27,210)	
		—	508,130	(317,189)	190,941	(2,227,640)	744,956	(1,291,743)	
<b>Balance at 31 December 2020</b>	於二零二零年 十二月三十一日的結餘	1,193,213	2,800,727	1,181,421	5,175,361	500,000	1,932,201	7,607,562	

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述合併權益變動表應與相關附註一併閱讀。



# Consolidated Statement of Cash Flows

## 合併現金流量表

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
<b>Cash flows from operating activities</b>			
		<b>經營活動的現金流量</b>	
Cash used in operations	34(a)	<b>(1,604,268)</b>	(3,600,385)
Income tax paid		<b>(47,362)</b>	(142,811)
Interest paid		<b>(1,170,150)</b>	(1,396,773)
Net cash outflow from operating activities		<b>(2,821,780)</b>	(5,139,969)
<b>Cash flows from investing activities</b>			
		<b>投資活動的現金流量</b>	
Payments for property, plant and equipment, right-of-use assets, land use rights and other intangible assets		<b>(199,072)</b>	(518,651)
Investments in a joint venture		—	(40,000)
Proceeds from disposal of an associate		<b>30,000</b>	—
Proceeds from disposal of a joint venture		—	375,200
Proceeds from disposal of a subsidiary		<b>77,593</b>	—
Others — net		<b>(2,002)</b>	3,691
Net cash outflow from investing activities		<b>(93,481)</b>	(179,760)

# Consolidated Statement of Cash Flows

## 合併現金流量表

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
	Note 附註		
<b>Cash flows from financing activities</b>	<b>融資活動的現金流量</b>		
Proceeds from borrowings	借款所得款項	<b>16,635,978</b>	19,444,205
Repayments of borrowings	償還借款	<b>(15,955,384)</b>	(13,222,037)
Proceeds from issuance of perpetual capital instruments	發行永久資本工具所得款項	<b>1,622,300</b>	500,000
Repayments of perpetual capital instruments	償還永久資本工具	<b>(500,000)</b>	(2,610,000)
Distributions paid to holders of perpetual capital instruments	向永久資本工具持有人支付的分派	<b>(113,587)</b>	(159,640)
Dividends paid	已付股息	<b>(21,166)</b>	(178,982)
Dividends paid to the non-controlling interests	向非控股權益支付的股息	<b>(1,825)</b>	(27,422)
Capital injections by non-controlling interests	非控股權益注資	<b>5,210</b>	857,395
Payments for acquisition of additional interests in subsidiaries	收購附屬公司的額外權益的付款	—	(36,962)
Others — net	其他 — 淨額	<b>(26,229)</b>	(17,427)
Net cash inflow from financing activities	融資活動現金流入淨額	<b>1,645,297</b>	4,549,130
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>	<b>(1,269,964)</b>	(770,599)
Cash and cash equivalents at beginning of the financial year	財政年度年初現金及現金等價物	<b>1,697,688</b>	2,468,435
Exchange gains/(losses) on cash and cash equivalents	現金及現金等價物匯兌收益/(虧損)	<b>703</b>	(148)
Cash and cash equivalents at end of year	年末現金及現金等價物	<b>428,427</b>	1,697,688

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述合併現金流量表應與相關附註一併閱讀。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 1. GENERAL INFORMATION AND BASIS OF PRESENTATION

#### 1.1 General information

Yunnan Water Investment Co., Limited (the “Company”) was incorporated in Yunnan Province of the People’s Republic of China (the “PRC”) on 21 June 2011. On 22 July 2014, the Company was converted from a limited liability company into a joint stock limited liability company with registered capital of RMB787,880,000. The Company’s H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 27 May 2015 with the total share capital subsequently increased to RMB1,193,213,000.

The Company is an investment holding company. The Company and its subsidiaries (together the “Group”) are principally engaged in the development, design, construction, operation and maintenance of municipal water supply, wastewater treatment and solid waste treatment facilities. The address of its registered office is Yunnan Water 2089 Haiyuan North Road, Gaoxin District, Kunming, Yunnan Province, the PRC.

These financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of the Company and its subsidiaries.

### 1. 一般資料及呈列基準

#### 1.1 一般資料

雲南水務投資股份有限公司(「本公司」)於二零一一年六月二十一日在中華人民共和國(「中國」)雲南省註冊成立。於二零一四年七月二十二日，本公司由有限責任公司轉型為股份有限公司，註冊資本為人民幣787,880,000元。本公司H股已於二零一五年五月二十七日在香港聯合交易所有限公司主板上市，其後總股本已增至人民幣1,193,213,000元。

本公司為一家投資控股公司。本公司及其附屬公司(統稱「本集團」)主要從事城市供水、污水處理及固廢處理設施的開發、設計、建設、營運及維護。其註冊辦事處地址是中國雲南省昆明市高新技術開發區海源北路2089號雲南水務。

該等財務報表以人民幣(「人民幣」)呈列，除非另有說明則另當別論。

### 2. 主要會計政策概要

此附註提供編製該等合併財務報表所採納的主要會計政策列表。除另有說明外，該等政策乃於所呈列的所有年度及期間貫徹應用。財務報表乃為本集團(包括本公司及其附屬公司)的財務報表。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets measured at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are depicted in note 4.

#### (a) *Going concern basis*

The Group reported a net loss of RMB1,055,254,000 for the year ended 31 December 2021 and the Group’s current liabilities exceeded its current assets by RMB19,359,615,000 as at 31 December 2021. As at the same date, the Group’s total borrowings amounted to RMB28,655,546,000, of which current borrowings amounted to RMB20,685,107,000, while its cash and cash equivalents amounted to RMB428,427,000 only. The Group had capital commitments of approximately RMB11,963,708,000, which were mainly related to various concession projects and construction projects of the Group.

## 2. 主要會計政策概要(續)

### 2.1 編製基準

本集團的合併財務報表乃根據所有適用的香港財務報告準則(「香港財務報告準則」)及香港公司條例第622章的披露規定編製。合併財務報表乃按歷史成本法編製，惟按公平值計量的若干金融資產除外。

財務報表乃遵照香港財務報告準則編製，當中須採用若干主要假設及估計，亦要求管理層於應用本集團會計政策的過程中作出判斷。涉及更高程度判斷或複雜性的範圍或假設及估計對合併財務報表而言屬重大的範圍，載於附註4。

#### (a) *持續經營基準*

截至二零二一年十二月三十一日止年度，本集團錄得淨虧損人民幣1,055,254,000元，於二零二一年十二月三十一日，本集團的流動負債超過其流動資產人民幣19,359,615,000元。於同日，本集團借款總額為人民幣28,655,546,000元，其中流動借款為人民幣20,685,107,000元，而其現金及現金等價物僅為人民幣428,427,000元。本集團有資本承諾約人民幣11,963,708,000元，主要與本集團的各種特許經營項目及建造項目有關。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

During the year ended 31 December 2021, the Group failed to repay RMB1,157,710,000 of certain borrowings according to their scheduled repayment dates. Although the Group managed to settle some of these borrowings during the year after the due dates, RMB1,118,793,000 remained unsettled as at 31 December 2021. The total amounts of these Overdue Borrowings, including interests payable and those portions of such loans that had original contractual repayment dates beyond 31 December 2021, amounted to RMB3,920,203,000 (the "Overdue Borrowings"). Furthermore, the Group was not able to comply with certain financial covenants of its other borrowings (the "Covenant Borrowings") with a total amount of RMB1,695,958,000 as at 31 December 2021. Consequently, the aforementioned borrowings totaling RMB5,616,161,000 as at 31 December 2021 would be immediately repayable if requested by the lenders. Out of such amount, borrowings of RMB2,983,632,000 that have original contractual repayment dates fall beyond 31 December 2022 were classified as current liabilities as at 31 December 2021.

These matters triggered cross-defaults and resulted in certain other borrowings of the Group (other than the Overdue Borrowings and the Covenant Borrowings) with a total amount of RMB10,781,143,000 as at 31 December 2021 becoming immediately repayable if requested by the lenders, of which RMB6,628,398,000 represented non-current borrowings with original contractual repayment dates fall beyond 31 December 2022 that were classified as current liabilities.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

於截至二零二一年十二月三十一日止年度，本集團未能按照計劃還款日期償還若干借款人民幣1,157,710,000元。儘管本集團設法在到期日後一年內結清部分該等借款，但於二零二一年十二月三十一日，人民幣1,118,793,000元仍未結清。該等逾期借款的總額(包括應付利息及原合約償還日期為二零二一年十二月三十一日後的有關貸款部分)為人民幣3,920,203,000元(「逾期借款」)。此外，本集團未遵守其他借款(於二零二一年十二月三十一日的總額為人民幣1,695,958,000元)的若干財務契諾(「契諾借款」)。故倘貸款人要求，於二零二一年十二月三十一日的上述總額為人民幣5,616,161,000元的借款將成為應立即償還。其中，原合約還款日期為二零二二年十二月三十一日後的借款人民幣2,983,632,000元於二零二一年十二月三十一日被分類為流動負債。

該等事件觸發交叉違約，並導致本集團於二零二一年十二月三十一日總額為人民幣10,781,143,000元的若干其他借款(逾期借款及契諾借款除外)成為應立即償還(倘貸款人要求)，其中，人民幣6,628,398,000元為被分類為流動負債的原合約償還日期為二零二二年十二月三十一日後的非流動借款。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

Subsequent to the balance sheet date, the Group further failed to repay scheduled instalments and interests of RMB362,615,000 relating to borrowings with a total amount of RMB4,619,134,000, of which total amounts of RMB3,164,749,000 were related to borrowings that were either overdue or otherwise in default as at 31 December 2021.

From December 2021 to January 2022, lenders of certain Overdue Borrowings amounting to RMB764,360,000 had applied to the courts in the People's Republic of China for property preservation measures, and the courts ordered to freeze the Group's certain cash in banks, and equity interests in an associate and a subsidiary. In January 2022, the Group reached a settlement with one of the above lenders for Overdue Borrowings of RMB381,866,000 as at 31 December 2021, but failed to repay the agreed rescheduled instalments in February and March 2022. On 23 March 2022, due to further legal actions taken by the relevant lender, the Company was listed as a person subject to enforcement by Urumqi Intermediate People's Court, for the settlement of the outstanding amount of RMB371,503,000.

Up to the date of approval of these consolidated financial statements, the Group's defaulted and cross-defaulted borrowings amounted to approximately RMB17,851,689,000 (the "Defaulted Borrowings").

All of the above conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

於結算日後，本集團進一步未能償還人民幣362,615,000元的預定分期付款及利息，對應借款總額為人民幣4,619,134,000元，其中，於二零二一年十二月三十一日，人民幣3,164,749,000元對應逾期或違約借款。

自二零二一年十二月至二零二二年一月，金額為人民幣764,360,000元的若干逾期借款貸款人已在中華人民共和國法院申請財產保全措施，法院頒令凍結本集團在銀行的若干現金及於一間聯營公司及一間附屬公司的股權。於二零二二年一月，本集團與上述貸款人之一就截至二零二一年十二月三十一日的金額為人民幣381,866,000元的逾期借款達成和解，但未能於二零二二年二月及三月償還經協定重新計劃的分期付款。於二零二二年三月二十三日，由於相關貸款人採取進一步法律行動，本公司被烏魯木齊中級法院列為被執行人，以結清未償還款項人民幣371,503,000元。

截至合併財務報表獲批准之日，本集團的違約及交叉違約借款為約人民幣17,851,689,000元（「違約借款」）。

上述所有情況均顯示存在重大不確定性或會對本集團持續經營能力造成重大疑問。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been and will be taken to mitigate the liquidity pressure and to improve its financial position; and to remediate certain delayed repayments to financial institutions which include, but are not limited to, the following:

- (i) The Group had corporate bonds of RMB852,721,000 with early redemption option exercisable by bondholders in March 2022, out of which RMB577,028,000 was exercised by the bondholders and redeemed by the Group, while the bondholders for the remaining RMB275,693,000 did not exercise the option and such amount will be due for repayment by March 2024.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

鑒於有關情況，本公司董事在評估本集團是否將有充足財務資源繼續按持續經營基準經營時，已審慎考慮本集團未來流動資金及表現以及其可用資金來源。本集團已採取並將採取若干計劃及措施以紓解流動資金壓力及改善其財務狀況；以及對金融機構的若干延遲還款進行補救，其中包括(但不限於)下列各項：

- (i) 本集團的公司債券為人民幣852,721,000元，債券持有人可於二零二二年三月行使提早贖回權，其中人民幣577,028,000元已由債券持有人行使並由本集團贖回，而餘下人民幣275,693,000元的債券持有人並無行使贖回權，此類金額將於二零二四年三月前到期償還。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### (a) Going concern basis (Continued)

(ii) In March 2022, the Group obtained a borrowing of RMB990,000,000 from its immediate holding company, Yunnan Green Environmental Protection Industry Group Co., Ltd. (“YEPI”). The proceed was partly used to redeem the corporate bonds of RMB577,028,000 as mentioned above, partly used to repay the Group’s borrowings of RMB154,436,000 which were due for repayment in March 2022, which the remaining portion was used to repay the interest and other financing charges due to Yunnan Health & Cultural Tourism Holding Group Co., Ltd. (“YHTH”), an intermediate holding company. The Group also obtained borrowings of RMB212,000,000 from a subsidiary of YHTH to repay another corporate bonds which were due in March 2022.

(iii) The Group will continue its ongoing effort to convince the respective lenders not to take any actions against the Group for immediate repayment of the Defaulted Borrowings. Other than the property preservation measures and enforcement incidents mentioned above, the directors are not aware of any indication that other lenders have any current intention to take actions against the Group to demand immediate payments.

### 2. 主要會計政策概要(續)

#### 2.1 編製基準(續)

##### (a) 持續經營基準(續)

(ii) 於二零二二年三月，本集團向直接控股公司雲南省綠色環保產業集團有限公司(「雲南綠色環保集團」)取得借款人民幣990,000,000元，所得款項部分用於贖回人民幣577,028,000元的公司債券(如上所述)，部分用於償還本集團於二零二二年三月到期的借款人民幣154,436,000元，剩餘部分用於償還其中間控股公司雲南省康旅控股集團有限公司(「雲南康旅集團」)的利息及其他融資費用。本集團亦從雲南康旅集團的附屬公司取得借款人民幣212,000,000元，以償還於二零二二年三月到期的另一筆公司債券。

(iii) 本集團將繼續努力說服各貸款人不要對本集團採取任何行動以要求立即償還違約借款。除上述財產保全措施及執行事件外，董事並不知悉有任何跡象表明其他貸款人目前有任何意圖對本集團採取行動，以要求立即付款。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

- (iv) The Group is also in active negotiations with the respective lenders for renewal and extension of the relevant borrowings and for grant of waivers for non-compliance of financial covenants, defaults and cross defaults, and the directors are confident that agreements will be reached and appropriate waivers will be granted in a timely manner. Since 1 January 2022, the Group has successfully extended RMB412,984,000 of the Overdue Borrowings under the same terms of the original agreement despite the continuing defaulted status.
- (v) The Directors are confident that the Group will be able to renew certain uncommitted revolving loan facilities as at 31 December 2021 as well as to obtain new facilities as planned given the long standing relationship the Group has with the respective banks.
- (vi) The Group has plans to divest certain of the Group's concession projects and construction projects. As at 31 December 2021, the Group has received deposit from a potential acquirer amounted to RMB200,000,000 and the completion of the disposal is expected to take place before June 2022 with a further consideration of approximately RMB220,000,000 to be received. In the meantime, the Group is also actively looking for strategic investors to invest in certain existing projects of the Group so as to enhance the capital structure and reduce overall financing expenses of the Group.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

- (iv) 本集團亦正與各貸款人就有關借款的續期及展期以及就未遵守財務契諾、違約及交叉違約授予豁免進行積極磋商，董事相信將能達成協議及將能及時授予適當豁免。自二零二二年一月一日起，儘管仍處於違約狀態，本集團已按照原協議的相同條款成功展期逾期借款人民幣412,984,000元。
- (v) 鑒於本集團與各銀行的長期關係，董事相信本集團將能夠續新截至二零二一年十二月三十一日的若干未承諾循環貸款融資並按計劃獲得新融資。
- (vi) 本集團已計劃剝離若干本集團的特許經營項目及建造項目。截至二零二一年十二月三十一日，本集團已從潛在收購方收到按金人民幣200,000,000元，預計將於二零二二年六月前完成出售，進一步代價約人民幣220,000,000元即將收到。同時，本集團亦積極尋找戰略投資者投資本集團的若干現有項目，以加強資本結構及減少本集團的整體融資費用。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### (a) Going concern basis (Continued)

- (vii) The Directors are of the view that they have the ability to manage the progress of the projects from time to time and defer the payment schedule of the borrowings in these projects, if necessary. The Group has uncommitted project loan facilities from banks to provide financing of up to RMB5,506,109,000 to satisfy part of the construction cost payable and committed capital expenditure in the next twelve months from 31 December 2021. The Group has also initiated the process to obtain new project loans to fund the Group's existing and new concession projects and construction projects. Despite the default situation as described above, the Directors believe that these uncommitted facilities will continue to be available to the Group and they are confident that they will be able to obtain such project loans from banks and other financial institutions as and when needed.

### 2. 主要會計政策概要(續)

#### 2.1 編製基準(續)

##### (a) 持續經營基準(續)

- (vii) 董事認為，彼等有能  
力不時管理項目的進  
度，並於必要時設法  
推遲該等項目中借  
款的付款時間表。  
本集團從銀行獲得  
未承諾項目貸款融  
資，可提供最多人民  
幣5,506,109,000元  
的融資，以支付自二  
零二一年十二月三十一  
日起未來十二個月的  
部分應付建築成本和  
承諾資本開支。本集  
團亦已啟動獲取新項  
目貸款的程序，以為  
本集團的現有及新增  
特許經營項目及建造  
項目提供資金。儘管  
出現上述違約情況，  
董事相信本集團將繼  
續獲得該等未承諾融  
資，且彼等有信心能  
夠在需要時從銀行及  
其他金融機構獲得該  
等項目貸款。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

(viii) The borrowings from YHTH was RMB4,366,330,000 as at 31 December 2021, of which RMB4,302,589,000 was classified as non-current. In addition, in order to facilitate the Group to issue perpetual bonds during the year, YHTH has undertaken to the bondholders to acquire the Group's perpetual bonds of RMB1,622,300,000 under certain circumstance and also provided certain properties of YHTH as security. Moreover, YHTH also issued a letter to the Group and agreed to provide financial support to the Group for a period up to 18 months from 31 December 2021 and to take measures to enable the Group to have sufficient working capital to meet its liabilities and obligations as and when they fall due and to continue to carry on its business.

(ix) The Group is actively communicating with the relevant lenders that have taken property preservation measures and enforcement through legal proceedings, seeking solutions from the professional lawyer team, hoping to reach a settlement through mediation and ensure the smooth implementation of relevant settlement agreements.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

(viii) 於二零二一年十二月三十一日，來自雲南康旅集團的借款為人民幣4,366,330,000元，其中人民幣4,302,589,000元被分類為非流動。此外，為便於本集團在本年度發行永續債，雲南康旅集團已向債券持有人承諾在特定情況下購買本集團人民幣1,622,300,000元的永續債，並提供雲南康旅集團若干物業作為擔保。此外，雲南康旅集團亦致函本集團，同意自二零二一年十二月三十一日起向本集團提供長達18個月的財務支持，並將採取措施使本集團有足夠的營運資金來履行其到期負債和義務並繼續開展業務。

(ix) 本集團正積極與已採取財產保全措施並通過法律程序執行的相關貸款人進行溝通，向專業律師團隊尋求解決方案，希望通過調解的方式達成和解，確保相關和解協議的順利履行。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

##### (a) Going concern basis (Continued)

The directors have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 31 December 2021. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2021. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) Successful negotiations with or obtaining waivers from the Group's existing lenders in respect of the borrowings that were either overdue or otherwise in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the relevant Defaulted Borrowings;
- (ii) Successful in renewal of existing revolving bank facilities and obtaining new bank facilities and drawing down from those facilities, as and when needed;
- (iii) Successful and timely in divesting (including receipt of proceeds) the Group's concession projects and construction projects and introduction of strategic investors to existing projects as planned;

### 2. 主要會計政策概要(續)

#### 2.1 編製基準(續)

##### (a) 持續經營基準(續)

董事已檢討由管理層編製的本集團現金流量預測。該現金流量預測涵蓋自二零二一年十二月三十一日起計不少於十二個月的期間。彼等認為，經考慮上述計劃及措施，本集團在自二零二一年十二月三十一日起計十二個月內，將有充足營運資金撥付其營運及到期承擔其財務責任時履行其義務。因此，董事信納，按持續經營基準編製合併財務報表屬適宜。

儘管如上文所述，本集團管理層能否實現上述計劃及措施存在重大不確定性。本集團能否持續經營將取決於以下情況：

- (i) 成功與本集團現有貸款人就逾期或因其他原因違約的借款進行磋商或獲得豁免，以使相關貸款人不會行使其要求立即償還相關違約借款的合約權利；
- (ii) 成功更新現有迴圈銀行融資，獲得新的銀行融資，並於需要時從該等融資中提款；
- (iii) 成功並及時剝離本集團特許經營項目及建造項目(包括收到所得款項)，並按計劃向現有項目引入戰略投資者；

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (a) Going concern basis (Continued)

- (iv) Successful in managing the progress of its concession projects and construction projects, deferring the payment schedule of the borrowings in these projects if necessary, and obtaining project and other financings to meet the construction cost obligations, as and when needed;
- (v) Successful in obtaining sufficient financial support from YHTH to meet with its financial obligation as and when needed;
- (vi) Successful and timely in reaching a settlement for the lawsuits with the relevant lenders through mediation and implementation of relevant settlement agreements.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

#### (b) Amended standards adopted by the Group

HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 (Amendments)  
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號（修訂本）  
HKFRS 16 (Amendments)  
香港財務報告準則第16號（修訂本）

The adoption of the amended standards does not have significant impact on the Financial Information

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

#### (a) 持續經營基準(續)

- (iv) 成功管理其特許經營項目及建造項目的進度，延後該等項目中借款的支付進度（如有必要），並於需要時取得項目及其他融資，以履行其建造成本責任；
- (v) 成功取得雲南康旅集團的足夠財務支援，以在需要時履行其財務責任；
- (vi) 通過調解及履行相關和解協議，成功並及時地與相關貸款人達成訴訟和解。

倘本集團未能實現上述計劃及措施，可能無法持續經營，及將會作出調整以將本集團的資產的賬面值撇減至可收回金額，以就可能產生的任何進一步負債作出撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響尚未在該等合併財務報表內反映。

#### (b) 本集團採納的經修訂準則

Interest Rate Benchmark Reform — Phase 2  
利率基準改革 — 第二階段  
Covid-19-related Rent Concessions  
COVID-19相關租金優惠

採納經修訂準則對財務資料並無任何重大影響。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(c) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1 January 2021 and have not been early adopted:*

Accounting Guideline 5 (Revised)  
會計指引第5號（經修訂）  
Annual Improvements  
年度改進  
HKAS 37 (Amendments)  
香港會計準則第37號（修訂本）  
HKFRS 3 (Amendments)  
香港財務報告準則第3號（修訂本）  
HKAS 16 (Amendments)  
香港會計準則第16號（修訂本）  
HKFRS 17  
香港財務報告準則第17號  
HKAS 1 (Amendments)  
香港會計準則第1號（修訂本）  
HKAS 1 and HKFRS Practice Statement 2  
(Amendments)  
香港會計準則第1號及香港財務報告準則  
實務聲明第2號（修訂本）  
HKAS 8 (Amendments)  
香港會計準則第8號（修訂本）  
HKAS 12 (Amendments)  
  
香港會計準則第12號（修訂本）  
Hong Kong Interpretation 5 (2020)  
  
香港詮釋第5號（二零二零年）  
  
HKFRS 10 and HKAS 28 (Amendment)  
  
香港財務報告準則第10號及香港會計準則  
第28號（修訂本）

1. Effective for annual periods beginning on or after 1 January 2022
2. Effective for annual periods beginning on or after 1 January 2023
3. Effective date to be determined

The impact of new standards and amendments to standards that issued but not effective is still under assessment by the Group.

### 2. 主要會計政策概要(續)

#### 2.1 編製基準(續)

(c) 下列為已頒佈但於二零二一年一月一日開始的財政年度尚未生效亦並無被提早採納的新訂準則及準則修訂：

Merger Accounting for Common Control Combination<sup>1</sup>  
就共同控制合併採納合併會計法<sup>1</sup>  
Annual Improvements to HKFRS Standards 2018–2020 Cycle<sup>1</sup>  
香港財務報告準則年度改進（二零一八年至二零二零年週期）<sup>1</sup>  
Onerous Contracts — Cost of Fulfilling a Contract<sup>1</sup>  
虧損性合約 — 履行合約的成本<sup>1</sup>  
Reference to the Conceptual Framework<sup>1</sup>  
引述概念框架的內容<sup>1</sup>  
Property, Plant and Equipment: Proceeds before intended use<sup>1</sup>  
物業、廠房及設備 — 擬定用途前的所得款項<sup>1</sup>  
Insurance Contracts<sup>2</sup>  
保險合約<sup>2</sup>  
Classification of Liabilities as Current or Non-current<sup>2</sup>  
負債的流動與非流動劃分<sup>2</sup>  
Disclosure of Accounting Policies<sup>2</sup>  
會計政策的披露<sup>2</sup>  
Definition of Accounting Estimates<sup>2</sup>  
會計估計的定義<sup>2</sup>  
Deferred Tax related to Assets and Liabilities arising from a Single Transaction<sup>2</sup>  
與單一交易所產生的資產及負債有關的遞延稅項<sup>2</sup>  
Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause<sup>2</sup>  
財務報表的列報 — 借款人對含有按要求隨時付還條文的  
有期貨款的分類<sup>2</sup>  
Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture<sup>3</sup>  
投資者與其聯營公司或合營企業之間的資產出售或注資<sup>3</sup>

1. 於自二零二二年一月一日或之後開始的年度期間生效
2. 於自二零二三年一月一日或之後開始的年度期間生效
3. 生效日期待定

本集團仍在評估已頒佈但尚未生效的新訂準則及修訂準則的影響。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Principles of consolidation and equity accounting

#### 2.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group is depicted in note 2.3.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and consolidated balance sheet respectively.

## 2. 主要會計政策概要(續)

### 2.2 綜合入賬原則及權益會計處理

#### 2.2.1 附屬公司

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團從參與實體業務而承擔取得其可變回報的風險或享有可變回報的權利，並有能力透過其對實體活動的主導權影響該等回報時，則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面綜合入賬，並於終止控制權當日起終止綜合入賬。

本集團採用收購會計法將業務綜合入賬載於附註2.3。

集團內公司間交易、結餘及集團內公司間交易未變現收益均會抵銷。未變現虧損亦會抵銷，惟該交易有證據顯示已轉讓資產出現減值則除外。附屬公司的會計政策已在有需要時作出調整，以確保與本集團所採納有關政策一致。

附屬公司業績及權益中的非控股權益分別於合併損益及其他綜合收益表、權益變動表及合併資產負債表中單獨呈列。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Principles of consolidation and equity accounting (Continued)

#### 2.2.2 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

#### 2.2.3 Joint arrangements

Under HKFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

#### 2.2.4 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

## 2. 主要會計政策概要(續)

### 2.2 綜合入賬原則及權益會計處理(續)

#### 2.2.2 聯營公司

聯營公司指所有本集團對其擁有重大影響力但並無控制權或共同控制權，且一般擁有其20%至50%投票權的實體。於初步按成本確認後，於聯營公司的投資乃採用權益會計法入賬。

#### 2.2.3 合營安排

根據香港財務報告準則第11號合營安排，於合營安排的投資分類為合營業務或合營公司。分類視乎各投資方的合約權利及責任而非合營安排的法律架構。

於合營公司的權益乃於合併資產負債表初步按成本確認後使用權益法入賬。

#### 2.2.4 權益會計法

根據權益會計法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔投資對象收購後溢利或虧損，並於其他綜合收益確認本集團應佔投資對象其他綜合收益的變動。已收或應收聯營公司及合營公司的股息確認為投資賬面值扣減。

倘本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項)，則本集團不會確認進一步虧損，除非已代表另一實體承擔責任或作出付款。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Principles of consolidation and equity accounting (Continued)

#### 2.2.4 Equity method (Continued)

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy depicted in note 2.13.

#### 2.2.5 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

## 2. 主要會計政策概要(續)

### 2.2 綜合入賬原則及權益會計處理(續)

#### 2.2.4 權益會計法(續)

本集團與其聯營公司及合營公司之間交易的未變現收益按本集團於該等實體的權益予以對銷。未變現虧損亦會予以對銷，除非該交易證實已轉讓資產出現減值則作別論。按權益法入賬投資對象的會計政策已於必要時變更，以確保與本集團所採納會計政策一致。

按權益法入賬投資的賬面值根據附註2.13所述政策進行減值測試。

#### 2.2.5 擁有權權益變動

本集團將與不會導致失去控制權的非控股權益交易視作與本集團權益持有人的交易。擁有權權益變動導致控股與非控股權益之間的賬面值出現調整，以反映其各自於附屬公司的權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司權益持有人應佔權益中的獨立儲備內確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Principles of consolidation and equity accounting (Continued)

##### 2.2.5 Changes in ownership interests (Continued)

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### 2. 主要會計政策概要(續)

#### 2.2 綜合入賬原則及權益會計處理(續)

##### 2.2.5 擁有權權益變動(續)

當本集團因失去控制權、共同控制權或重大影響力而不再對投資綜合入賬或按權益會計法入賬時，於實體的任何保留權益按其公平值重新計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營公司或金融資產的保留權益而言，該公平值成為初步賬面值。此外，先前於其他綜合收益就該實體確認的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前於其他綜合收益確認的金額重新分類至損益或轉撥至適用香港財務報告準則所指明／許可的另一權益類別內。

倘於合營公司或聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則僅按比例將先前於其他綜合收益確認的金額重新分類至損益(如適用)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Business combinations not under common control

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- i. fair values of the assets transferred
- ii. liabilities incurred to the former owners of the acquired business
- iii. equity interests issued by the Group
- iv. fair value of any asset or liability resulting from a contingent consideration arrangement; and
- v. fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- i. consideration transferred;
- ii. amount of any non-controlling interest in the acquired entity; and
- iii. acquisition-date fair value of any previous equity interest in the acquired entity

### 2. 主要會計政策概要(續)

#### 2.3 非共同控制下的業務合併

本集團採用收購會計法將所有業務合併入賬，而不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓的代價包括：

- i. 所轉讓資產的公平值
- ii. 被收購業務的前擁有人所產生的負債
- iii. 本集團已發行股權
- iv. 或然代價安排產生的任何資產或負債公平值；及
- v. 附屬公司已有股權的公平值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債初步按其於收購日期的公平值計量(少數例外情況除外)。本集團根據逐項收購基準按公平值或非控股權益應佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。

- i. 所轉讓代價；
- ii. 被收購實體的任何非控股權益金額；及
- iii. 先前於被收購實體的任何股權於收購日期的公平值

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Business combinations not under common control (Continued)

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

#### 2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 2. 主要會計政策概要(續)

#### 2.3 非共同控制下的業務合併(續)

超出所收購可識別資產淨值的公平值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公平值，則差額將直接於損益中確認為議價購買。

倘若現金代價的任何部分延遲結算，未來應付數額一律折現至交換日期，所用折現率為有關實體的新增借款利率，即按類似的條款及條件向獨立金融機構取得類似借款的有關利率。或然代價分類為權益或金融負債。分類為金融負債的金額其後將重新計量至公平值，而公平值變動於損益中確認。

倘業務合併分階段進行，則收購方先前持有的被收購方股權於收購日期的賬面值於收購日期重按新計量至公平值。任何因該項重新計量產生的收益或虧損於損益中確認。

#### 2.4 獨立財務報表

於附屬公司的投資乃按成本減減值入賬。成本包括投資的直接歸屬成本。附屬公司業績按本公司已收及應收股息入賬。

倘自相關投資收取的股息超出附屬公司於股息宣派期間的綜合收益總額，或倘個別財務報表內所列投資的賬面值超出合併財務報表所示被投資方資產淨值(包括商譽)的賬面值，則須對於附屬公司的投資進行減值測試。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions of the Group.

### 2.6 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in RMB, which is the Company’s functional currency and the Group’s presentation currency.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income on a net basis within other gains or losses.

## 2. 主要會計政策概要(續)

### 2.5 分部報告

經營分部按照與向主要經營決策者提供的內部報告貫徹一致的方式報告。主要經營決策者被界定為作出本集團戰略決策的本公司執行董事，負責分派經營分部的資源及評估其表現。

### 2.6 外幣換算

#### (a) 功能及呈列貨幣

各集團實體的財務報表所列項目均以該實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。合併財務報表乃以本公司的功能貨幣及本集團的呈列貨幣人民幣呈報。

#### (b) 交易及餘額

外幣交易均按交易當日的匯率折算為功能貨幣。結算該等交易以及將外幣計價的貨幣資產及負債按年終匯率折算產生的匯兌收益及虧損一般在損益表確認。倘彼等與合資格現金流量對沖及合資格淨投資對沖有關或歸因於海外業務投資淨額的一部分，則於權益內遞延。

與借款及現金及現金等價物有關的匯兌收益及虧損乃於合併損益及其他綜合收益表融資成本內呈列，所有其他匯兌收益及虧損按淨額基準乃於合併損益及其他綜合收益表其他收益或虧損內呈列。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Foreign currency translation (Continued)

#### (c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 2. 主要會計政策概要(續)

### 2.6 外幣換算(續)

#### (c) 集團公司

所有功能貨幣有別於呈列貨幣的境外業務(均無惡性通貨膨脹經濟體的貨幣)的業績及財務狀況乃按以下方式換算為呈列貨幣：

- (i) 各資產負債表呈列的資產及負債乃按該資產負債表日期的收市匯率換算；
- (ii) 各損益及其他綜合收益表的收支乃按平均匯率換算(除非該匯率並非各交易日當時匯率的累積影響的合理約數，在此情況下，則收支會於各交易日換算)；及
- (iii) 所有因此而產生的換算差額均於其他綜合收益內確認。

於編製綜合賬目時，換算境外實體任何投資淨額以及指定為該等投資的對沖項目的借貸及其他金融工具產生的匯兌差額於其他綜合收益內確認。於出售境外業務或償還組成投資淨額一部分的任何借貸時，相關匯兌差額重新分類至損益，作為出售損益的一部分。

因收購境外業務而產生的商譽及公平值調整均按該境外業務的資產及負債處理，並以收市匯率換算。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss accounts during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Plants and buildings	20–50 years
Machinery	10–30 years
Motor vehicles	6 years
Electronic equipment and others	5–10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Construction in progress represents plant under construction, which is stated at actual construction cost less any impairment loss. Construction in progress is transferred to fixed assets when completed and ready for use.

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 (note 2.13).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

## 2. 主要會計政策概要(續)

### 2.7 物業、廠房及設備

物業、廠房及設備均以歷史成本減折舊列賬。歷史成本包括收購該等項目直接發生的開支。

其後成本只有在與該項目有關的未來經濟利益很可能流入本集團，而該項目的成本能夠可靠地計量時，方會計入資產的賬面值內或確認為獨立資產(如適用)。被取代部分的賬面值被終止確認。所有其他維修及保養成本於發生時自財政期間的損益賬扣除。

折舊使用直線法計算，在以下估計可使用年期或(就租賃物業裝修及若干租賃廠房及設備而言)以下較短租期，將成本或重估金額(扣除其剩餘價值)分配至剩餘價值：

廠房及樓宇	20–50年
機器	10–30年
汽車	6年
電子設備及其他	5–10年

於各報告期末，本集團會對資產剩餘價值及可使用年期進行覆核，並作出調整(如適用)。

在建工程指在建工廠，其按實際建造成本減任何減值虧損入賬。在建工程於完成並可使用時轉撥至固定資產。

倘資產賬面值超過其估計可收回金額，資產賬面值即時撇減至其可收回金額(附註2.13)。

出售的收益及虧損乃經比較所得款項與賬面值後釐定，並計入損益。根據集團政策，出售經重估資產時，有關資產在其他儲備所涉的數額一律撥入保留盈利。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Investment properties

Investment properties are interests in buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each item of investment properties to its residual value over its estimated useful life. The estimated useful life is as follows:

Plants and buildings	30–50 years
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### 2.9 Intangible assets

#### (a) Goodwill

Goodwill is measured as depicted in note 2.13. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

## 2. 主要會計政策概要(續)

### 2.8 投資物業

投資物業指為賺取租金收入及／或資本增值，而非為了生產或供應產品或服務或行政用途或在日常業務過程中出售而持有的樓宇的權益。投資物業最初按成本(包括交易成本)計量。

初步確認之後，投資物業以成本扣除累計折舊及任何減值虧損入賬。

折舊按每一項投資物業的估計可使用年期以直線法計算，以核銷成本至其剩餘價值。估計可使用年期如下：

廠房及樓宇	30–50年
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### 2.9 無形資產

#### (a) 商譽

商譽乃按附註2.13所述計量。收購附屬公司的商譽計入無形資產。商譽不予攤銷，惟每年進行減值測試，或當有事件或情況改變顯示資產有可能減值時作出更頻繁的減值測試，並按成本見累計減值虧損列賬。出售實體的收益或虧損包括與出售實體相關商譽的賬面值。

商譽就減值測試分配至現金產生單位。商譽擬分配至預期受益於產生該商譽的業務合併的現金產生單位或現金產生單位組別。有關單位或單位組別就內部管理而言，按商譽監控的最低水平予以確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.9 Intangible assets (Continued)

#### (b) Development expenditure

When the future economic benefits become apparent as a project progresses into the development stage the costs incurred on development projects (relating to the design and testing of new or improved products) are capitalised as intangible assets when recognition criteria are fulfilled and tests for impairment are performed annually. Other development expenditures that do not meet those criteria are recognised as expenses as incurred. Development costs previously recognised as expenses are not recognised as assets in subsequent periods. Capitalised development costs are transferred to technical know-how when the assets are ready for use.

#### (c) Operating concessions

The detailed accounting policy of operating concessions is depicted in note 2.11.

#### (d) Unfulfilled contract rights

Unfulfilled contract rights represent the fair value of unfulfilled contracts in excess of the carrying value for unfulfilled construction contracts acquired through business combination.

#### (e) Licenses

Licenses represent the fair value of the operating permits of solid waste treatment plants and water supply facilities acquired through business combination.

#### (f) Technical know-how and software

Acquired technical know-how and software are capitalised on the basis of the costs incurred to acquire or through business combination.

## 2. 主要會計政策概要(續)

### 2.9 無形資產(續)

#### (b) 開發費用

當未來經濟利益可明顯為開發階段的項目進程，有關設計及測試新產品或改良產品的開發項目成本，於符合確認條件時資本化為無形資產，並每年進行減值測試。未能符合該等標準的其他開發支出乃於產生時被確認為開支。之前已確認為開支的開發成本不得於往後期間確認為資產。已資本化的開發成本於資產可供使用時轉至專有技術。

#### (c) 特許經營權

特許經營權的詳細會計政策列述於附註2.11。

#### (d) 未履行合約權利

未履行合約權利指未履行合約的公平值超過透過業務合併所取得的未履行建造合約的賬面值。

#### (e) 牌照

牌照指固廢處理廠及供水設施透過業務合併所取得的營業執照的公平值。

#### (f) 專有技術及軟件

所收購的專有技術及軟件乃按收購或透過業務合併產生的成本予以資本化。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.9 Intangible assets (Continued)

##### (g) Amortisation methods and periods

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

Operating concessions	16–30 years
Unfulfilled contract rights	30 years
Licenses	5–54 years
Technical know-how and software	5–47 years

#### 2.10 Land use rights

Land use rights represent prepaid operating lease payments for land less accumulated amortisation and any impairment losses. Amortisation is calculated using the straight-line method to allocate the prepaid operating lease payments for land over the remaining lease term or the operating period, whichever is shorter.

Land use rights	40–50 years
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#### 2.11 Service concession arrangements

The Group has entered into a number of service concession arrangements with certain governmental authorities or their designators (the “Grantors”). The service concession arrangements consist of Build — Operate — Transfer (the “BOT”) arrangements and Transfer — Operate — Transfer (the “TOT”) arrangements. Under the BOT arrangements, the Group carries out construction work of the facilities of the sewage and reclaimed water treatment, water supply or solid waste treatment for the Grantors and receives in return a right to operate the facilities of service project concerned for a specified period of time (the “Service Concession Period”) in accordance with the pre-established conditions set by the Grantors, the service project should be transferred to the Grantors 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 facilities of the wastewater treatment, water supply and solid waste treatment that has been built.

### 2. 主要會計政策概要 (續)

#### 2.9 無形資產 (續)

##### (g) 攤銷方法及年期

本集團於以下期間採用直線法攤銷具有有限使用期的無形資產：

特許經營權	16–30年
未履行合約權利	30年
牌照	5–54年
專有技術及軟件	5–47年

#### 2.10 土地使用權

土地使用權指土地的預付經營租賃付款減累計攤銷及任何減值虧損。攤銷乃採用直線法將土地的預付經營租賃付款分攤至剩餘租賃期限或經營租賃期間(以較短者為準)計算。

土地使用權	40–50年
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#### 2.11 服務特許經營安排

本集團與若干政府機關或其指定人(「授予人」)訂立多項服務特許經營安排。服務特許經營安排包括建設 — 經營 — 移交(「BOT」)安排及移交 — 經營 — 移交(「TOT」)安排。根據BOT安排，本集團為授予人進行污水及再生水處理、供水或固廢處理設施的建設工程，因而根據授予人預先設定的條件獲得服務項目設施於指定期間的經營權(「服務特許經營期間」)，服務項目須於經營期間結束時以零代價移交予授予人。TOT安排類似於BOT安排，惟本集團須就經營已建設的污水處理、供水或固廢處理設施的權利支付代價。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Service concession arrangements (Continued)

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 Service Concession Period. 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 authority that set out, inter alia, performance standards, mechanisms for adjusting prices for the services rendered by the Group, and specific obligations levied on the Group to restore the facilities to a specified level of serviceability at the end of the Service Concession Period and arrangements for arbitrating disputes.

#### (a) Consideration given by the Grantor

##### (i) Service concession arrangements under financial asset model

A financial asset (receivables 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 services rendered and/or the consideration paid and payable by the Group to the Grantor during the Service Concession Period. 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 service and the specified or determinable amounts. The financial asset (receivable under a service concession arrangement) is accounted for in accordance with the policy set out for financial assets measured at amortised cost under note 2.14.

## 2. 主要會計政策概要(續)

### 2.11 服務特許經營安排(續)

本集團一般有權使用該等設施的所有物業、廠房及設備，然而，有關政府機構作為授予人將控制及監管本集團利用該等設施須提供的服務範圍，並於服務特許經營期間結束時保留其於該等設施任何餘下權益的實益權利。該等服務特許經營安排受本集團與有關政府機構訂立的合約及(如適用)補充協議的規限，當中載明(其中包括)執行標準、本集團所提供服務的調價機制、本集團於服務特許經營期間結束時為將該等設施恢復到規定服務水平而承擔的特定責任，以及仲裁糾紛的安排。

#### (a) 授予人給予的代價

##### (i) 金融資產模型下的服務特許經營安排

於服務特許經營期間，所確認金融資產(服務特許經營安排下的應收款項)以下列者為限：本集團有無條件權利就所提供建築服務向授予人收取現金或其他金融資產及/或本集團支付及應付授予人的代價。倘授予人以合約方式擔保向本集團支付指定或待定金額或已收公共服務用戶的款項與指定或待定金額兩者間的差額(如有)，本集團仍擁有無條件權利收取現金。金融資產(服務特許經營安排下的應收款項)根據附註2.14的按攤銷成本計量的金融資產所載的政策列賬。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Service concession arrangements (Continued)

##### (a) Consideration given by the Grantor (Continued)

###### (i) Service concession arrangements under financial asset model (Continued)

During the construction periods, the Group recognises a contract asset (note 2.12) and accounts for the significant financing component in the arrangement. When the construction services are completed, the contract asset would be classified and measured as receivables under a service concession arrangement accordingly.

When the Group receives a payment during the concession period, it will apportion such payment between (i) a repayment of the financial asset (if any), which will be used to reduce the carrying amount of financial receivables on the consolidated balance sheet, (ii) interest income, will be recognised as revenue in profit or loss and (iii) revenue from operating service in the profit or loss. Revenue from operating service is calculated based on cost plus a profit margin.

### 2. 主要會計政策概要(續)

#### 2.11 服務特許經營安排(續)

##### (a) 授予人給予的代價(續)

###### (i) 金融資產模型下的服務特許經營安排(續)

於建設期間，本集團確認合約資產(附註2.12)並對安排中的重大融資成分進行會計處理。建造服務完成時，合約資產將相應按服務特許經營安排項下應收款項分類及計量。

本集團於特許經營期內收到款項時，會將有關款項分配至(i)償還金融資產(如有)，用以減少合併資產負債表金融應收款項的賬面值，(ii)利息收入(將於損益確認為收入)及(iii)經營服務的收入(於損益確認)。經營服務的收入按成本加溢利率計算。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Service concession arrangements (Continued)

##### (a) Consideration given by the Grantor (Continued)

###### (ii) Service concession arrangements under intangible asset model

An intangible asset (operating concession) is recognised to the extent that the Group receives a right to charge users of public service, which is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses and service. The intangible asset (operating concession) is accounted for in accordance with the policy set out for “intangible assets” in note 2.9 above, which is amortised on a straight-line basis over the Service Concession Period.

Revenue relating to operating service are accounted for in accordance with the policy for note 2.29 “revenue recognition” below. Costs for operating services are expensed in the period in which they are incurred.

### 2. 主要會計政策概要(續)

#### 2.11 服務特許經營安排(續)

##### (a) 授予人給予的代價(續)

###### (ii) 無形資產模型下的服務特許經營安排

無形資產(特許經營權)於本集團獲得向公共服務用戶收費的權利時確認,惟該權利並非收取現金的無條件權利,因為該款項須以公眾使用該服務為條件。無形資產(特許經營權)根據上文附註2.9「無形資產」所載的政策列賬,按直線法於服務特許經營期間內攤銷。

與經營服務有關的收入乃根據下文附註2.29「收入確認」的政策入賬。經營服務的成本於產生期間支銷。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Service concession arrangements (Continued)

##### (a) Consideration given by the Grantor (Continued)

###### (iii) Service concession arrangements under hybrid model

If the Group is paid for the construction services 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 at the fair value of the consideration.

Therefore in this arrangement it is necessary to divide the operator's contract asset during the construction period into two components, a financial asset component based on the guaranteed amount and an intangible asset for the remainder. When the construction services are completed, the two components of the contract asset would be classified and measured as a financial asset and an intangible asset accordingly.

##### (b) Construction and upgrade services

The fair value of the construction and upgrade service under the concession arrangement is calculated as the estimated total construction cost plus a profit margin. The profit margins are valued by an independent qualified valuer, based on prevailing market rate applicable to similar construction services rendered in similar location at date of agreement.

Revenue relating to construction and upgrade services are accounted for in accordance with the policy in note 2.29.

### 2. 主要會計政策概要(續)

#### 2.11 服務特許經營安排(續)

##### (a) 授予人給予的代價(續)

###### (iii) 混合模型下的服務特許經營安排

倘本集團為運營商提供建設服務分別形成金融資產和無形資產，各類資產分別入賬並初始按代價的公平值初始確認。

因此於該安排中，須將運營商的合約資產分為兩部分，基於擔保金額的金融資產及無形資產。建造服務完成時，合約資產的兩個組成部分將相應按金融資產及無形資產分類和計量。

##### (b) 建造及升級服務

特許經營安排下的建造及升級服務的公平值乃按估計總建造成本加溢利率計算。溢利率由獨立合資格估值師按於協議日期適用於類似位置所提供的類似建造服務的通行市場費率估值。

建造及升級服務有關的營業收入按附註2.29的政策列賬。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Service concession arrangements (Continued)

#### (c) Contractual obligations to restore the infrastructure to a specified level of serviceability

The Group has contractual obligations which it must fulfil as a condition of its licences, that is (i) to maintain the sewage and reclaimed water treatment and water distribution 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 arrangements. These contractual obligations to maintain or restore the sewage and reclaimed water treatment and water distribution plants, except for upgrade element, are recognised and measured in accordance with the policy set out for note 2.27 “provisions” below.

#### (d) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 2.12 Contract assets and contract liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

## 2. 主要會計政策概要(續)

### 2.11 服務特許經營安排(續)

#### (c) 修復基礎設施至一定可提供服務水平的合約責任

本集團須承擔合約責任，作為獲取執照所須符合的條件，以(i)維護其經營的污水及再生水處理及供水廠，確保符合一定可提供服務水平及／或(ii)於服務特許經營安排結束時，在移交工廠予授予人之前，將工廠修復至指定狀況。維護或修復污水及再生水處理及供水廠的合約責任(除升級部分外)按下文附註2.27「撥備」所載的政策予以確認及計量。

#### (d) 利息收入

利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨額(經扣除虧損撥備)得出。

### 2.12 合約資產及合約負債

根據香港財務報告準則第15號，應收款項僅當本集團擁有代價的無條件權利時方可確認。倘本集團於合約中所承諾的商品及服務的代價成為無條件權利前確認相關收益，則代價的權利被分類為合約資產。類似地，於集團確認相關收益前，客戶支付代價或合約上須支付代價且該金額已到期，則確認為合約負債(而非應付款項)。就與客戶的單一合約而言，呈列合約資產淨值或合約負債淨額。就多份合約而言，不相關合約的合約資產及合約負債不會按淨額基準呈列。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Contract assets and contract liabilities (Continued)

An impairment of a contract asset is measured, presented and disclosed on the same basis as a financial asset under note 2.14.

The Group recognises the incremental costs of obtaining a contract with a customer within contract assets if the Group expects to recover those costs.

Generally, the Group receives advances from its customers which are short-term in nature. The advances previously included in trade and other payables are reclassified to contract liabilities.

### 2.13 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.14 Investment and other financial assets

#### 2.14.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

## 2. 主要會計政策概要(續)

### 2.12 合約資產及合約負債(續)

根據附註2.14，合約資產減值根據相同基準按金融資產計量、呈列及披露。

倘本集團預期將可收回為取得客戶合約而產生之增量成本，則會將有關成本確認為合約資產。

一般而言，本集團從客戶收取之墊款屬短期性質。過往計入貿易及其他應付款項的墊款重新分類為合約負債。

### 2.13 非金融資產的減值

擁有無限可使用年期的商譽及無形資產不作攤銷，而須每年測試一次是否減值，倘有事件或情況變動顯示賬面值或會減值時，則測試次數更頻繁。倘有事件或情況變動顯示賬面值或不可收回時，其他資產將進行減值測試。減值虧損確認為資產賬面值超過其可收回金額的數額。可收回金額為資產公平值減處置費用與使用價值兩者的較高者。為評估減值，資產按大致獨立於其他資產或資產組別(現金產生單位)的單獨可識別現金流入最基本層次分類。已減值的非金融資產(商譽除外)於各報告期末檢討是否可能撥回減值。

### 2.14 投資及其他金融資產

#### 2.14.1 分類

本集團將其金融資產分類為以下計量類別：

- 其後按公平值(透過其他綜合收益或透過損益)計量的金融資產，及
- 按攤銷成本計量的金融資產。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 Investment and other financial assets (Continued)

#### 2.14.1 Classification (Continued)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for FVOCI.

The Group reclassifies debt investment when and only when its business model for managing those assets changes.

#### 2.14.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### 2.14.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## 2. 主要會計政策概要(續)

### 2.14 投資及其他金融資產(續)

#### 2.14.1 分類(續)

該分類取決於實體管理金融資產的業務模式及現金流量的合約條款。

就按公平值計量的資產而言，收益及虧損將計入損益或其他綜合收益。並非持作買賣的權益工具投資將視乎本集團是否有在初步確認時作出不可撤銷的選擇，從而以公平值計量且其變動計入其他綜合收益列賬。

當且僅當本集團管理該等資產的業務模式改變時，本集團重新分類債務投資。

#### 2.14.2 確認及終止確認

常規購入及出售的金融資產於交易日(本集團承諾購入或出售該資產的日期)確認。從金融資產收取現金流量的權利屆滿或已轉讓而本集團已實質上轉移一切所有權風險及回報時，則終止確認有關金融資產。

#### 2.14.3 計量

於初步確認時，本集團按其公平值加上(倘金融資產並非透過損益按公平值入賬)收購金融資產直接應佔的交易成本計量金融資產。透過損益按公平值入賬的金融資產的交易成本於損益中支銷。

附帶嵌入衍生工具的金融資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.14 Investment and other financial assets (Continued)

##### 2.14.3 Measurement (Continued)

###### (a) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

### 2. 主要會計政策概要(續)

#### 2.14 投資及其他金融資產(續)

##### 2.14.3 計量(續)

###### (a) 債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：為收取合約現金流量而持有，且現金流量僅為支付本金及利息之資產按攤銷成本計量。該等金融資產之利息收入按實際利率法計入融資收入。終止確認產生的任何收益或虧損直接於損益確認，並於其他收益／(虧損)中與外匯收益及虧損一併列示。減值虧損於損益表中作為獨立項目列示。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 Investment and other financial assets (Continued)

#### 2.14.3 Measurement (Continued)

##### (a) Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

## 2. 主要會計政策概要(續)

### 2.14 投資及其他金融資產(續)

#### 2.14.3 計量(續)

##### (a) 債務工具(續)

- 以公平值計量且其變動計入其他綜合收益：持作收回合約現金流量及出售金融資產之資產，倘該等資產現金流量僅指支付本金及利息，則以公平值計量且其變動計入其他綜合收益計量。賬面值變動計入其他綜合收益，惟於損益中確認之減值收益或虧損、利息收入及外匯收益及虧損之確認除外。金融資產終止確認時，先前於其他綜合收益確認之累計收益或虧損由權益重新分類至損益並於其他收益／(虧損)中確認。該等金融資產之利息收入按實際利率法計入融資收入。外匯收益及虧損呈列於其他收益／(虧損)中，而減值開支則於損益表中作為獨立項目列示。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.14 Investment and other financial assets (Continued)

##### 2.14.3 Measurement (Continued)

###### (a) Debt instruments (Continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises.

###### (b) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

### 2. 主要會計政策概要(續)

#### 2.14 投資及其他金融資產(續)

##### 2.14.3 計量(續)

###### (a) 債務工具(續)

- 以公平值計量且其變動計入損益：不符合攤銷成本標準或以公平值計量且其變動計入其他綜合收益之資產乃以公平值計量且其變動計入損益計量。隨後以公平值計量且其變動計入損益計量之債務投資之收益或虧損於損益中確認，並於產生期間按淨額呈列於其他收益／(虧損)中。

###### (b) 權益工具

本集團所有股本投資隨後按公平值計量。倘本集團管理層已選擇將股本投資之公平值收益及虧損於其他綜合收益呈列，則終止確認投資後，概無後續重新分類公平值收益及虧損至損益。本集團收取付款之權利確立時，有關投資之股息繼續於損益中確認為其他收入。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 Investment and other financial assets (Continued)

#### 2.14.3 Measurement (Continued)

##### (b) Equity instruments (Continued)

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 2.14.4 Impairment

The Group assesses on a forward looking basis the expected credit losses (“ECL”) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for receivables under service concession arrangements, trade receivables, amounts due from customers for contract work and contract assets. Impairment on other receivables is measured as either 12-month ECL or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition.

## 2. 主要會計政策概要(續)

### 2.14 投資及其他金融資產(續)

#### 2.14.3 計量(續)

##### (b) 權益工具(續)

以公平值計量且其變動計入損益之金融資產公平值變動乃於損益表中其他收益／(虧損)中確認(如適用)。以公平值計量且其變動計入其他綜合收益之股本投資減值虧損(及減值虧損之撥回)不會與其他公平值變動分開呈報。

#### 2.14.4 減值

本集團按前瞻基準評估與按攤銷成本及以公平值計量且其變動計入其他綜合收益入賬的債務工具有關的預期信貸虧損(「預期信貸虧損」)。所用的減值方法取決於信貸風險有否大幅增加。

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，就服務特許經營安排下的應收款項、貿易應收款項、合約工程應收客戶款項及合約資產按年期計提預期虧損撥備。其他應收款項減值按12個月預期信貸虧損或年期預期信貸虧損計量，視乎信貸風險初始確認後有否大幅增加而定。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet where the Group currently have a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group have also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

### 2.16 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9 Financial Instruments; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

## 2. 主要會計政策概要(續)

### 2.15 對銷金融工具

當本集團目前擁有法定可執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產及結算負債時，金融資產及負債可互相抵銷，並在合併資產負債表中報告其淨額。本集團亦已訂立並不符合抵銷標準的安排，但仍允許相關金額在如破產或終止合約的若干情況下予以抵銷。

### 2.16 財務擔保合同

在擔保簽訂的同時，財務擔保合同確認為一項金融負債。該負債按公平值初步計量並且後續按以下兩者孰高計量：

- 按香港財務報告準則第9號金融工具準則中的預期信貸虧損模型確定的金額；及
- 初步確認的金額減去，如適用，按香港財務報告準則第15號來自與客戶訂立合約的收入確認準則確認的累計收入。

財務擔保的公平值由基於債務工具下要求的合同支付金額與無需保證的支付金額之間的，或與作為承擔義務應付第三方的預計金額之間的現金流量差異的現值決定。

當與聯營公司之借款或其他應付款關聯的擔保不提供補償時，公平值作為投入列賬並且確認為投資成本的一部分。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.17 Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.18 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 2.14 for further information about the Group's accounting for trade receivables.

### 2.19 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

Bank deposits which are restricted to use are classified as "restricted cash". Restricted cash are excluded from cash and cash equivalents in the cash flow statements.

## 2. 主要會計政策概要(續)

### 2.17 存貨

原材料及庫存、在建工程及成品以成本值及可變現淨值兩者的較低者列賬。成本包括直接材料、直接勞動力及適當比例的可變及固定其他開支(後者按正常經營能力基準分配)。成本乃按加權平均成本基準分撥至個別存貨項目。購入存貨的成本乃於扣除退款及折扣後釐定。可變現淨值為於日常業務過程內的估計售價減估計完成所需成本及銷售所需的估計成本計算。

### 2.18 貿易應收款項

貿易應收款項為在日常業務過程中就向客戶銷售的商品或提供的服務而應收客戶的款項。如貿易應收款項預期在一年或以內收回，其被分類為流動資產，否則分類為非流動資產。

貿易應收款項初步按有關代價金額確認，此為無條件，除非按公平值確認包含重大融資成分。本集團持有目的為收取合約現金流量的貿易應收款項，因此採用實際利率法按攤銷成本計量貿易應收款項。有關本集團貿易應收款項會計處理的進一步資料請參閱附註2.14。

### 2.19 現金及現金等價物

就現金流量表呈列而言，現金及現金等價物包括手頭現金及金融機構通知存款。

受限制使用的銀行存款歸類為「受限制現金」。受限制現金自現金流量表的現金及現金等價物中剔除。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.21 Perpetual capital instruments

Perpetual capital instruments with no contractual obligation for the Group to deliver cash or another financial asset to the holders are classified as equity instruments. They are initially recorded at the proceeds received within equity. Discretionary interest declared by the Group to the holders of perpetual capital instrument is treated as dividend.

### 2.22 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 2.23 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## 2. 主要會計政策概要(續)

### 2.20 股本

普通股歸類為權益。直接歸屬於發行新股或購股權的遞增成本扣除稅項後在權益中列為所得款項的扣減項目。

### 2.21 永久資本工具

本集團並無合約責任將現金或另外金融資產交付持有人的永久資本工具歸類為權益工具。該工具初始按收取的所得款項列入權益。本集團向永久資本工具持有人宣派的酌情利息被視為股息。

### 2.22 貿易及其他應付款項

該等金額指於財政年度結束前提供予集團之商品及服務之未償還負債。該等金額為無抵押及通常在確認30日內支付。貿易及其他應付款項列示為流動負債，除非付款並非於報告期間後12個月內到期。有關款項以初始公平值確認，其後採用實際利息法按攤銷成本計量。

### 2.23 借款

借款於初始按公平值並扣除產生的交易成本確認。借款其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值的差額於借款期間以實際利率法在損益表中確認。如部分或全部融資有可能被提取，則設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下，費用遞延至貸款提取為止。如沒有證據證明部分或全部融資有可能被提取，則該費用資本化作為流動資金服務的預付款，並於相關的融資期內攤銷。

除非本集團有無條件權利將償還負債的日期遞延至報告期後最少12個月，否則借款歸類為流動負債。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.24 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### 2.25 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries, joint ventures and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

## 2. 主要會計政策概要(續)

### 2.24 借款成本

一般及特定借款成本直接歸屬於需要完成或籌備該資產以作擬定用途或出售的一段時間內資本化的合資格資產。合資格資產必須經一段長時間處理以作其擬定用途或銷售。

就特定借款，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借款成本中扣除。

所有其他借款成本於其產生期間內確認。

### 2.25 即期及遞延所得稅

期內所得稅開支或信貸為本期間應課稅收入按各司法權區適用所得稅率之應付稅項，受暫時差額及未使用稅項虧損應佔遞延稅項資產及負債變動的調整。

#### (a) 即期所得稅

即期所得稅費用根據本公司及其附屬公司、合營公司及聯營公司經營及產生應課稅收入的國家於報告期末已頒佈或實質頒佈的稅法計算。管理層就適用稅務法規詮釋所規限的情況定期評估稅項申報情況，並考慮稅務機關是否有可能接受不確定的稅收待遇。本集團根據最可能的金額或預期價值計量其稅項餘額，具體取決於哪種方法能夠為解決不確定性提供更佳預測。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.25 Current and deferred income tax (Continued)

##### (b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it 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 accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses, and does not give rise to equal taxable and deductible temporary differences.

Deferred income tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

### 2. 主要會計政策概要(續)

#### 2.25 即期及遞延所得稅(續)

##### (b) 遞延所得稅

遞延所得稅採用負債法，就資產和負債的稅基與資產和負債在合併財務報表的賬面值之間產生的暫時差額悉數撥備。然而，若遞延所得稅負債來自商譽的初始確認，則不予確認此等遞延稅項負債；若遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初始確認，而該項資產或負債在交易時不影響會計及應課稅損益，則不予確認此等遞延所得稅。

遞延所得稅採用在報告期末前已頒佈或實質頒佈，並預期在有關遞延所得稅資產實現或遞延所得稅負債結算時適用的稅率(及法律)而釐定。

遞延所得稅資產僅限於有可能產生未來應課稅溢利並可用於抵銷暫時差額及虧損且不會產生等額應課稅及可抵扣暫時差額時予以確認。

倘本公司能控制撥回暫時差額的時間及該等差額可能不會於可見將來撥備，則不會就外國業務投資賬面值與稅基之間的暫時差額確定遞延稅項負債及資產。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 Current and deferred income tax (Continued)

#### (b) Deferred income tax (Continued)

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred income tax asset is recognised for unclaimed tax credits that are carried forward as deferred income tax assets.

### 2.26 Employee benefits

#### (a) Defined contribution plan

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees' payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government.

## 2. 主要會計政策概要(續)

### 2.25 即期及遞延所得稅(續)

#### (b) 遞延所得稅(續)

即期及遞延所得稅於損益確認，惟倘即期及遞延所得稅於在其他綜合收益或直接於權益中確認的項目有關，在此情況下，稅項亦會分別於其他綜合收益或直接於權益中確認。

本集團內成員公司可就投資合資格資產或相關合資格開支享有特殊稅項減免。本集團就該等津貼入賬列為稅收抵免，即津貼降低應付所得稅及即期稅項開支。遞延所得稅資產於未認領的稅項抵免結轉為遞延所得稅資產時確認。

### 2.26 僱員福利

#### (a) 定額供款計劃

根據中國的規例及法規，本集團位於中國的僱員參與多項由中國相關市級及省級政府運作的定額供款退休福利計劃，據此，本集團及位於中國的僱員每月須對該等計劃作出按僱員薪金百分比計算得出的供款。

市級及省級政府承諾會承擔根據上述計劃應付予所有現有及未來的退休中國僱員的退休福利責任。除每月供款外，本集團並無進一步責任向其僱員提供退休付款及其他退休後福利。該等計劃的資產乃與本集團的資產分開，並由中國政府所管理的獨立基金持有。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Employee benefits (Continued)

#### (b) Defined benefit plan

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan, recognised in the statement of profit or loss in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation results from employee service in the current year, benefit changes, curtailments and settlements.

Past-service costs are recognised immediately in consolidated statement of profit or loss and other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

## 2. 主要會計政策概要(續)

### 2.26 僱員福利(續)

#### (b) 定額福利計劃

一般而言，定額福利計劃釐定員工在退休時可收取的退休福利金額，通常視乎年齡、服務年資和薪酬等一個或多個因素而定。

在合併資產負債表內就定額福利退休金計劃而確認的負債，為定額福利責任於報告期末的現值減計劃資產的公平值。定額福利責任每年由獨立精算師利用預計單位貸記法計算。定額福利責任的現值利用將用以支付福利的貨幣為單位計值且到期日與有關退休負債的年期近似的高質素企業債券的利率，將估計未來現金流出量貼現計算。在該等債券並無活躍市場的國家，乃採用政府債券的市場利率。

於損益表僱員福利開支項下確認的定額福利計劃即期服務成本(除計入資產成本者外)反映本年度僱員服務所導致的定額福利責任的增加、福利變動、削減及結算。

過往服務成本即時於合併損益及其他綜合收益表中確認。定額福利責任的現值來自計劃修訂或縮減的變動，即時於損益中確認為過往服務成本。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Employee benefits (Continued)

#### (b) Defined benefit plan (Continued)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss and other comprehensive income.

Remeasurement arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

### 2.27 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

## 2. 主要會計政策概要(續)

### 2.26 僱員福利(續)

#### (b) 定額福利計劃(續)

淨利息成本按定額福利責任的淨結餘及計劃資產公平值，應用貼現率計算。此成本包含在合併損益及其他綜合收益表中的僱員福利開支中。

根據經驗而調整的重新計量以及精算假設的變動，在產生期間內於其他綜合收益的權益中扣除或計入。

### 2.27 撥備

在出現以下情況時，本集團確認法律索償、服務保證及妥善履行責任的撥備：本集團因過往事件而產生現有法律或推定義務；履行該義務預期很可能導致資源流出；金額能可靠估計。未來經營虧損不確認撥備。

如存在多項類似義務，則根據整體義務類別考慮釐定償付時導致資源流出的可能性。即使在同一義務類別所包含的任何單個項目的流出的可能性極低，仍須確認撥備。

撥備乃按結算報告期末現時責任所需之管理層最佳估計開支的現值計量。使用作釐定現值之折現率為稅前折現率，其須能夠反映當前市場的貨幣時間價值估算及該負債特有的風險。由時間推移導致撥備金額的增加計入利息開支。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.28 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

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

Government grants relating to purchase of property, plant and equipment and intangible assets are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the expected lives of the related assets.

### 2.29 Revenue recognition

Under HKFRS 15, revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer. This may be at a single point in time or over time.

Upon the adoption of HKFRS 15, the Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- when the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
- when the Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.

## 2. 主要會計政策概要(續)

### 2.28 政府補貼

在有合理保證將收取補助及本集團將遵守所有隨附條件時，政府補貼乃按其公平值確認。

與成本相關的政府補貼均會遞延並於需要與其有意補償的成本相配比的期間內，在合併損益及其他綜合收益表確認。

與購買物業、廠房及設備以及無形資產相關的政府補貼於非流動負債項下列作遞延政府補貼，並按直線法在相關資產的預期使用年內計入合併損益及其他綜合收益表。

### 2.29 收入確認

根據香港財務報告準則第15號，收入按客戶合約訂明之代價計量，且不包括代表第三方收取之金額。本集團於其向客戶轉讓產品或服務之控制權時確認收入。該情況可能發生於某個時間點或一段時間內。

於採納香港財務報告準則第15號後，倘符合以下其中一項條件，本集團會於履行履約責任後隨時間轉移確認收入：

- 客戶同時取得及消耗本集團履行履約責任時所提供之利益；
- 本集團之履約行為創造或改良客戶在資產被創造或改良時已控制之資產；
- 本集團之履約行為並未創造一項可被本集團用於替代用途之資產，且本集團獲得具有就迄今為止已完成之履約部份之客戶付款可執行之權利。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 Revenue recognition (Continued)

If none of the above conditions are met, the Group recognises revenue at a single point in time at which the performance obligation is satisfied for the sale of that good or service when control has been passed.

If control of the product or service transfers over time, revenue is recognised over the period of the contract by measuring the progress towards complete satisfaction of that performance obligation.

#### (a) Sales of goods

Revenue is recognised at the point in time when the control of the product is transferred to the customer which generally coincides with delivery and acceptance of the product sold.

#### (b) Rendering of construction and upgrade services

Revenue from construction and upgrade services is recognised over time by measuring the progress towards complete satisfaction of the service. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

#### (c) Rendering of other services

Revenue from wastewater treatment, solid waste treatment and other services is recognised over the period by measuring the progress towards complete satisfaction of the service.

## 2. 主要會計政策概要(續)

### 2.29 收入確認(續)

倘不符合上述所有條件，本集團將於控制權轉移銷售該貨品或服務之履約責任獲達成之單一時點確認收入。

倘產品或服務控制權經過一段時間轉移，收入確認將通過計量整個合約期間已完成履約責任的進度進行。

#### (a) 產品銷售

收入在產品的控制權轉移至客戶的單一時點時確認，並通常與交收所出售產品的時點一致。

#### (b) 提供建造及升級服務

建造及升級服務收入於一段時間內確認，且對完成履行服務的進度計量。完成履行履約責任的進度是按本集團為履行履約責任的付出或投入，並參照每份合約截至報告期末已產生的合約成本佔該合約總估計成本的百分比計量。

#### (c) 提供其他服務

污水處理、固廢處理及其他服務的收益通過計量完成履行服務的進度於一段時間內確認。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.30 Leases

The Group leases land use rights on long-term contracts and offices and warehouses on both short-term and long-term contracts.

Land use rights represent prepaid operating lease payments for land less accumulated amortisation and any impairment losses. Amortisation is calculated using the straight-line method to allocate the prepaid operating lease payments for land over the remaining lease term or the operating period, whichever is shorter.

Rental contracts for offices and warehouses are typically made for fixed periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

## 2. 主要會計政策概要(續)

### 2.30 租賃

本集團以長期合約租賃土地使用權，並以短期及長期合約租賃辦公室及倉庫。

土地使用權指土地的預付經營租賃付款減累計攤銷及任何減值虧損。攤銷乃採用直線法將土地的預付經營租賃付款分攤至剩餘租賃期限或經營租賃期間(以較短者為準)計算。

辦公室及倉庫的租賃合約一般按1至10年的固定期限訂立。租賃條款乃按個別基準磋商，並包含各種不同條款及條件。租賃協議並無施加任何契諾，惟租賃資產不得用作借款的抵押品。

租賃於租賃資產可供本集團使用當日確認為使用權資產及相應負債。

合約可能包含租賃及非租賃組成部分。本集團按照租賃及非租賃組成部分相應的獨立價格，將合約代價分配至租賃及非租賃組成部分。然而，就本集團為承租人的房地產租賃而言，其選擇將租賃及非租賃組成部分入賬為單一租賃組成部分，並無將兩者區分。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.30 Leases (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

## 2. 主要會計政策概要(續)

### 2.30 租賃(續)

租賃產生的資產及負債初步以現值基準計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款(包括實質上的固定付款)，減去任何應收租賃優惠；
- 基於指數或利率的可變租賃付款，採用於開始日期的指數或利率初步計量；
- 本集團於剩餘價值擔保下預計應付的金額；
- 倘本集團合理確定要行使購買期權，則該期權的行使價；及
- 倘租期反映本集團行使該期權，則終止租賃罰款的付款。

計量負債時亦包括根據合理確定延長選擇權作出的租賃付款。

租賃付款使用租賃中隱含的利率貼現。如該利率無法輕易確定(本集團的租賃通常如此)，則使用承租人的增量借款利率，即個別承租人在類似經濟環境下按類似條款、抵押及條件借入所需資金以取得類似於使用權資產價值的資產所須支付的利率。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.30 Leases (Continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

## 2. 主要會計政策概要(續)

### 2.30 租賃(續)

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資作為出發點，並作出調整以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率；及
- 進行特定於租賃的調整，如期限、國家、貨幣及抵押。

本集團未來可能根據指數或利率增加可變租賃付款額，而有關指數或利率在生效前不會計入租賃負債。當根據指數或利率對租賃付款作出的調整生效時，租賃負債根據使用權資產進行重新評估及調整。

租賃付款於本金與融資成本之間作出分配。融資成本於租期內自損益扣除以計算出各期間負債結餘的固定週期利率。

使用權資產按成本計量，並包括以下各項：

- 租賃負債的初始計量金額；
- 於開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 任何初始直接成本；及
- 修復成本。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.30 Leases (Continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

### 2.31 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

### 2.32 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group's derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

## 2. 主要會計政策概要(續)

### 2.30 租賃(續)

使用權資產一般於資產可使用年期與租期中的較短者以直線法折舊。倘本集團合理確定要行使購買期權，則使用權資產在相關資產的可使用年內折舊。

與短期租賃相關的付款以直線法於損益內確認為開支。短期租賃指租期為12個月或以下的租賃(並無購買選擇權)。

經營租賃(本集團作為出租人)的租賃收入於租期內以直線法確認為收入。於獲取經營租賃時產生的初始直接成本會加入相關資產的賬面值，並於租期內按確認租賃收入的同一基準確認為開支。相關租賃資產按其性質計入合併資產負債表。於採納新租賃準則後，本集團毋須就作為出租人持有資產的會計處理作出任何調整。

### 2.31 股息分派

對本公司股東的股息分派於股息獲本公司股東或董事(如適用)批准期間在本集團財務報表確認為負債。

### 2.32 衍生工具及對沖活動

衍生工具於衍生工具合約訂立當日按公平值初始確認，其後於各報告期間末按公平值重新計量。公平值變動之會計處理取決於該衍生工具是否被指定為對沖工具，如被指定為對沖工具，則取決於對沖項目之性質。

本集團之衍生工具並不符合對沖會計準則。不符合對沖會計準則之衍生工具之公平值如有變動，將即時於損益內確認並計入其他收益/(虧損)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.33 Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 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 and fair value interest rate risk and cash flow interest rate), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

## 2. 主要會計政策概要(續)

### 2.33 每股盈利

#### (i) 每股基本盈利

每股基本盈利按以下方式計算：

- 本公司擁有人應佔利潤(不包括普通股以外之任何權益成本)
- 除以財政年度內已發行普通股加權平均數，並就年內已發行普通股(不包括庫存股份)的股息調整。

#### (ii) 每股攤薄盈利

計算每股攤薄盈利時，會調整用於釐定每股基本盈利的數額，以反映以下因素：

- 與潛在攤薄普通股有關的利息及其他融資成本的除所得稅後影響；及
- 假設轉換所有潛在攤薄普通股，額外將會發行普通股的加權平均數。

## 3. 財務風險管理

### 3.1 財務風險因素

本集團的活動令其承受多種財務風險：市場風險(包括外匯風險、公平值利率風險及現金流量利率)、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並設法減低對本集團財務表現的潛在不利影響。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk

###### (i) Foreign exchange risk

The Group principally operates in the PRC with most of the transactions being settled in RMB, which is the functional currency of most of the group entities.

The Group also has certain subsidiaries in foreign operations. Foreign exchange risk arises from the recognised assets and liabilities and net investments in foreign operations. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through financing activities denominated in the relevant foreign currencies. The group entities are exposed to foreign exchange risk of foreign currencies other than their functional currencies, primarily with respect to the US dollars ("US\$"), Thai Baht ("THB") and Hong Kong dollars ("HKD") (together "Non-functional Currencies"). The Group seeks to limit its exposure to foreign currency risk by closely monitoring and minimizing its net foreign currency position.

###### (ii) Fair value and cash flow interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest risk which is partially offset by cash held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest risk.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險

###### (i) 外匯風險

本集團主要在中國經營業務，大部分交易以人民幣結算，人民幣為大部分集團公司的功能貨幣。

本集團亦有若干附屬公司經營境外業務。外匯風險來自境外業務的已確認資產及負債和投資淨額。本集團境外業務淨資產所產生的貨幣風險，主要透過以相關外幣計值的融資活動進行管理。集團實體承受其功能貨幣以外外幣的外匯風險，主要涉及美元(「美元」)、泰銖(「泰銖」)及港元(「港元」)(統稱「非功能貨幣」)。本集團力圖通過密切監察及盡量減少其外幣持倉淨額來限制外幣風險敞口。

###### (ii) 公平值及現金流量利率風險

本集團的利率風險來自於長期借款。按浮動利率取得的借款使本集團面臨現金流量利息風險，而這部分被按浮動利率持有的現金所抵銷。按固定利率取得的借款使本集團面臨公平值利息風險。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (ii) Fair value and cash flow interest rate risk (Continued)

The Group regularly reviews and monitors the mix of fixed and floating interest rate borrowings in order to manage its interest rate risk. The Group's interest-bearing bank borrowings, restricted cash and cash and cash equivalents are stated at amortised cost and not revalued on a periodic basis. Floating rate interest income and expenses are credited/charged to profit or loss as earned/incurred.

As at 31 December 2021, the Group has floating rate borrowings amounting to RMB11,856,091,000 (2020: RMB10,357,901,000). If there would be a general increase/decrease in the market interest rates by 100 basis points, with all other variables held constant, the Group's post-tax loss would have increased/decreased by approximately RMB75,441,000 for the year ended 31 December 2021 (2020: RMB82,999,000). The sensitivity analysis above has been determined assuming that the change in market interest rates had occurred as at the 31 December 2021 and 2020 and had applied the exposure to cash flow interest rate risk to those financial instruments in existence at those dates. The estimated 100 basis points increase or decrease represents management's estimate of a reasonably possible change in market interest rates over the period until the next annual year end.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

##### (ii) 公平值及現金流量利率風險(續)

本集團定期審閱和監察固定和浮動利率的借款組合以管理其利率風險。本集團的計息銀行借款、受限制現金以及現金及現金等價物均按攤銷成本列賬，並非會定期重估。浮動利率利息收入及開支於賺取/產生時計入/抵減損益。

於二零二一年十二月三十一日，本集團的浮動利率借款為人民幣 11,856,091,000 元(二零二零年：人民幣 10,357,901,000 元)。截至二零二一年十二月三十一日止年度，如市場利率整體上升/下跌 100 個基點，而所有其他變量保持不變，則本集團的除稅後虧損將增加/減少約人民幣 75,441,000 元(二零二零年：人民幣 82,999,000 元)。上述敏感度分析乃假設市場利率變動已於二零二一年及二零二零年十二月三十一日發生並已應用該等金融工具所承擔於該等日期存在的現金流量利率風險而釐定。估計增加或減少 100 個基點指管理層估計期內直至下一年度末市場利率的合理可能變動。

# Notes to the Consolidated Financial Statements 合併財務報表附註

## 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk

Credit risk is managed on group basis. The Group's maximum exposure to credit risk in relation to financial assets is the carrying amounts of restricted cash, cash and cash equivalents, trade and other receivables, receivables under service concession arrangements, amounts due from customers for contract work and contract assets.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信用風險

信用風險按集團基準進行管理。本集團所面對有關金融資產的最大信用風險為受限制現金、現金及現金等價物、貿易及其他應收款項、服務特許經營安排下的應收款項、合約工程應收客戶款項及合約資產的賬面值。

支撐本集團預期信貸虧損模型的假設概要如下：

Category 類別	Group definition of category 本集團對各類別的界定	Basis for recognition of expected credit loss provision 確認預期信貸虧損撥備的基準
Performing 正常	Financial assets for which credit risk has not increased significantly since initial recognition 自初始確認以來信用風險並無顯著增加的金融資產	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime 12個月的預期虧損。對於預期使用年期在12個月之內的資產，預期虧損按其預期使用年期計量
Underperforming 關注	Financial assets for which credit risk has increased significantly since initial recognition, but are not credit-impaired 自初始確認以來信用風險已顯著增加但未出現信貸減值的金融資產	Lifetime expected losses 年期預期虧損
Non-performing 不良	Financial assets that are credit-impaired at the reporting date 於報告日期出現信貸減值的金融資產	Lifetime expected losses 年期預期虧損



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (i) Cash deposits at banks and restricted cash

For deposit with banks, the Group has limited its credit exposure by restricting their selection of banks on the reputable local listed commercial banks or state-owned banks. Management believes these financial institutions are reputable and there is no significant credit risk of loss on such assets.

###### (ii) Trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. Future cash flows for each group of receivables are estimated on the basis of historical default rates, adjusted to reflect the effects of existing market conditions as well as forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (i) 銀行現金存款及受限制現金

就銀行存款而言，本集團透過限制其挑選銀行(挑選信譽良好的地方上市商業銀行或國有銀行)以限制其信用風險。管理層相信該等金融機構信譽良好，並無有關資產虧損的重大信用風險。

###### (ii) 貿易應收款項

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，就貿易應收款項按整個年期計提預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據共同信用風險特徵進行分組。每組應收款項的未來現金流量根據歷史違約率進行估計，並進行調整以反映現有市場狀況的影響以及影響客戶結算應收款項能力的宏觀經濟因素的前瞻性信息。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (ii) Trade receivables (Continued)

Trade receivables with known insolvencies are assessed individually for impairment allowances and are written off when there is no reasonable expectation of recovery. Indicators of insolvencies include, amongst others, the failure of a debtor engage in a repayment plan with the Group, and a failure to make contractual payments. Trade receivables without known insolvencies are assessed on a collective basis based on shared credit risk characteristics.

Trade receivables have been assessed for impairment on a collective basis based on different credit risk characteristics. Trade receivables are categorised as follows for assessment purpose:

Group 1: Trade receivables due from local governments;

Group 2: Trade receivables due from related parties which included mainly state-owned enterprises;

Group 3: Trade receivables due from other state-owned enterprises;

Group 4: Trade receivables due from other third parties

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (ii) 貿易應收款項(續)

已知無力償債的貿易應收款項會個別評估減值撥備，並於無法合理預期收回時予以撇銷。無力償債跡象包括(其中包括)債務人未能與本集團訂立還款計劃，以及未能作出合約付款。無已知無力償債的貿易應收款項根據共同信用風險特徵按集體基準進行評估。

貿易應收款項已根據不同的信用風險特徵以集體方式進行減值評估。就評估而言，貿易應收款項分類如下：

第一組：來自地方政府的貿易應收款項；

第二組：來自關聯方(主要包括國有企業)的貿易應收款項；

第三組：來自其他國有企業的貿易應收款項；

第四組：來自其他第三方的貿易應收款項

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (ii) Trade receivables (Continued)

(ii-1) On that basis, as at 31 December 2021, the loss allowance provision for the trade receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

Group 1		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	Total
At 31 December 2021							
第一組							
於二零二一年十二月三十一日		1年以內	1至2年	2至3年	3至4年	4年以上	總額
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)	649,629	285,507	92,267	23,805	79,440	1,130,648
Expected loss rate	預期虧損率	0.10%	0.15%	0.21%	0.21%	0.24%	
Loss allowance provision (RMB'000)	虧損撥備 (人民幣千元)	631	439	193	51	188	1,502

Group 2		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	Total
At 31 December 2021							
第二組							
於二零二一年十二月三十一日		1年以內	1至2年	2至3年	3至4年	4年以上	總額
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)	19,236	286,761	282,527	684,203	779,751	2,052,478
Expected loss rate	預期虧損率	0.72%	1.51%	3.17%	6.58%	19.44%	
Loss allowance provision (RMB'000)	虧損撥備 (人民幣千元)	138	4,323	8,948	45,042	151,553	210,004

Group 3		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	Total
At 31 December 2021							
第三組							
於二零二一年十二月三十一日		1年以內	1至2年	2至3年	3至4年	4年以上	總額
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)	47,280	1,094,853	365,121	109,295	38,721	1,655,270
Expected loss rate	預期虧損率	0.76%	2.27%	5.00%	7.78%	22.43%	
Loss allowance provision (RMB'000)	虧損撥備 (人民幣千元)	360	24,877	18,271	8,499	8,684	60,691

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

##### (ii) 貿易應收款項(續)

(ii-1) 在此基礎上，於二零二一年十二月三十一日，貿易應收款項虧損撥備計提如下。下文的預期信貸虧損亦包含前瞻性資料。

# Notes to the Consolidated Financial Statements 合併財務報表附註

## 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (ii) Trade receivables (Continued)

(ii-1) (Continued)

Group 4 At 31 December 2021 第四組 於二零二一年十二月三十一日		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	Total
		1年以內	1至2年	2至3年	3至4年	4年以上	總額
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)	304,023	314,743	130,657	202,120	78,134	1,029,677
Expected loss rate	預期虧損率	2.15%	8.70%	14.38%	20.36%	37.48%	
Loss allowance provision (RMB'000)	虧損撥備 (人民幣千元)	6,530	27,395	18,795	41,142	29,282	123,144

(ii-2) As at 31 December 2020, the loss allowance provision for the trade receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

(ii-2) 於二零二零年十二月三十一日，貿易應收款項虧損撥備計提如下。下文的預期信貸虧損亦包含前瞻性資料。

Trade Receivables At 31 December 2020 貿易應收款項 於二零二零年十二月三十一日		Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	Total
		1年以內	1至2年	2至3年	3至4年	4年以上	總額
Gross carrying amount (RMB'000)	賬面總額 (人民幣千元)	2,921,478	1,263,267	1,103,251	760,261	355,180	6,403,437
Expected loss rate	預期虧損率	1.87%	2.19%	2.88%	2.22%	4.10%	
Loss allowance provision (RMB'000)	虧損撥備 (人民幣千元)	54,582	27,727	31,804	16,904	14,553	145,570

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (iii) Other receivables

The Group expects that the credit risk associated with other receivables due from local governments and related parties is considered to be low, since they have a strong capacity to meet its contractual cash flow obligations in the near term. The Group has assessed that the ECL rate for the amounts due from local governments and related parties are immaterial under 12 months ECL method and considered them to have low credit risk, and thus the loss allowance is immaterial.

For other receivables other than those from local governments and related parties, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (iii) 其他應收款項

本集團預期，與應收地方政府及關聯方的其他應收款項有關的信貸風險較低，原因是彼等擁有雄厚實力可在短期滿足其合約現金流量義務。本集團已評定，根據12個月預期信貸虧損方法，應收地方政府及關聯方款項的預期信貸虧損率並不重大，且認為該等款項具有較低的信貸風險，因此虧損撥備並不重大。

就除來自地方政府及關聯方的應收款項外的其他應收款項而言，管理層根據歷史結算記錄及過往經驗定期按組合方式及個別方式對其他應收款項的可收回性作出評估。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Other receivables (Continued)

The Group considers the probability of default whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behaviour of the borrowers, including changes in the payment status of borrowers and changes in the operating results of the borrowers.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

##### (iii) 其他應收款項(續)

本集團考慮違約的可能性以及信貸風險是否在各個報告期持續大幅上升。為評估信貸風險是否大幅上升，本集團將資產於報告日期發生違約的風險與於初次確認日期的違約風險作對比。本集團考慮可用的可合理支撐評估結論的前瞻性資料。尤其包括以下指標：

- 內部信用評級
- 外部信用評級
- 預期會導致借款人償債能力發生顯著變化的業務、財務或經濟狀況的實際或預期重大不利變動
- 借款人經營業績的實際或預期重大變動
- 借款人預期表現及行為的重大變動，包括借款人的支付狀況變動及借款人經營業績的變動。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (iii) Other receivables (Continued)

An impairment analysis is performed at each reporting date using the probability of default approach to measure expected credit losses. The probabilities of default rates are estimated based on comparable companies with published credit ratings. The calculation reflects the probability weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information. As at 31 December 2021, the probability of default applied for performing other receivables ranged from 0.04% to 4.96%, and the loss given default was estimated to 53.12%. The expected loss rate of the non-performing other receivables was estimated to 100%. The movement of the Group's provision for impairment of other receivables are set out in Note 23(b).

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

###### (iii) 其他應收款項(續)

於各報告日期，本集團使用違約概率法來衡量預期信貸虧損，以進行減值分析。違約概率根據已發佈信用評級的可靠比較公司進行估計。該計算反映概率加權結果以及於報告日期可獲得的有關過往事件、當前狀況及前瞻性信用風險信息的合理可支持資料。於二零二一年十二月三十一日，正常其他應收款項所用的違約概率介乎 0.04% 至 4.96%，違約損失估計為 53.12%。不良其他應收款項的預期虧損率估計為 100%。本集團其他應收款項減值撥備的變動情況載於附註 23(b)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

## 3. FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (iii) Other receivables (Continued)

The loss allowance provision for other receivables as at 31 December 2021 is as follows:

		Performing 正常	Underperforming 關注	Non-Performing 不良	Total 總額
<b>As at 31 December 2021</b>	於二零二一年 十二月三十一日				
Gross carrying amount (RMB'000)	賬面總額(人民幣千元)	1,878,251	—	104,937	1,983,188
Expected loss rate	預期虧損率	0.47%	—	100.00%	
Loss allowance provision (RMB'000)	虧損撥備(人民幣千元)	8,810	—	104,937	113,747
<b>As at 31 December 2020</b>	於二零二零年 十二月三十一日				
Gross carrying amount (RMB'000)	賬面總額(人民幣千元)	2,013,428	—	22,010	2,035,438
Expected loss rate	預期虧損率	0.54%	—	100.00%	
Loss allowance provision (RMB'000)	虧損撥備(人民幣千元)	10,844	—	22,010	32,854

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信用風險(續)

##### (iii) 其他應收款項 (續)

於二零二一年十二月三十一日的其他應收款項虧損撥備如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iv) Receivables under service concession arrangements and contract assets

The Group has assessed the allowance for credit losses for its receivables under service concession arrangements and contract assets which were mainly attributable to provision for construction and upgrade services and operating of the concession facilities. As the customers are primarily local governments and PRC state-owned entities, the Directors considers the credit risk is low. An impairment analysis is performed at each reporting date using the probability of default approach to measure expected credit losses. The probabilities of default rates are estimated based on comparable companies with published credit ratings. The calculation reflects the probability weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information. As at 31 December 2021, the probability of default applied ranged from 0.12% to 0.56% (2020: from 0.01% to 0.10%), and the loss given default was estimated to 53.12% (2020: from 48.02% to

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

##### (iv) 服務特許經營安排及合約資產下的應收款項

本集團已對服務特許經營安排及合約資產下的應收款項(主要是由於提供建築和升級服務以及特許經營權的運營所致)的信貸虧損撥備進行評估。由於客戶主要為地方政府及中國國有實體，董事認為信用風險較低。於各報告日期，本集團使用違約概率法來衡量預期信貸虧損，以進行減值分析。違約概率根據已發佈信用評級的可資比較公司進行估計。該計算反映概率加權結果以及於報告日期可獲得的有關過往事件、當前狀況及前瞻性信用風險信息的合理可支持資料。於二零二一年十二月三十一日，所應用的違約概率介乎0.12%至0.56% (二零二零年：0.01%至0.10%)，違約損失估計為53.12% (二零二零年：48.02%至68.84%)。自初始確認以來，本集團服務特許經營安排下的應收款項(於二零二一年十二月三十一日的總額為人民幣6,509,663,000元(二零二零年：人民幣5,304,961,000

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

(iv) *Receivables under service concession arrangements and contract assets (Continued)* 68.84%). There has been no significant increase in credit risk in the Group's receivables under service concession arrangements with gross amount of RMB6,509,663,000 at 31 December 2021 (2020: RMB5,304,961,000) and contract assets of gross amount of RMB13,211,280,000 at 31 December 2021 (2020: RMB11,531,063,000), since their initial recognition.

##### (c) Liquidity risk

Management aims to maintain sufficient cash to meet funding requirement for operations and monitors rolling forecasts of the Group's cash on the basis of expected cash flow. The directors of the Company have prepared cash flow projections for the year ending 31 December 2022 and are of the opinion that, taking into account the plans and measures as depicted in note 2.1, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2021.

The Group will assess the relevant future costs and benefits and pursue such options as are appropriate. The directors consider that the Group will be able to maintain sufficient financial resources to meet its operation needs.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信用風險(續)

(iv) *服務特許經營安排及合約資產下的應收款項(續)* 元))及合約資產下的應收款項(於二零二一年十二月三十一日的總額為人民幣13,211,280,000元(二零二零年:人民幣11,531,063,000元))的信用風險並無顯著增加。

##### (c) 流動資金風險

管理層旨在維持充足的現金以滿足運營的資金需求，並根據預期現金流量監控本集團現金的滾動預測。本公司董事已編製截至二零二一年十二月三十一日止年度的現金流量預測，並認為，經考慮附註2.1所述的計劃和措施後，本集團將有足夠的營運資金為其運營提供資金並履行其自二零二一年十二月三十一日起十二個月內到期的財務義務。

本集團將評估相關的未來成本及收益並採取適當的選擇。董事認為，本集團將能夠維持充足的財務資源以滿足其運營需要。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows after consideration of overdue borrowings and borrowings considered as default and cross-default, including interest payments computed using contractual rates, or, if floating, based on current rates.

		Within 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	Over 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Carrying amount liabilities 負債賬面值 RMB'000 人民幣千元
<b>Closing balance at 31 December 2021</b>	於二零二一年十二月 三十一日的期末結餘						
<b>Financial liabilities</b>	<b>金融負債</b>						
Borrowings	借款	22,138,787	5,545,568	731,892	2,470,762	30,887,009	28,655,546
Trade and other payables (*)	貿易及其他應付款項(*)	5,713,951	2,681,428	54,834	100,000	8,550,213	8,547,352
Lease liabilities	租賃負債	15,851	7,764	28,366	26,861	78,842	45,271
		<b>27,868,589</b>	<b>8,234,760</b>	<b>815,092</b>	<b>2,597,623</b>	<b>39,516,064</b>	<b>37,248,169</b>
<b>Closing balance at 31 December 2020</b>	於二零二零年十二月 三十一日的期末結餘						
<b>Financial liabilities</b>	<b>金融負債</b>						
Borrowings	借款	10,611,205	6,865,861	6,448,561	6,405,450	30,331,077	27,541,815
Trade and other payables (*)	貿易及其他應付款項(*)	2,820,665	5,818,384	113,000	38,400	8,790,449	8,727,025
Lease liabilities	租賃負債	15,100	11,655	18,218	44,773	89,746	49,034
		<b>13,446,970</b>	<b>12,695,900</b>	<b>6,579,779</b>	<b>6,488,623</b>	<b>39,211,272</b>	<b>36,317,874</b>

The Group also provides guarantees to borrowings of a joint venture and an associate, which will have contractual cash flows only if the joint venture and associate default the repayment (Note 37(m)).

\* Excluding staff welfare benefit payable and other taxes payable.

### 3. 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動資金風險(續)

下表分析本集團的金融負債，此乃按照相關的到期組別，根據結算日至合約到期日的剩餘期間進行分析。表內所披露的金額為經考慮逾期借款及被視為違約和交叉違約的借款後的合約未貼現現金流量，包括根據合約利率(或倘為浮動利率，則為即期利率)計算的利息付款。

本集團亦為合營公司及聯營公司借款提供擔保，且僅在合營公司及聯營公司拖欠還款情況下會產生合約現金流量(附註37(m))。

\* 不包括應付員工福利及其他應付稅項。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 Capital management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, sell assets to reduce debt or raise funding through capital markets as necessary.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as "total equity" as shown in the consolidated financial statements plus net borrowings.

### 3. 財務風險管理(續)

#### 3.2 資本管理

本集團的資本管理的目的為保障本集團能夠持續經營，以為股東提供回報及為其他利益相關者提供利益，以及維持最佳的資本架構以減少資本成本。

為保持或調整資本結構，本集團可能會調整派付予股東的股息金額、向股東退還資本、出售資產以減少債務或透過資本市場籌集資金(如需要)。

本集團根據資產負債比率監控資本。該比率按淨債務除以總資本計算。淨債務按借款總額(包括合併資產負債表所示的「即期及非即期借款」)減現金及現金等價物計算。總資本按合併財務報表所示的「權益總額」加借款淨額計算。

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Total borrowings (note 29)	借款總額 (附註29)	28,655,546	27,541,815
Less: cash and cash equivalents (note 25)	減：現金及現金等價物 (附註25)	(428,427)	(1,697,688)
Net borrowings	借款淨額	28,227,119	25,844,127
Total equity	總權益	7,598,138	7,607,562
Total capital	資本總額	35,825,257	33,451,689
Gearing ratio	資產負債比率	79%	77%

The increase in the gearing ratio was resulted primarily from the increase of borrowings during the year ended 31 December 2021.

資產負債比率提高主要是由於截至二零二一年十二月三十一日止年度借款增加。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Financial instruments by category

### 3. 財務風險管理(續)

#### 3.3 按類別劃分的金融工具

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost	按攤銷成本計量的金融資產		
– Trade and other receivables	– 貿易及其他應收款項	<b>7,342,173</b>	8,260,451
– Receivables under service concession arrangements	– 服務特許經營安排下的應收款項	<b>6,493,120</b>	5,301,371
– Cash and cash equivalents	– 現金及現金等價物	<b>428,427</b>	1,697,688
– Restricted cash	– 受限制現金	<b>272,533</b>	125,501
		<b>14,536,253</b>	15,385,011
Financial assets at fair value	按公平值計量的金融資產		
– Financial asset at fair value through other comprehensive income	– 以公平值計量且其變動計入其他綜合收益的金融資產	<b>4,675</b>	4,675
		<b>14,540,928</b>	15,389,686
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities at amortised cost	按攤銷成本計量的金融負債		
– Borrowings	– 借款	<b>28,655,546</b>	27,541,815
– Trade and other payables (*)	– 貿易及其他應付款項(*)	<b>8,547,352</b>	8,727,025
– Lease liabilities	– 租賃負債	<b>45,271</b>	49,034
		<b>37,248,169</b>	36,317,874

\* Excluding staff welfare benefit payable and other taxes payable.

\* 不包括應付員工福利及其他應付稅項。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.4 Fair value estimation

The Group's financial instruments recognised in the consolidated balance sheet are mainly receivables and financial liabilities carried at amortised cost. The fair values of these financial instruments approximate their carrying amounts.

Financial instruments carried at fair value are disclosed by levels of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing these financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

### 3. 財務風險管理(續)

#### 3.4 公平值估計

本集團於合併資產負債表內確認的金融工具主要為按攤銷成本列賬的應收款項及金融負債。該等金融工具的公平值與其賬面值相若。

按公平值列賬的金融工具乃按以下公平值計量層級進行披露：

- 相同資產或負債在活躍市場的報價(未經調整)(第一級)。
- 除第一級所包括的報價外，該資產或負債的可觀察(直接(即價格)或間接(即源自價格))輸入數據(第二級)。
- 並非依據可觀察市場數據得出的資產或負債的輸入數據(即不可觀察輸入數據)(第三級)。

### 4. 主要會計估計及判斷

編製該等財務報表時所用的估計及判斷乃根據過往經驗及其他因素(包括根據現有情況對未來事件作出的認為屬合理的預期)而作出並會進行評估。

本集團會就未來作出估計及假設。根據定義，因此而作出的會計估計極少與相關實際結果相同。很可能導致對下個財政年度的資產及負債的賬面值作出重大調整的估計及假設論述如下。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (a) Going concern consideration

In the process of applying the Group's accounting policies, apart from those involving estimations, management has prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the coming year, which is a critical judgement that has the most significant effect on the amounts recognised in the financial statements. The assessment of the going concern assumption involves making a judgement by the Directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Directors consider that the Group has the capability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in note 2.1 to the consolidated financial statements.

#### (b) Service concession arrangements under financial asset model

When the Group is paid for the construction and upgrade services by a financial asset, significant judgement is exercised in determining the fair values of the financial asset at initial recognition. Cash flow forecast, effective interest rate and other factors are used in the valuation model. Any changes in the expected cash flows, such as forecasted unit price of service fee, operating costs and profit margins of the operating services, will result in change in the carrying value of the financial asset and the revenue recognised in concession period.

According to the service concession arrangements signed with the Grantors, the unit price of service fee would be periodically adjusted to compensate operating cost increase, including labour costs, material costs, taxation, through a pricing mechanism which is still subject to regulation by local government authorities. Judgement is required in assessing whether increase in costs can be compensated through unit price adjustment and the timing. In making this judgement, the Group evaluates the pricing mechanism in the service concession arrangements, the extent of development of the project and status of negotiation with the government authorities.

### 4. 主要會計估計及判斷(續)

#### (a) 持續經營的考慮因素

於應用本集團之會計政策過程中，除涉及估計之項目外，管理層編製合併財務報表時乃假設本集團於來年將可按持續經營基準繼續營運，此乃對財務報表內已確認金額構成最重大影響之主要判斷。評估持續經營假設時，董事需於特定時間就本質上不確定之事件及情況之未來結果作出判斷。董事認為，本集團有能力持續經營，而可能個別或共同對持續經營假設構成重大疑問，且或會引致業務風險之重大事件或情況載於合併財務報表附註2.1。

#### (b) 金融資產模型下的服務特許經營安排

本集團為運營商提供建設及升級服務而形成金融資產時，釐定金融資產初始確認的公平值時需進行重大判斷。於估值模型中使用現金流量預測、實際利率及其他因素。倘預期現金流量(如預測服務費單價、運營服務的運營成本及毛利率)有任何變動，將導致金融資產賬面值及於特許經營期內確認的收益產生變動。

根據與授予人簽訂的服務特許經營安排，服務費單價會按照定價機制(仍受地方政府部門監管)定期調整，以抵銷勞工成本、材料成本、稅項等經營成本漲幅。評估成本漲幅可否通過調整單價進行抵銷以及調整時機時，須作出判斷。作出判斷時，本集團會評估服務特許經營安排中的定價機制、項目發展程度以及與政府部門的磋商情況。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (c) Impairment provision of trade and other receivables

The Group records impairment provision of trade and other receivables based on an assessment made by management on the ECL of trade receivables. The evaluations focused on the customers' settlement history and current ability to pay, and took into account information specific to the customers as well as pertaining to the economic environment in which the customers operated. Provisions are made where events or changes in circumstances indicate that the balances may not be collectible. Impairment assessment requires the use of judgement and estimates. The Group would revisit and evaluate those assumptions related with ECL model periodically.

#### (d) Income taxes and deferred income taxation

The Group is primarily subject to income taxes in the PRC, Hong Kong, Thailand and Indonesia. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred income tax provision in the year in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

#### (e) Impairment assessment of goodwill

Goodwill is reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of goodwill has been determined based on fair value less costs to disposal calculations, taking into account latest market information and past experience. These calculations require the use of judgements and estimates.

### 4. 主要會計估計及判斷(續)

#### (c) 貿易應收款項減值撥備

本集團根據管理層對貿易應收款項預期信貸虧損作出的評估入賬貿易應收款項減值撥備。該等評估重點關注客戶的歷史結算記錄及當前支付能力，並考慮客戶自身及其經營所處的經濟環境的特定信息。一旦事件發生或情況改變顯示餘額可能無法收回時，則會作出撥備。減值評估須運用判斷及估計。本集團將定期回顧及評估該等與預期信貸虧損有關的假設。

#### (d) 所得稅及遞延所得稅項

本集團主要須繳納中國、香港、泰國及印尼所得稅。釐定所得稅撥備時須作出重大判斷。於日常業務過程中，不少交易及計算的最終釐定均不確定。倘此等事宜的最終稅務結果與初步記錄的金額不同，有關差額將影響於作出有關釐定的年度所得稅及遞延所得稅項撥備。

當管理層認為未來可能有應課稅溢利以用作抵銷暫時差額或稅項虧損時，會確認與若干暫時差額及稅項虧損有關的遞延所得稅資產。其實際動用的結果可能會有所不同。

#### (e) 商譽減值評估

商譽於各資產負債表日期或有事件發生或狀況轉變顯示可能無法收回其賬面值時檢討是否出現減值。商譽的可收回金額乃根據公平值減處置費用的計算結果在計及最新市場資料及過往經驗後進行釐定。進行有關計算時需作出判斷及估計。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (f) Impairment assessment of intangible assets (other than goodwill)

The carrying amounts of items of intangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying amounts may not be recoverable in accordance with the accounting policy as disclosed in note 2.9 to the financial statements. The recoverable amount is the higher of its fair value less costs of disposal and value in use, and calculations of which involve the use of estimates. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. A change in the estimated future cash flows and/or the discount rate applied will result in an adjustment to the estimated impairment provision.

### 5. SEGMENT INFORMATION

The executive directors of the Company are the chief operating decision-maker of the Group. Management has determined the operating segments based on reports reviewed by the executive directors of the Company for the purpose of allocating resources and assessing performance.

The executive directors of the Company consider the business from product and service perspective. The Group is organised into five business segments as below:

- (a) Wastewater treatment;
- (b) Water supply;
- (c) Construction and sales of equipment;
- (d) Solid waste treatment;
- (e) Others, including operation and maintenance services and other businesses.

### 4. 主要會計估計及判斷(續)

#### (f) 無形資產減值評估(除商譽外)

根據財務報表附註2.9披露的會計政策，當有事件發生或狀況轉變顯示可能無法收回其賬面值時，對無形資產的賬面值進行減值審閱。可收回金額為其公平值減處置費用與使用價值兩者的較高者，進行有關計算時需作出估計。估計使用價值需本集團對現金產生單位的預期未來現金流量進行估計，並選擇合適的貼現率，以計算該等現金流量的現值。預期未來現金流量及／或適用貼現率的變化將導致對預期減值撥備進行調整。

### 5. 分部資料

本公司執行董事為本集團的首席經營決策者。管理層根據本公司執行董事為資源分配及表現評估目的所審閱的報告釐定經營分部。

本公司執行董事從產品與服務層面考慮業務。本集團分為五個業務分部，詳情如下：

- (a) 污水處理；
- (b) 供水；
- (c) 建造及設備銷售；
- (d) 固廢處理；
- (e) 其他，包括運營和維護服務及其他業務。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which is a measure of revenue and gross profit of each operating segment.

The amounts provided to the executive directors of the Company with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Unallocated assets mainly represented cash and cash equivalents, restricted cash, certain prepayments and certain receivables of the group entities engaging in multiple business segments. Management considered that it is impracticable or not meaningful in allocating to different segments.

Unallocated liabilities mainly represented certain borrowings, certain payables and deferred income of the group entities engaging in multiple business segments. Management considered that it is impracticable or not meaningful in allocating to different segments.

### 5. 分部資料(續)

管理層分開監察本集團經營分部的業績，以對資源分配及表現評估作出決策。分部表現按可呈報分部業績進行評估，其為各經營分部收入及毛利的一種計量。

本公司執行董事獲提供的總資產及總負債金額乃以與財務報表所採用者一致的方式計量。該等資產及負債根據分部經營業務進行分配。

未分配資產主要指從事多個業務分部的集團實體的現金及現金等價物、受限制現金、若干預付款項及若干應收款項。管理層認為，分配至不同分部不切實際或意義不大。

未分配負債主要指若干借款、若干應付款項及從事多個業務分部的集團實體的遞延收益。管理層認為，分配至不同分部不切實際或意義不大。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

- (i) Segment results and capital expenditure for the year ended 31 December 2021 are as follows:

**Year ended 31 December 2021:**

		Wastewater treatment	Water supply	Construction and sales of equipment	Solid waste treatment	Others	Unallocated	Total
		污水處理	供水	設備銷售	固廢處理	其他	未分配	總計
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
Gross segment revenue	分部收益總額	3,387,304	921,809	185,511	754,765	79,798	—	5,329,187
Inter-segment revenue	分部間收益	—	—	(48,444)	—	—	—	(48,444)
Revenue from external customers	來自外部客戶的收入	3,387,304	921,809	137,067	754,765	79,798	—	5,280,743
Revenue from contracts with customers	與客戶合約之收入							
– Recognised at a point in time	– 於某一時點確認	—	700,091	18,550	—	—	—	718,641
– Recognised at over time	– 於某一時段確認	2,697,007	172,748	118,517	695,990	79,798	—	3,764,060
Revenue from other sources	其他收入來源							
– Finance income	– 融資收入	690,297	48,970	—	58,775	—	—	798,042
Gross profit	毛利	1,089,813	161,201	(1,574)	45,154	21,970	—	1,316,564
Other income	其他收入							54,080
Other gains — net	其他收益淨額							164,333
Selling expenses	銷售開支							(48,374)
Administrative expenses	行政開支							(650,674)
Net impairment losses on financial and contract assets	金融及合約資產減值虧損淨額							(419,125)
Finance costs — net	融資成本淨額							(1,526,254)
Share of profit/(loss) of investments accounted for using the equity method — net	以權益法入賬的應佔投資溢利/(虧損)淨額	36,370	8,862	16,457	(2,389)	1,928	17,289	78,517
Loss before income tax	所得稅前虧損							(1,030,933)
Income tax expenses	所得稅開支							(24,321)
Loss for the year	年內虧損							(1,055,254)
Depreciation and amortisation	折舊和攤銷	(164,981)	(251,987)	(12,703)	(204,445)	(6,487)	(22,725)	(663,328)
Segment assets	分部資產	23,136,847	8,425,005	5,985,077	8,418,512	1,772,449	687,730	48,425,620
Segment assets include:	分部資產包括:							
Investments accounted for using the equity method	以權益法入賬的投資	58,287	—	—	39,200	987,264	—	1,084,751
Segment liabilities	分部負債	12,946,848	1,192,607	5,288,207	3,510,081	767,151	17,122,588	40,827,482
Additions to non-current assets (other than financial instruments and deferred income tax assets)	非流動資產的添置 (金融工具和遞延所得稅資產除外)	2,043,812	119,749	207,613	409,046	770,469	45,499	3,596,188

### 5. 分部資料(續)

- (i) 截至二零二一年十二月三十一日止年度的分部業績及資本支出如下:

截至二零二一年十二月三十一日止年度:

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

- (i) Segment results and capital expenditure for the year ended 31 December 2021 are as follows: (Continued)

Year ended 31 December 2020:

		Wastewater treatment	Water supply	Construction and sales of equipment 建造及設備銷售	Solid waste treatment	Others	Unallocated	Total
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
Gross segment revenue	分部收益總額	5,286,533	975,588	1,912,808	1,346,698	166,699	—	9,688,326
Inter-segment revenue	分部間收益	—	—	(1,291,696)	—	—	—	(1,291,696)
Revenue from external customers	來自外部客戶的收入	5,286,533	975,588	621,112	1,346,698	166,699	—	8,396,630
Revenue from contracts with customers	與客戶合約之收入							
– Recognised at a point in time	– 於某一時點確認	—	683,764	324,143	—	—	—	1,007,907
– Recognised at over time	– 於某一時段確認	4,695,819	241,824	296,969	1,300,224	166,699	—	6,701,535
Revenue from other sources	其他收入來源							
– Finance income	– 融資收入	590,714	50,000	—	46,474	—	—	687,188
Gross profit	毛利	1,314,752	270,890	344,473	110,239	55,778	—	2,096,132
Other income	其他收入							86,668
Other gains — net	其他收益淨額							48,810
Selling expenses	銷售開支							(42,445)
Administrative expenses	行政開支							(441,692)
Net impairment losses on financial and contract assets	金融及合約資產減值虧損淨額							(70,156)
Finance costs — net	融資成本淨額							(1,253,263)
Share of profit/(loss) of investments accounted for using the equity method — net	以權益法入賬的應佔投資溢利/(虧損)淨額	29,699	8,918	15,299	50,231	3,499	(29,076)	78,570
Profit before income tax	所得稅前溢利							502,624
Income tax expenses	所得稅開支							(161,313)
Profit for the year	年內溢利							341,311
Depreciation and amortisation	折舊和攤銷	(152,699)	(222,233)	(13,052)	(175,052)	(15,320)	(12,521)	(590,877)
Segment assets	分部資產	21,570,460	8,254,206	6,788,458	9,076,813	986,914	575,963	47,252,814
Segment assets include:	分部資產包括:							
Investments accounted for using the equity method	以權益法入賬的投資	265,724	55,507	60,660	192,462	38,033	240,398	852,784
Segment liabilities	分部負債	10,110,711	1,364,570	4,327,386	3,203,200	777,924	19,861,461	39,645,252
Additions to non-current assets (other than financial instruments and deferred income tax assets)	非流動資產的添置 (金融工具和遞延所得稅資產除外)	5,295,921	731,037	333,046	1,292,150	21,306	16,066	7,689,526

### 5. 分部資料(續)

- (i) 截至二零二一年十二月三十一日止年度的分部業績及資本支出如下(續):

截至二零二零年十二月三十一日止年度:

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

- (ii) Segment assets and liabilities are measured in the same way as in the financial statements. The table of segment assets/liabilities by region is as follows:

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Segment assets</b>	<b>分部資產</b>		
– Mainland China	– 中國大陸	<b>46,277,480</b>	45,097,231
– Indonesia	– 印尼	<b>925,306</b>	913,764
– Thailand	– 泰國	<b>410,617</b>	548,210
– Hong Kong	– 中國香港	<b>108,358</b>	109,881
– Singapore	– 新加坡	<b>16,129</b>	7,765
Total segment assets	分部資產總額	<b>47,737,890</b>	46,676,851
– Unallocated	– 未分配	<b>687,730</b>	575,963
Total assets	總資產	<b>48,425,620</b>	47,252,814
<b>Segment liabilities</b>	<b>分部負債</b>		
– Mainland China	– 中國大陸	<b>23,173,420</b>	19,146,912
– Indonesia	– 印尼	<b>407,133</b>	450,828
– Thailand	– 泰國	<b>72,251</b>	142,730
– Singapore	– 新加坡	<b>31,811</b>	23,651
– Hong Kong	– 中國香港	<b>20,279</b>	19,670
Total segment liabilities	分部負債總額	<b>23,704,894</b>	19,783,791
– Unallocated	– 未分配	<b>17,122,588</b>	19,861,461
Total liabilities	總負債	<b>40,827,482</b>	39,645,252

Inter-segment transfers or transactions are entered into at terms and conditions agreed upon by respective parties. Eliminations comprise inter-segment trade and non-trade balances. Pricing policy for inter-segment transactions is determined by reference to market price.

### 5. 分部資料(續)

- (ii) 分部資產及負債以相同方式在財務報表中計量。下表載列按地域劃分的分部資產／負債：

分部間轉撥或交易乃按各方協定的條款及條件進行。對銷包括分部間貿易及非貿易結餘。分部間交易的定價政策經參考市價後釐定。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

(iii) The revenue of group entities from external customers broken down by location of the goods or services are delivered to is shown in the table below.

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Mainland China	中國大陸	5,144,711	7,982,874
Indonesia	印尼	95,795	356,607
Thailand	泰國	40,176	55,239
Hong Kong	中國香港	61	1,910
		<b>5,280,743</b>	<b>8,396,630</b>

(iv) Breakdown of the revenue from all services and sales of goods is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Operating services	運營服務	2,053,894	1,825,725
Construction services	建造服務	2,211,942	5,095,906
Finance income	融資收入	798,042	687,188
Engineering — Procurement — Construction (“EPC”) and sales of equipment	設計 — 採購 — 施工 (「EPC」) 及設備銷售	137,067	621,112
Others	其他	79,798	166,699
		<b>5,280,743</b>	<b>8,396,630</b>

### 5. 分部資料(續)

(iii) 收集集團實體來自外部客戶的收益按交付貨品或服務的地點劃分的明細載列下表。

(iv) 自全部服務及銷售貨品產生的收益之明細載列如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 5. SEGMENT INFORMATION (Continued)

(v) Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

		<b>As at 31 December 2021</b>	As at 31 December 2020
		於二零二一年 十二月 三十一日	於二零二零年 十二月 三十一日
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Contract assets — Non-current	合約資產 — 非流動		
– Related to wastewater treatment services	– 與污水處理服務有關	<b>10,349,156</b>	8,730,148
– Related to construction services	– 與建造服務有關	<b>901,993</b>	908,973
– Related to solid waste treatment services	– 與固廢處理服務有關	<b>866,662</b>	746,511
– Related to water supply services	– 與供水服務有關	<b>606,886</b>	579,961
Less: provision for impairment	減：減值撥備	<b>(24,606)</b>	(5,760)
		<b>12,700,091</b>	10,959,833
Contract assets — Current	合約資產 — 流動		
– Related to wastewater treatment services	– 與污水處理服務有關	<b>276,192</b>	285,711
– Related to construction services	– 與建造服務有關	<b>190,970</b>	262,026
– Related to water supply services	– 與供水服務有關	<b>19,421</b>	17,733
Less: provision for impairment	減：減值撥備	<b>(541)</b>	—
		<b>486,042</b>	565,470
		<b>13,186,133</b>	11,525,303
Contract liabilities — Current	合約負債 — 流動		
– Related to construction services	– 與建造服務有關	<b>44,936</b>	53,138
– Related to water supply services	– 與供水服務有關	<b>34,211</b>	28,551
– Related to solid waste treatment services	– 與固廢處理服務有關	<b>8,197</b>	6,462
		<b>87,344</b>	88,151

### 5. 分部資料(續)

(v) 與客戶訂立合約相關之資產及負債

本集團將已確認以下與客戶訂立合約相關之資產及負債：



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 6. OTHER INCOME

### 6. 其他收入

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Government grants	政府補助	39,093	41,938
Value-added tax refunds	增值稅退稅	9,547	16,355
Miscellaneous income	雜項收入	5,440	28,375
		<b>54,080</b>	86,668

### 7. OTHER GAINS — NET

### 7. 其他收益淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Penalty expenditure	罰款支出	<b>(40,865)</b>	—
Net gain on disposal of investments in a subsidiary, joint ventures and an associate	出售一間附屬公司、合營公司及一間聯營公司投資產生的收益淨額	<b>42,538</b>	42,397
Fair value gain on derivative assets relating to investment in an associate (note 16(b-2))	與一間聯營公司投資相關的衍生資產的公平值收益 (附註16(b-2))	<b>170,164</b>	—
Others	其他	<b>(7,504)</b>	6,413
		<b>164,333</b>	48,810

## Notes to the Consolidated Financial Statements

### 合併財務報表附註

#### 8. NET IMPAIRMENT LOSSES ON FINANCIAL AND CONTRACT ASSETS

#### 8. 金融及合約資產減值虧損淨額

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Impairment losses on	減值虧損		
– Trade receivables	– 貿易應收款項	305,892	59,766
– Other receivables	– 其他應收款項	80,893	1,040
– Contract assets	– 合約資產	19,387	5,760
– Receivables under service concession arrangements	– 服務特許經營安排下的應收款項	12,953	3,590
		<b>419,125</b>	70,156

#### 9. EXPENSES BY NATURE

#### 9. 按性質劃分的開支

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Employee benefit expenses (note 10)	僱員福利開支 (附註10)	666,450	588,882
Depreciation of property, plant and equipment (note 17)	物業、廠房及設備折舊 (附註17)	210,675	191,652
Depreciation of right-of-use assets (note 19)	使用權資產折舊 (附註19)	22,688	24,430
Depreciation of investment properties (note 18)	投資物業折舊 (附註18)	845	845
Amortisation of intangible assets (note 21)	無形資產攤銷 (附註21)	429,120	373,950
Impairment of intangible assets (note 21)	無形資產減值 (附註21)	198,155	—
Impairment of prepayments (note 23)	預付款項減值 (附註23)	39,267	—
Legal and professional fee	法律及專業費用	18,725	34,589
Auditor's remuneration	核數師薪酬	7,450	7,450
– Audit services	– 審計服務	7,250	7,250
– Non-audit services	– 非審計服務	200	200
Electricity, raw materials consumptions and other costs for operating services	經營服務的電力、原材料消耗及其他成本	815,387	639,689
Costs of construction services	建造服務成本	2,017,032	4,524,020
Costs of EPC and sales of equipment	EPC及銷售設備成本	115,295	247,449

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 10. EMPLOYEE BENEFIT EXPENSES, INCLUDING DIRECTORS' EMOLUMENTS

### 10. 僱員福利開支 — 包括董事酬金

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	468,689	462,065
Pension costs of defined contribution plans	定額供款計劃的退休金成本	63,091	10,710
Housing funds, medical insurances and other social insurances	住房公積金、醫療保險及其他社會保險	73,964	58,520
Other welfare and allowance	其他津貼及福利	60,706	57,587
		<b>666,450</b>	<b>588,882</b>

#### (a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include one (2020: two) directors, whose emoluments are reflected in the analysis shown in note 39. The emoluments payable to the remaining four (2020: three) individuals during the year are as follows:

#### (a) 五名最高薪人士

本集團於本年度的五名最高薪人士包括一名(二零二零年：兩名)董事，其酬金反映於附註39所列分析。於本年度向餘下四名(二零二零年：三名)人士應付的酬金如下所示：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Basic salaries, housing allowances, other benefits in kind	基本薪金、住房津貼、其他實物福利	2,879	2,594

## Notes to the Consolidated Financial Statements 合併財務報表附註

### 10. EMPLOYEE BENEFIT EXPENSES, INCLUDING DIRECTORS' EMOLUMENTS (Continued)

#### (a) Five highest paid individuals (Continued)

The emoluments of these remaining individuals of the Group fell within the following bands:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Emolument bands	酬金範圍		
	人民幣445,000元至 人民幣889,000元 (相等於500,000港元至 1,000,000港元)	4	2
RMB445,000 to RMB889,000 (equivalent to HKD500,000 to HKD1,000,000)	人民幣889,000元至 人民幣1,334,000元 (相等於1,000,000港元至 1,500,000港元)	—	1
RMB889,000 to RMB1,334,000 (equivalent to HKD1,000,000 to HKD1,500,000)			

### 10. 僱員福利開支 — 包括董事酬金(續)

#### (a) 五名最高薪人士(續)

本集團該等餘下人士的酬金介乎以下範圍：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 11. FINANCE INCOME AND EXPENSES

### 11. 融資收入及開支

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Finance income</b>	<b>融資收入</b>		
– Interest income	– 利息收入	<b>10,932</b>	13,825
– Net exchange gains on financing activities (note a)	– 融資活動的匯兌收益淨額 (附註a)	—	15,170
		<b>10,932</b>	28,995
<b>Finance costs</b>	<b>融資成本</b>		
– Borrowing costs	– 借款成本	<b>(1,631,394)</b>	(1,477,909)
Less: amounts capitalised on qualifying assets (note b)	減：合資格資產的 資本化金額 (附註b)	<b>139,644</b>	204,006
		<b>(1,491,750)</b>	(1,273,903)
– Net exchange loss on financing activities (note a)	– 融資活動的匯兌虧損淨額 (附註a)	<b>(33,712)</b>	—
– Unwinding of provision (note 33)	– 解除撥備 (附註33)	<b>(11,724)</b>	(8,355)
		<b>(1,537,186)</b>	(1,282,258)
Finance costs — net	融資成本淨額	<b>(1,526,254)</b>	(1,253,263)

(a) Amounts mainly represented the exchange gains or losses of translating financial assets and liabilities denominated in Non-functional currencies.

(b) Borrowing costs were capitalised at the weighted average rate of 5.73% for the year ended 31 December 2021 (2020: 5.74%).

(a) 該款項主要指換算以非功能貨幣計值的融資資產及負債的匯兌損益。

(b) 截至二零二一年十二月三十一日止年度，借款成本乃按5.73%（二零二零年：5.74%）的加權平均利率予以資本化。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12. INCOME TAX EXPENSES

### 12. 所得稅開支

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current income tax	即期所得稅		
– Corporate income tax	– 企業所得稅	146,046	239,640
Deferred income tax	遞延所得稅		
– Corporate income tax	– 企業所得稅	(121,725)	(78,327)
		24,321	161,313

#### (a) PRC corporate income tax

Certain subsidiaries in certain industries operating in the western region of Mainland China can enjoy a preferential corporate income tax rate of 15%, provided their revenues generated from main operating activities accounted for more than 70% of their total revenues of the period.

Certain subsidiaries operating wastewater and solid waste treatment projects in Mainland China are eligible for a tax holiday of three-year full exemption followed by three-year half exemption of corporate income tax commencing from their first year generating operating revenue.

Except for preferential treatments available to certain subsidiaries as mentioned above, other subsidiaries within the Group in Mainland China are subject to corporate income tax at the statutory rate of 25% (2020: 25%).

#### (b) Thailand corporate income tax

The subsidiary operating solid waste treatment project in Thailand is subject to corporate income tax at the statutory rate of 20% for the year ended 31 December 2021 (2020: The subsidiary operating solid waste treatment project in Thailand is eligible for an eight-year tax holiday of full exemption from July 2013 to June 2020 and subject to corporate income tax at the statutory rate of 20% from July 2020).

#### (a) 中國企業所得稅

在中國大陸西部地區從事若干行業的若干附屬公司可享受15%的優惠企業所得稅稅率，前提是其主要營運業務收益須達到其當期收益總額的70%以上。

在中國大陸經營污水及固廢處理項目的若干附屬公司自產生經營收益首年起可享有三年免稅期及緊接三年企業所得稅減半的待遇。

除上文所述若干附屬公司可享受優惠待遇外，本集團於中國大陸的其他附屬公司須按法定稅率25%（二零二零年：25%）繳納企業所得稅。

#### (b) 泰國企業所得稅

截至二零二一年十二月三十一日止年度，在泰國經營固廢處理項目的附屬公司須按20%的法定稅率繳納企業所得稅（二零二零年：在泰國經營固廢處理項目的附屬公司可享有由二零一三年七月至二零二零年六月八年免稅期，自二零二零年七月起按法定稅率20%繳納企業所得稅）。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12. INCOME TAX EXPENSES (Continued)

#### (c) Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the year ended 31 December 2021 (2020: 16.5%).

No provision for Hong Kong profits tax was made as the Group did not have any assessable profit in Hong Kong for the year ended 31 December 2021 (2020: same).

#### (d) Indonesia corporate income tax

The subsidiary operating solid waste treatment project in Indonesia is subject to corporate income tax at the statutory rate of 22% for the year ended 31 December 2021 (2020: same).

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profit of the group entities as follows:

### 12. 所得稅開支(續)

#### (c) 香港利得稅

截至二零二一年十二月三十一日止年度，適用的香港利得稅稅率為16.5%（二零二零年：16.5%）。

由於本集團於截至二零二一年十二月三十一日止年度並無在香港產生應課稅溢利，故並無計提香港利得稅撥備（二零二零年：相同）。

#### (d) 印尼企業所得稅

截至二零二一年十二月三十一日止年度，在印尼經營固廢處理項目的附屬公司須按22%的法定稅率繳納企業所得稅（二零二零年：相同）。

本集團除所得稅前溢利的稅項有別於使用適用於集團實體的溢利的加權平均稅率所計算的理論金額，具體如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
(Loss)/profit before income tax	所得稅前（虧損）／溢利	<b>(1,030,933)</b>	502,624
Less: Share of profits of investments accounted for using the equity method	減：以權益法入賬的應佔投資溢利	<b>(78,517)</b>	(78,570)
		<b>(1,109,450)</b>	424,054
Tax calculated at tax rates applicable to profits in the respective companies	按有關公司溢利適用的稅率計算的稅項	<b>(231,774)</b>	104,131
Effect of tax losses not recognised as deferred income tax assets	未確認為遞延所得稅資產的稅務虧損的影響	<b>221,091</b>	24,501
Effect of expenses not deductible for tax purpose	不可扣稅開支的影響	<b>35,004</b>	32,681
Income tax expenses	所得稅開支	<b>24,321</b>	161,313

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 12. INCOME TAX EXPENSES (Continued)

#### (d) Indonesia corporate income tax (Continued)

Deferred income tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. As at 31 December 2021, the Group did not recognise deferred income tax assets of RMB264,900,000 (2020: RMB43,809,000) in respect of tax losses amounting to RMB1,231,498,000 (2020: RMB208,518,000) that can be carried forward against future taxable income, which will expire by 2026.

### 13. (LOSS)/EARNINGS PER SHARE

#### (a) Basic

The basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares issued during the year ended 31 December 2021.

### 12. 所得稅開支(續)

#### (d) 印尼企業所得稅(續)

就結轉之稅務虧損而確認之遞延所得稅資產僅限於有關稅務利益可透過未來應課稅盈利實現之情況。於二零二一年十二月三十一日，本集團並無就可結轉抵銷未來應課稅收入的稅項虧損人民幣1,231,498,000元(二零二零年：人民幣208,518,000元)確認遞延所得稅資產人民幣264,900,000元(二零二零年：人民幣43,809,000元)，且其將於二零二六年前陸續到期。

### 13. 每股(虧損)/盈利

#### (a) 基本

每股基本虧損按本公司普通股股東應佔虧損除以截至二零二一年十二月三十一日止年度已發行的普通股加權平均數計算。

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
(Loss)/profit attributable to the ordinary shareholders of the Company (RMB'000)	本公司普通股股東應佔(虧損)/溢利(人民幣千元)	(1,001,876)	223,095
Weighted average number of ordinary shares in issue (thousands)	已發行的普通股加權平均數(千股)	1,193,213	1,193,213
Basic (loss)/earnings per share (RMB per share)	每股基本(虧損)/盈利(每股人民幣元)	(0.840)	0.187

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 13. (LOSS)/EARNINGS PER SHARE (Continued)

#### (b) Diluted

Diluted loss per share is the same as basic loss per share as there were no potential diluted ordinary shares outstanding as at 31 December 2021 (2020: Diluted earnings per share is the same as basic earnings per share as there were no potential diluted ordinary shares outstanding as at 31 December 2020).

### 14. DIVIDENDS

At the board of directors meeting held on 31 March 2022, the directors of the Company did not recommend the payment of any final dividend for the year ended 31 December 2021 (2020: RMB0.06 per ordinary share amounting to approximately RMB71,593,000) out of retained earnings of the Company.

The 2020 dividends of RMB21,166,000 were paid in August 2021.

### 13. 每股(虧損)/盈利(續)

#### (b) 攤薄

由於截至二零二一年十二月三十一日並無發行在外的潛在攤薄普通股，故每股攤薄虧損與每股基本虧損相同(二零二零年：截至二零二零年十二月三十一日並無發行在外的潛在攤薄普通股，故每股攤薄盈利與每股基本盈利相同)。

### 14. 股息

在二零二二年三月三十一日舉行的董事會會議上，本公司董事不建議就截至二零二一年十二月三十一日止年度自本公司保留盈利中撥付任何末期股息(二零二零年：每股普通股人民幣0.06元，合共約人民幣71,593,000元)。

二零二零年股息人民幣21,166,000元已於二零二一年八月派付。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2021, all of which are private limited liability companies:

### 15. 附屬公司

以下為二零二一年十二月三十一日主要附屬公司名單，其均是非上市有限公司：

Name (note a)	Place of incorporation and operation, kind of legal entity 註冊地點、營業地點及法律實體類型	Issued and fully paid-up capital 已發行及悉數繳足股本	Ownership interests held by the Group (%) 本集團應佔權益百分比(%)	Ownership interests held by the non-controlling interests (%) (note c) 非控股權益應佔權益百分比(%) (附註c)	Principal activities 主要活動
Dali Water Industry Investment Co., Ltd. ("Dali Water") 大理水務產業投資有限公司 (「大理水務」)	The PRC, limited liability company** 中國，有限責任公司**	RMB 165,051,000 人民幣 165,051,000元	45 (2020: 45) (二零二零年：45)	55 (2020: 55) (二零二零年：55)	Wastewater treatment and water supply 污水處理及供水
Yunnan Yun Shui Construction & Engineering Co., Ltd 雲南雲水建設工程 有限公司	The PRC, limited liability company** 中國，有限責任公司**	RMB 913,405,000 人民幣 913,405,000元	57 (2020: 61) (二零二零年：61)	43 (2020: 39) (二零二零年：39)	Environmental protection equipment sales and construction 環保設備銷售及建設
Yunnan OriginWater Membrane Technology Co., Ltd. 雲南城投碧水源膜科技 有限責任公司	The PRC, limited liability company** 中國，有限責任公司**	RMB 55,614,800 人民幣 55,614,800元	57 (2020: 61) (二零二零年：61)	43 (2020: 39) (二零二零年：39)	Environmental protection equipment sales 環保設備銷售
Jinghong Water Supply and Drainage Co., Ltd. 景洪市給排水 有限責任公司	The PRC, limited liability company** 中國，有限責任公司**	RMB 80,000,000 人民幣 80,000,000元	51 (2020: 51) (二零二零年：51)	49 (2020: 49) (二零二零年：49)	Wastewater treatment and water supply 污水處理及供水

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. SUBSIDIARIES (Continued)

### 15. 附屬公司 (續)

Name (note a)	Place of incorporation and operation, kind of legal entity	Issued and fully paid-up capital	Ownership interests held by the Group (%)	Ownership interests held by the non-controlling interests (%) (note c)	Principal activities
名稱 (附註a)	註冊地點、營業地點及法律實體類型	已發行及悉數繳足股本	本集團應佔權益百分比 (%)	非控股權益應佔權益百分比 (%) (附註c)	主要活動
Yunnan Zhengxiao Environmental Investment Co., Ltd	The PRC, limited liability company**	RMB 30,500,000	100 (2020: 100)	— (2020: —)	Solid waste treatment
雲南正曉環保投資有限公司	中國，有限責任公司**	人民幣 30,500,000元	100 (二零二零年：100)	— (二零二零年：—)	固廢處理
Yunnan Water (Hong Kong) Company Limited	Hong Kong	HKD 1,735,147,000	100 (2020: 100)	— (2020: —)	Investment in wastewater treatment and water supply
雲南水務 (香港) 股份有限公司	中國香港	港元 1,735,147,000	100 (二零二零年：100)	— (二零二零年：—)	投資污水處理及供水
Huize Water (Qingzhou) Company Limited	The PRC, limited liability company*	RMB 53,152,000	100 (2020: 100)	— (2020: —)	Water supply
暉澤水務 (青州) 有限公司	中國，有限責任公司*	人民幣 53,152,000元	100 (二零二零年：100)	— (二零二零年：—)	供水
PT Sumber Organik Indonesia	Indonesia	IDR 10,250,000,000	95 (2020: 95)	5 (2020: 5)	Solid waste treatment
	印尼	10,250,000,000 印尼盾	95 (二零二零年：95)	5 (二零二零年：5)	固廢處理

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. SUBSIDIARIES (Continued)

### 15. 附屬公司 (續)

Name (note a)	Place of incorporation and operation, kind of legal entity 註冊地點、營業地點及法律實體類型	Issued and fully paid-up capital 已發行及悉數繳足股本	Ownership interests held by the Group (%) 本集團應佔權益百分比(%)	Ownership interests held by the non-controlling interests (%) (note c) 非控股權益應佔權益百分比(%) (附註c)	Principal activities 主要活動
Shandong Tengyue Dangerous Chemical Wastes research and treatment Co., Ltd. ("Shandong Tengyue") 山東騰躍化學危險廢棄物研究處理有限公司 ("山東騰躍")	The PRC, limited liability company**	RMB 108,571,429	97 (2020: 97)	3 (2020: 3)	Solid waste treatment
Tai'an Tengyue Environmental Protection Technology Co., Ltd. 泰安市騰躍環保科技有限公司	The PRC, limited liability company**	RMB 10,000,000	97 (2020: 97)	3 (2020: 3)	Solid waste treatment
Jinan Yunshui Tengyue Environmental Industry Co., Ltd. ("Jinan Yunshui Tengyue") 濟南雲水騰躍環保科技有限公司 ("濟南雲水騰躍")	The PRC, limited liability company**	RMB 50,000,000	97 (2020: 97)	3 (2020: 3)	Solid waste treatment
Xinjiang Qinggeda Yunshui Environmental Industry Investment and Development Co., Ltd. 新疆青格達雲水環保投資有限公司	The PRC, limited liability company**	RMB 227,500,000	100 (2020: 100)	— (2020: —)	Wastewater treatment



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. SUBSIDIARIES (Continued)

### 15. 附屬公司 (續)

Name (note a)	Place of incorporation and operation, kind of legal entity 註冊地點、營業地點及法律實體類型	Issued and fully paid-up capital 已發行及悉數繳足股本	Ownership interests held by the Group (%) 本集團應佔權益百分比(%)	Ownership interests held by the non-controlling interests (%) (note c) 非控股權益應佔權益百分比(%) (附註c)	Principal activities 主要活動
Langfang Hyflux NewSpring Co., Ltd.	The PRC, limited liability company*	US\$ 12,400,000	100 (2020: 100)	— (2020: —)	Wastewater treatment
廊坊凱發新泉水務有限公司	中國，有限責任公司*	12,400,000美元	100 (二零二零年：100)	— (二零二零年：—)	污水處理
Xinjiang Yunshui Environmental Industry Investment and Development Co., Ltd.	The PRC, limited liability company**	RMB 500,000,000	100 (2020: 100)	— (2020: —)	Wastewater treatment
新疆雲水環保投資有限公司	中國，有限責任公司**	人民幣 500,000,000元	100 (二零二零年：100)	— (二零二零年：—)	污水處理
Guizhou Renhuai Yunshui Environmental Industry Co., Ltd.	The PRC, limited liability company**	RMB 522,839,000	90 (2020: 90)	10 (2020: 10)	Wastewater treatment
貴州仁懷雲水環境有限公司	中國，有限責任公司**	人民幣 522,839,000元	90 (二零二零年：90)	10 (二零二零年：10)	污水處理

\* Registered as wholly foreign owned enterprises under PRC law

\* 根據中國法律註冊為外商獨資企業

\*\* Registered as domestic enterprises under the PRC law

\*\* 根據中國法律註冊為境內企業

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 15. SUBSIDIARIES (Continued)

- (a) The English names of these subsidiaries referred to in this report represent management's best effort at translating the Chinese names of those companies, as no English names have been registered.
- (b) According to the capital injection agreement date in 9 April 2014, the Group and the minority shareholders will hold 45% and 55% equity interests of Dali Water, respectively. As at 31 December 2021, The Group has controlled Dali Water through an agreement entered into with one of minority shareholders of Dali Water pursuant to which the minority shareholder confirmed to act in accordance with the Group in decision on relevant activities of Dali Water. (2020: same).
- (c) The total non-controlling interests in respect of the subsidiaries as at 31 December 2021 are RMB1,961,636,000 (2020: RMB1,932,201,000), and are considered individually immaterial to the Group.
- (d) As at 31 December 2021, the carrying amounts of investment in subsidiaries pledged as security for borrowings are RMB3,133,640,000 (2020: RMB1,339,307,000).
- (e) In December 2021 and January 2022, lenders of certain Overdue Borrowings had taken for property preservation by judicatory, which included frozen of the Group's 100% equity interests in a subsidiary with net asset value of RMB177,406,000 as at 31 December 2021.

### 15. 附屬公司(續)

- (a) 本報告所提述的該等附屬公司的英文名稱乃管理層盡力翻譯其中文名稱的結果，原因是未曾註冊任何英文名稱。
- (b) 根據日期為二零一四年四月九日的增資擴股協議，本集團與少數股東將分別持有大理水務45%和55%的股權。截至二零二一年十二月三十一日，本集團透過一份與其中一名大理水務少數股東所訂立的協議而控制大理水務的股權，據此，少數股東確認，在作出有關大理水務的相關活動決策時與本集團一致行動(二零二零年：相同)。
- (c) 於二零二一年十二月三十一日有關附屬公司的非控股權益總額為人民幣1,961,636,000元(二零二零年：人民幣1,932,201,000元)，並被視為對本集團個別並不重大。
- (d) 於二零二一年十二月三十一日，借款由賬面值人民幣3,133,640,000元的於附屬公司的投資質押作抵押(二零二零年：人民幣1,339,307,000元)。
- (e) 於二零二一年十二月及二零二二年一月，若干逾期借款的貸款人已採取司法手段進行財產保全，其中包括凍結本集團在間附屬公司的100%股權，於二零二一年十二月三十一日，該附屬公司的資產淨值為人民幣177,406,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts recognised in the consolidated balance sheet are as follows:

		<b>As at 31 December</b>	
		於十二月三十一日	
		<b>2021</b>	2020
		二零二一年	二零二零年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Joint ventures (note a)	合營公司 (附註a)	<b>39,200</b>	728,050
Associates (note b)	聯營公司 (附註b)	<b>1,045,551</b>	124,734
		<b>1,084,751</b>	852,784

The amounts recognised in the profit or loss accounts are as follows:

		<b>Year ended 31 December</b>	
		截至十二月三十一日止年度	
		<b>2021</b>	2020
		二零二一年	二零二零年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Joint ventures	合營公司		
– Share of profit for the year	– 應佔年內溢利	<b>75,004</b>	73,252
Associates	聯營公司		
– Share of profit for the year	– 應佔年內溢利	<b>3,513</b>	5,318
		<b>78,517</b>	78,570

### 16. 以權益法入賬的投資

於合併資產負債表確認的金額如下：

於損益賬目的金額如下：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

#### (a) Investments in joint ventures

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Balance at 1 January</b>	於一月一日的結餘	<b>728,050</b>	976,601
Addition	添置	—	40,000
Share of profit for the year	應佔年內溢利	<b>75,004</b>	73,252
Dividends declared by a joint venture	來自合營公司宣派的股息	—	(29,000)
Disposal (note b-2)	出售 (附註b-2)	<b>(763,854)</b>	(332,803)
<b>Balance at 31 December</b>	於十二月三十一日的結餘	<b>39,200</b>	728,050

(a-1) The Group has interests in joint ventures that is accounted for using the equity method.

### 16. 以權益法入賬的投資(續)

#### (a) 於合營公司的投資

(a-1) 本集團年內於合營公司的投資乃以權益法入賬。

		Percentage of ownership interest As at 31 December 所有權權益百分比 於十二月三十一日	
Name of entity 實體名稱	Place of business/ country of incorporation 營業地點/ 註冊成立的國家	2021 二零二一年	2020 二零二零年
Beijing Bailigerui Resources Technology Company Limited ("Beijing Bailigerui") 北京佰利格瑞資源科技有限公司 (「北京佰利格瑞」)	PRC 中國	<b>40.00%</b>	40.00%
Zhejiang Haiyun Environmental Protection Company Limited ("Haiyun Environmental Protection") 浙江海雲環保有限公司 (「海雲環保」)	PRC 中國	<b>N/A</b> 不適用	49.00%

## Notes to the Consolidated Financial Statements 合併財務報表附註

### 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

#### (a) Investments in joint ventures (Continued)

(a-2) The table below provide summarised financial information of joint ventures that are individually immaterial to the Group.

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Aggregate carrying amount of individually immaterial joint ventures	個別不重大合營公司的總賬面值	39,200	728,050
Aggregate amounts of the Group's share of:	本集團分佔以下各項的總額：		
– Profit from continuing operations and total comprehensive income	– 來自持續經營業務的溢利及綜合收益總額	75,004	73,252

#### (b) Investments in associates

### 16. 以權益法入賬的投資(續)

#### (a) 於合營公司的投資(續)

(a-2) 下表概述個別對本集團並不重大的合營公司的財務資料。

#### (b) 於聯營公司的投資

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Balance at 1 January</b>	於一月一日的結餘	124,734	119,416
Addition (note b-2)	添置(附註b-2)	947,304	—
Share of profit for the year	應佔年內溢利	3,513	5,318
Disposal	出售	(30,000)	—
<b>Balance at 31 December</b>	於十二月三十一日的結餘	1,045,551	124,734

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

#### (b) Investments in associates (Continued)

(b-1) The Group has interests in associates that is accounted for using the equity method.

Name of entity 實體名稱	Place of business/ country of incorporation 營業地點/ 註冊成立的國家	Percentage of ownership interest As at 31 December 所有權權益百分比 於十二月三十一日	
		2021 二零二一年	2020 二零二零年
Zhejiang Qianjiang Biochemical Co., Ltd. ("Qianjiang Biochemical") (note b-2) 浙江錢江生物化學股份有限公司 (「錢江生化」)(附註b-2)	PRC 中國	20.24%	N/A 不適用
Langfang Yunxin Environmental Protection Company Limited ("Langfang Yunxin") 廊坊市雲新環境治理有限公司 (「廊坊雲新」)	PRC 中國	49.00%	49.00%
Beijing Kunlun Coastal Sensing Technology Co., Ltd. 北京昆侖海岸傳感技術有限公司	PRC 中國	25.00%	25.00%
Qingdao Yuanchuang Energy Conservation and Environmental Protection Venture Investment Fund Partnership (Limited partnership) 青島源創節能環保創業投資基金合夥企業 (有限合夥)	PRC 中國	15.00%	15.00%
Henan Liwei Biological Pharmaceutical Co., Ltd Yellow River New Energy Branch 河南利偉生物藥業股份有限公司 黃河新能源分公司	PRC 中國	40.00%	40.00%

### 16. 以權益法入賬的投資(續)

#### (b) 於聯營公司的投資(續)

(b-1) 本集團年內於聯營公司的投資乃以權益法入賬。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

#### (b) Investments in associates (Continued)

(b-2) On 6 June 2021, the Company entered into an Equity Acquisition and Share Issuance Agreement with Qianjiang Biochemical, pursuant to which the Company conditionally agreed to dispose of its 49% equity interests in Haiyun Environmental Protection to Qianjiang Biochemical at a consideration of RMB777,140,000 to be settled by issuance of new shares of Qianjiang Biochemical to the Company which represented approximately 20.24% equity interest in Qianjiang Biochemical. On the same date, the Company entered into a profit guarantee agreement with Qianjiang Biochemical, pursuant to which the Company undertook to indemnify Qianjiang Biochemical in the event that Haiyun Environmental Protection fails to achieve any of the accumulated minimum net profit as agreed for each of year ending 31 December 2021, 2022 and 2023, the Company shall compensate Qiaojiang Biochemical of certain number of Qiaojiang Biochemical's shares held by the Company calculated according to the proportion of actual shortfall in net profit out of the agreed minimum net profit, the shares will be transferred at their par value of RMB1 each and will be cancelled after they are return to Qianjiang Biochemical. In the event that the actual shortfall of net profit exceeds the agreed minimum net profit, the compensation of exceeding shortfall should be made up by cash. On 23 December 2021, the aforesaid equity transaction has been completed and the Group recognised the investment in Qianjiang Biochemical of RMB947,304,000 according to the fair value of the 20.24% equity interest of Qianjiang Biochemical as of 23 December 2021 and a fair value gain of RMB170,164,000.

In December 2021 and January 2022, lenders of certain Overdue Borrowings had taken for property preservation by judicatory, which frozen of the Group's 18.42% equity interests in Qianjiang Biochemical with carrying value of investment in associates of RMB862,121,000 as at 31 December 2021.

### 16. 以權益法入賬的投資(續)

#### (b) 於聯營公司的投資(續)

(b-2) 於二零二一年六月六日，本公司與錢江生化簽訂股權收購及股份發行協議，據此，本公司有條件同意以代價人民幣777,140,000元將其持有的海雲環保49%的股權出售予錢江生化，代價將由錢江生化透過向本公司發行新股份結算(錢江生化約20.24%股權)。同日，本公司與錢江生化訂立盈利預測補償協議，據此，本公司承諾倘海雲環保未能於截至二零二一年、二零二二年及二零二三年十二月三十一日止各年度達成累計最低淨利潤，本公司應根據淨利潤佔約定最低淨利潤比例的實際差額向錢江生化補償本公司持有的若干數目的錢江生化股份，該等股份將以每股面值人民幣1元的價格轉讓，並在轉回錢江生化後註銷。倘淨利潤的實際差額超過約定最低淨利潤，則超過差額的補償應以現金結算。於二零二一年十二月二十三日，上述股權交易已完成，根據二零二一年十二月二十三日錢江生化20.24%股權的公平值及人民幣170,164,000元的公平值收益，本集團確認對錢江生化的投資為人民幣947,304,000元。

於二零二一年十二月及二零二二年一月，若干逾期借款的貸款人已通過司法程序採取財產保全措施，於二零二一年十二月三十一日凍結本集團在錢江生化的18.42%股權及於聯營公司的投資賬面值人民幣862,121,000元。

## Notes to the Consolidated Financial Statements 合併財務報表附註

### 16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

#### (b) Investments in associates (Continued)

(b-3) The table below provide summarised financial information for associates that are individually immaterial to the Group.

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Aggregate carrying amount of individually immaterial associates	個別不重大聯營公司的總賬面值	1,045,551	124,734
Aggregate amounts of the Group's share of:	本集團分佔以下各項的總額：		
– Profit from continuing operations and total comprehensive income	– 來自持續經營業務的溢利及綜合收益總額	3,513	5,318

### 16. 以權益法入賬的投資(續)

#### (b) 於聯營公司的投資(續)

(b-3) 下表概述個別對本集團並不重大的聯營公司的財務資料。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. PROPERTY, PLANT AND EQUIPMENT

### 17. 物業、廠房及設備

		Plants and buildings	Machinery	Motor vehicles	Electronic equipment and others	Construction in progress	Total
		廠房及樓宇	機器	汽車	電子設備及 其他	在建工程	總計
		RMB ' 000	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	人民幣千元
<b>At 1 January 2020</b>	<b>於二零二零年 一月一日</b>						
Cost	成本	1,237,604	1,757,963	76,541	152,903	963,096	4,188,107
Accumulated depreciation	累計折舊	(248,456)	(621,794)	(58,626)	(81,780)	—	(1,010,656)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>989,148</b>	<b>1,136,169</b>	<b>17,915</b>	<b>71,123</b>	<b>963,096</b>	<b>3,177,451</b>
<b>Year ended 31 December 2020</b>	<b>截至二零二零年 十二月三十一日 止年度</b>						
Opening net book amount	期初賬面淨值	989,148	1,136,169	17,915	71,123	963,096	3,177,451
Additions	添置	27,209	212,239	6,125	14,915	839,586	1,100,074
Transfer from construction in progress	轉撥自在建工程	81,869	129,931	—	—	(211,800)	—
Transfer from investment properties (note 18)	轉撥自投資物業 (附註18)	122	—	—	—	—	122
Disposals	出售	—	—	(29)	(4,117)	—	(4,146)
Depreciation charge (note 9)	折舊開支 (附註9)	(43,813)	(117,111)	(11,655)	(19,073)	—	(191,652)
<b>Closing net book amount</b>	<b>期末賬面淨值</b>	<b>1,054,535</b>	<b>1,361,228</b>	<b>12,356</b>	<b>62,848</b>	<b>1,590,882</b>	<b>4,081,849</b>
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>						
Cost	成本	1,347,153	2,100,133	82,544	163,203	1,590,882	5,283,915
Accumulated depreciation	累計折舊	(292,618)	(738,905)	(70,188)	(100,355)	—	(1,202,066)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>1,054,535</b>	<b>1,361,228</b>	<b>12,356</b>	<b>62,848</b>	<b>1,590,882</b>	<b>4,081,849</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 17. 物業、廠房及設備(續)

		Plants and buildings	Machinery	Motor vehicles	Electronic equipment and others	Construction in progress	Total
		廠房及樓宇	機器	汽車	電子設備及 其他	在建工程	總計
		RMB' 000	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	人民幣千元
<b>Year ended 31 December 2021</b>	<b>截至二零二一年 十二月三十一日 止年度</b>						
Opening net book amount	期初賬面淨值	1,054,535	1,361,228	12,356	62,848	1,590,882	4,081,849
Additions	添置	3,897	20,808	2,146	5,975	363,627	396,453
Transfer from construction in progress	轉撥自在建工程	241,065	160,714	—	64,137	(465,916)	—
Disposals	出售	(15,787)	(517)	(27)	(332)	—	(16,663)
Depreciation charge (note 9)	折舊開支(附註9)	(47,417)	(126,876)	(11,630)	(24,752)	—	(210,675)
<b>Closing net book amount</b>	<b>期末賬面淨值</b>	<b>1,236,293</b>	<b>1,415,357</b>	<b>2,845</b>	<b>107,876</b>	<b>1,488,593</b>	<b>4,250,964</b>
<b>At 31 December 2021</b>	<b>於二零二一年 十二月三十一日</b>						
Cost	成本	1,576,329	2,274,843	84,250	232,376	1,488,593	5,656,391
Accumulated depreciation	累計折舊	(340,036)	(859,486)	(81,405)	(124,500)	—	(1,405,427)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>1,236,293</b>	<b>1,415,357</b>	<b>2,845</b>	<b>107,876</b>	<b>1,488,593</b>	<b>4,250,964</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 17. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation was charged to profit or loss accounts under the following caption:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost of sales	銷售成本	175,227	171,782
Administrative expenses	行政開支	34,433	19,010
Selling expenses	銷售開支	1,015	860
		<b>210,675</b>	191,652

(a) As at 31 December 2021, the carrying amounts of property, plant and equipment pledged as security for borrowings are RMB1,578,864,000 (2020: RMB1,348,533,000).

### 17. 物業、廠房及設備(續)

折舊乃於損益賬目內的以下項目扣除：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost of sales	銷售成本	175,227	171,782
Administrative expenses	行政開支	34,433	19,010
Selling expenses	銷售開支	1,015	860
		<b>210,675</b>	191,652

(a) 於二零二一年十二月三十一日，借款由賬面值人民幣1,578,864,000元的物業、廠房及設備作抵押(二零二零年：人民幣1,348,533,000元)。

### 18. INVESTMENT PROPERTIES

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Balance at 1 January</b>	於一月一日的結餘	<b>23,960</b>	24,927
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	—	(122)
Depreciation charge	折舊開支	<b>(845)</b>	(845)
<b>Balance at 31 December</b>	於十二月三十一日的結餘	<b>23,115</b>	23,960

(a) The Group had no contractual obligations for future repairs and maintenance as at 31 December 2021 (2020: same).

### 18. 投資物業

(a) 於二零二一年十二月三十一日，本集團並無日後維修及維護合約責任(二零二零年：相同)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 18. INVESTMENT PROPERTIES (Continued)

- (b) Independent valuation of the Group's investment properties were performed by independent third party valuers to determine the fair value of the investment properties as at 31 December 2021. The fair value of these investment properties as at 31 December 2021 as assessed by the valuers by direct comparison method were approximately RMB38,531,000 (2020: RMB37,094,000).

### 19. LEASES

This note provides information for leases where the Group is a lessee.

#### (a) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to right-of-use assets:

		Land use rights <sup>(i)</sup> 土地使用權 <sup>(i)</sup> RMB' 000 人民幣千元	Offices and warehouses 辦公室及倉庫 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>At 1 January 2020</b>	於二零二零年一月一日			
Cost	成本	254,185	70,153	324,338
Accumulated depreciation	累計折舊	(33,730)	(19,925)	(53,655)
<b>Net book amount</b>	賬面淨值	220,455	50,228	270,683
<b>Year ended 31 December 2020</b>	截至二零二零年十二月三十一日止年度			
Opening net book amount	期初賬面淨值	220,455	50,228	270,683
Additions	添置	79,803	10,610	90,413
Currency translation differences	貨幣換算差額	(149)	—	(149)
Depreciation charge (note 9)	折舊開支 (附註9)	(10,230)	(14,200)	(24,430)
Closing net book amount	期末賬面淨值	289,879	46,638	336,517
<b>At 31 December 2020</b>	於二零二零年十二月三十一日			
Cost	成本	333,839	80,763	414,602
Accumulated depreciation	累計折舊	(43,960)	(34,125)	(78,085)
<b>Net book amount</b>	賬面淨值	289,879	46,638	336,517

### 18. 投資物業 (續)

- (b) 本集團投資物業由獨立第三方估價師進行獨立估值，以釐定投資物業於二零二一年十二月三十一日的公平值。該等投資物業於二零二一年十二月三十一日的公平值經估價師以直接比較法評估約為人民幣38,531,000元(二零二零年：人民幣37,094,000元)。

### 19. 租賃

本附註提供有關本集團為承租人的租賃資料。

#### (a) 於合併資產負債表確認的金額

合併資產負債表列示以下與使用權資產有關的金額：



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 19. LEASES (Continued)

#### (a) Amounts recognised in the consolidated balance sheet (Continued)

		Land use rights <sup>(i)</sup> 土地使用權 <sup>(i)</sup> RMB' 000 人民幣千元	Offices and warehouses 辦公室及倉庫 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>Year ended 31 December 2021</b>	<b>截至二零二一年 十二月三十一日 止年度</b>			
Opening net book amount	期初賬面淨值	<b>289,879</b>	<b>46,638</b>	<b>336,517</b>
Additions	添置	<b>7,842</b>	<b>11,934</b>	<b>19,776</b>
Currency translation differences	貨幣換算差額	<b>(215)</b>	—	<b>(215)</b>
Depreciation charge (note 9)	折舊開支 (附註9)	<b>(9,696)</b>	<b>(12,992)</b>	<b>(22,688)</b>
Closing net book amount	期末賬面淨值	<b>287,810</b>	<b>45,580</b>	<b>333,390</b>
<b>At 31 December 2021</b>	<b>於二零二一年 十二月三十一日</b>			
Cost	成本	<b>341,466</b>	<b>92,697</b>	<b>434,163</b>
Accumulated depreciation	累計折舊	<b>(53,656)</b>	<b>(47,117)</b>	<b>(100,773)</b>
<b>Net book amount</b>	<b>賬面淨值</b>	<b>287,810</b>	<b>45,580</b>	<b>333,390</b>

### 19. 租賃(續)

#### (a) 於合併資產負債表確認的金額(續)

(i) The Group has land lease arrangement with mainland China and Indonesia government for fixed periods of 20 to 50 years.

(i) 本集團與中國大陸及印尼政府訂有土地租賃安排，固定期限為20至50年。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 19. LEASES (Continued)

**(b) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income**

The consolidated statement of profit or loss and comprehensive income shows the following amounts relating to leases:

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Depreciation charge of right-of-use assets</b>	<b>使用權資產折舊開支</b>		
Offices and warehouses	辦公室及倉庫	12,992	14,200
Land use rights	土地使用權	9,696	10,230
		<b>22,688</b>	<b>24,430</b>

The Group leases land use rights and various offices and warehouses. Rental contracts of offices and warehouses are typically made for fixed periods of 1 to 10 years.

- (c)** As at 31 December 2021, the carrying amounts of land use rights pledged as security for borrowings are RMB60,404,000 (2020: RMB44,965,000).

### 19. 租賃(續)

**(b) 於合併損益及其他綜合收益表確認的金額**

合併損益及其他綜合收益表列示以下與租賃有關的金額：

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Depreciation charge of right-of-use assets</b>	<b>使用權資產折舊開支</b>		
Offices and warehouses	辦公室及倉庫	12,992	14,200
Land use rights	土地使用權	9,696	10,230
		<b>22,688</b>	<b>24,430</b>

本集團租賃土地使用權以及多個辦公室及倉庫。辦公室及倉庫的租賃合約通常按1至10年的固定期限訂立。

- (c)** 於二零二一年十二月三十一日，借款由賬面值人民幣60,404,000元的土地使用權作抵押(二零二零年：人民幣44,965,000元)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 20. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

The following is the summarised information of the financial asset component (receivables under service concession arrangements) with respect to the Group's service concession arrangements:

### 20. 服務特許經營安排下的應收款項

與本集團服務特許經營安排有關的金融資產組成部分(服務特許經營安排下的應收款項)的資料概述如下：

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Receivables under service concession arrangements	服務特許經營安排下的應收款項	<b>6,509,663</b>	5,304,961
Less: provision for impairment	減：減值撥備	<b>(16,543)</b>	(3,590)
		<b>6,493,120</b>	5,301,371
Portion classified as current assets	分類為流動資產的部分	<b>(86,731)</b>	(65,877)
Non-current portion	非流動部分	<b>6,406,389</b>	5,235,494

## Notes to the Consolidated Financial Statements 合併財務報表附註

### 20. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS (Continued)

- (a) In respect of the Group's receivables under service concession arrangements, credit risks varied amongst the Group's projects operated in different locations of Mainland China. The collection of receivables under services concession arrangements is closely monitored in order to minimise any credit risk associated with the receivables.

### 20. 服務特許經營安排下的應收款項(續)

- (a) 就本集團於服務特許經營安排下的應收款項而言，信貸風險因本集團於中國大陸不同地點運營的項目而異。為降低與應收款項有關的任何信貸風險，服務特許經營安排下的應收款項的收回情況受到密切監控。

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Yunnan Province	雲南省	1,915,588	1,273,889
Shandong Province	山東省	1,144,019	1,139,194
Xinjiang Uygur Autonomous Region	新疆維吾爾自治區	897,945	490,657
Jiangsu Province	江蘇省	714,456	663,220
Hebei Province	河北省	459,636	416,652
Henan Province	河南省	363,240	341,342
Anhui Province	安徽省	359,363	349,906
Tianjin City	天津市	152,907	146,966
Fujian Province	福建省	141,240	142,656
Guangdong Province	廣東省	125,511	124,620
Chongqing City	重慶市	102,340	96,046
Zhejiang Province	浙江省	81,044	74,777
Liaoning Province	遼寧省	52,374	45,036
		<b>6,509,663</b>	<b>5,304,961</b>

The receivables under service arrangements were billable receivables. They were mainly due from governmental authorities in Mainland China, as grantors in respect of the Group's service concession arrangements. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

服務特許經營安排下的應收款項為可開具賬單的應收款項，其主要來自作為本集團服務特許經營安排授予人的中國內地政府機構。根據過往經驗，董事認為毋須就該等結餘作出減值撥備，原因是信貸質素並無重大變動且結餘仍被視為可全數收回。

# Notes to the Consolidated Financial Statements 合併財務報表附註

## 20. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS (Continued)

- (b) The expected collection schedule of receivables under service concession arrangements is as follows:

## 20. 服務特許經營安排下的應收款項(續)

- (b) 服務特許經營安排下的應收款項的預期收款時間表如下：

		<b>As at 31 December</b>	
		於十二月三十一日	
		<b>2021</b>	2020
		二零二一年	二零二零年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Within one year	一年以內	<b>86,731</b>	65,877
One to two years	一至兩年	<b>93,784</b>	84,531
Two to five years	兩至五年	<b>348,382</b>	310,763
Over five years	超過五年	<b>5,980,766</b>	4,843,790
		<b>6,509,663</b>	5,304,961

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21. INTANGIBLE ASSETS

### 21. 無形資產

		Goodwill (note b) 商譽 (附註b) RMB'000 人民幣千元	Development expenditure 開發開支 RMB'000 人民幣千元	Operating concessions 特許經營權 RMB'000 人民幣千元	Unfulfilled contract rights 未履行 合約權利 RMB'000 人民幣千元	Licenses 牌照 RMB'000 人民幣千元	Technical know-how and software 專有技術及 軟件 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>At 1 January 2020</b>	於二零二零年一月一日							
Cost	成本	441,298	5,359	11,233,601	52,301	658,186	106,524	12,497,269
Accumulated amortisation	累計攤銷	—	—	(937,593)	(38,971)	(59,228)	(16,204)	(1,051,996)
<b>Net book amount</b>	賬面淨值	441,298	5,359	10,296,008	13,330	598,958	90,320	11,445,273
<b>Year ended 31 December 2020</b>	截至二零二零年 十二月三十一日止年度							
Opening net book amount	期初賬面淨值	441,298	5,359	10,296,008	13,330	598,958	90,320	11,445,273
Additions	添置	—	4,214	1,848,877	—	—	2,225	1,855,316
Currency translation differences	貨幣換算差額	(15,706)	—	(22,343)	—	—	(40)	(38,089)
Amortisation charge (note 9)	攤銷開支 (附註9)	—	—	(349,094)	(703)	(19,764)	(4,389)	(373,950)
Closing net book amount	期末賬面淨值	425,592	9,573	11,773,448	12,627	579,194	88,116	12,888,550
<b>At 31 December 2020</b>	於二零二零年 十二月三十一日							
Cost	成本	425,592	9,573	13,060,135	52,301	658,186	108,709	14,314,496
Accumulated amortisation	累計攤銷	—	—	(1,286,687)	(39,674)	(78,992)	(20,593)	(1,425,946)
<b>Net book amount</b>	賬面淨值	425,592	9,573	11,773,448	12,627	579,194	88,116	12,888,550
<b>Year ended 31 December 2021</b>	截至二零二一年 十二月三十一日止年度							
Opening net book amount	期初賬面淨值	425,592	9,573	11,773,448	12,627	579,194	88,116	12,888,550
Additions	添置	—	3,416	341,631	—	—	23,675	368,722
Currency translation differences	貨幣換算差額	(4,961)	—	(35,874)	—	—	(37)	(40,872)
Disposal of a subsidiary	出售一間附屬公司	—	—	(179,829)	—	—	—	(179,829)
Amortisation charge (note 9)	攤銷開支 (附註9)	—	—	(405,238)	(703)	(19,073)	(4,106)	(429,120)
Impairment charge (note 9)	減值開支 (附註9)	(77,854)	—	(120,301)	—	—	—	(198,155)
Closing net book amount	期末賬面淨值	342,777	12,989	11,373,837	11,924	560,121	107,648	12,409,296
<b>At 31 December 2021</b>	於二零二一年 十二月三十一日							
Cost	成本	420,631	12,989	13,186,063	52,301	658,186	132,347	14,462,517
Accumulated amortisation and impairment	累計攤銷及減值	(77,854)	—	(1,812,226)	(40,377)	(98,065)	(24,699)	(2,053,221)
<b>Net book amount</b>	賬面淨值	342,777	12,989	11,373,837	11,924	560,121	107,648	12,409,296



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21. INTANGIBLE ASSETS (Continued)

(a) Amortisation was charged to the profit or loss accounts under the following caption:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost of sales	銷售成本	420,663	368,042
Administrative expenses	行政開支	8,457	5,908
		<b>429,120</b>	<b>373,950</b>

(b) Impairment test for goodwill

As at 31 December 2021, the Group has recognised goodwill with total amounts of RMB342,777,000, which arose from acquisition of subsidiaries in prior years. For the purpose of impairment testing, the goodwill was allocated to a cash generating unit ("CGU"). The recoverable amount of the CGU is determined based on fair value less costs to disposal. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Management determined the projection period based on their past experience and expectation for the market development and is consistent with their business plan. Cash flows beyond the five-year period are extrapolated using the estimated growth rates.

- (i) A segment-level summary of the goodwill allocation is presented below:

### 21. 無形資產(續)

(a) 攤銷已於損益賬目中的下列項目扣除：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost of sales	銷售成本	420,663	368,042
Administrative expenses	行政開支	8,457	5,908
		<b>429,120</b>	<b>373,950</b>

(b) 商譽減值測試

於二零二一年十二月三十一日，本集團已確認商譽總額為人民幣342,777,000元，主要因先前年度收購附屬公司而產生。就減值測試而言，商譽分配至現金產生單位（「現金產生單位」）。現金產生單位的可收回金額乃根據公平值減處置費用釐定。計算方式利用現金流量預測，依據管理層批核的五年期財政預算。管理層採用的預算期限是基於管理人員的過往經驗及其對市場發展的預期，且與彼等的經營計劃一致。超過五年期間的現金流量乃使用下述估計增長率推算。

- (i) 以下呈列商譽分配之分部層面概要：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Solid waste treatment	固廢處理	149,764	180,536
Water supply	供水	103,288	120,254
Wastewater treatment	污水處理	76,512	111,589
Construction and sales of equipment	建造及設備銷售	13,213	13,213
		<b>342,777</b>	<b>425,592</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21. INTANGIBLE ASSETS (Continued)

#### (b) Impairment test for goodwill (Continued)

- (ii) Key assumptions used for fair value less costs to disposal calculations of each CGU were in the range as follows:

		As at 31 December 2021 截至二零二一年十二月三十一日止年度			
		Solid waste treatment 固廢處理	Water supply 供水	Wastewater treatment 污水處理	Construction and sales of equipment 建造及設備銷售
Average annual growth rate of revenue (iii)	收益平均年增長率(iii)	3%–10%	0%–10%	0%–10%	10%
Long-term growth rate (iv)	長期增長率(iv)	3%	3%	3%	3%
Discount rate (v)	貼現率(v)	10%–14%	11%–14%	11%–14%	12%

		As at 31 December 2020 截至二零二零年十二月三十一日止年度			
		Solid waste treatment 固廢處理	Water supply 供水	Wastewater treatment 污水處理	Construction and sales of equipment 建造及設備銷售
Average annual growth rate of revenue (iii)	收益平均年增長率(iii)	3%–10%	3%–10%	3%–10%	10%
Long-term growth rate (iv)	長期增長率(iv)	3%	3%	3%	3%
Discount rate (v)	貼現率(v)	10%–14%	11%–14%	11%–14%	12%

- (iii) Management determined average annual growth rate of revenue based on past performance and its expectations for each market development.

- (iv) The long-term growth rate used is consistent with the forecasts included in each industry report.

- (v) The discount rate used is discount rate applied to the cash flow projections which reflects specific risks relating to each business.

### 21. 無形資產(續)

#### (b) 商譽減值測試(續)

- (ii) 每個現金產生單位用作公平價值減銷售成本計算法的主要假設的範圍如下：

- (iii) 管理人員乃根據過往表現及其對市場發展的預期釐定收入平均年增長率。

- (iv) 所用長期增長率與行業報告所載預測一致。

- (v) 所用貼現率為現金流量預測所採用的貼現率，其反映與業務有關的特定風險。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 21. INTANGIBLE ASSETS (Continued)

#### (c) Impairment charge

As at 31 December 2021, management has performed an assessment of the CGU. The carrying value of the CGU is compared against the recoverable amount, which is the higher of value-in-use (“VIU”) and fair value less costs of disposal (“FVLCD”). Based on the assessment, recoverable amounts is determined as the FVLCD.

In performing the impairment assessment, key assumptions and input data adopted by the management include forecast prices, forecast production volumes, forecast operating costs and capital expenditures and discount rates. Management determined (1) the forecast water price based on the management expectations and also local policies; (2) the forecast production volumes based on management’s production plan and forecast production volume for the remaining concession periods as set out in the reserve reports; (3) the forecast operating costs and capital expenditures based on its financial budget and business plan; and (4) the pre-tax discount rate reflected specific risks relating to the relevant business.

Based on the assessment, the Group recognised net impairment charges on goodwill and operating concessions of RMB77,854,000 and RMB120,301,000 respectively for the year ended 31 December 2021 (2020: nil).

### 22. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished Goods	製成品

No provisions for inventories have been made for the year ended 31 December 2021 (2020: same).

### 21. 無形資產(續)

#### (c) 減值開支

於二零二一年十二月三十一日，管理層針對現金產生單位進行了評估。將現金產生單位的賬面價值與可收回金額進行比較，由於公平值扣除處置成本（「公平值扣除處置成本」）後的金額與使用價值（「使用價值」）相比，使用價值為較高者，因此可收回金額是根據公平值扣除處置成本進行估計。

在進行減值評估時，管理層所採用的關鍵假設及數據包括價格預測，預測產量，預測運營成本及資金支出以及貼現率。管理層採取以下預測方式：(1)基於管理層預期及當地政策以預測水價；(2)預測產量乃基於儲量報告中呈列出的剩餘合同期的管理生產計劃及預測產量；(3)根據其財務預算及業務計劃制訂預測運營成本及資金支出；及(4)稅前貼現率可反映與業務相關的特定風險。

基於上述減值評估，截至二零二一年十二月三十一日止年度，本集團針對商譽及特許經營項目分別確認了人民幣77,854,000元及人民幣120,301,000元的減值開支（二零二零年：零）。

### 22. 存貨

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	58,945	62,902
Work in progress	在製品	22,968	17,892
Finished Goods	製成品	34,130	27,543
		<b>116,043</b>	<b>108,337</b>

截至二零二一年十二月三十一日止年度，並無計提存貨撥備（二零二零年：相同）。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

### 23. 貿易及其他應收款項及預付款項

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項		
– Related parties (note 37(g))	– 關聯方 (附註37(g))	<b>2,052,478</b>	2,395,236
– Local governments	– 地方政府	<b>1,130,648</b>	1,072,050
– Third parties	– 第三方	<b>2,684,947</b>	2,936,151
Less: provision for impairment	減：減值撥備	<b>(395,341)</b>	(145,570)
		<b>5,472,732</b>	6,257,867
Other receivables	其他應收款項		
– Related parties (note 37(l))	– 關聯方 (附註37(l))	<b>40,567</b>	39,861
– Third parties	– 第三方	<b>1,942,621</b>	1,995,577
Less: provision for impairment	減：減值撥備	<b>(113,747)</b>	(32,854)
		<b>1,869,441</b>	2,002,584
Total trade and other receivables	貿易及其他應收款項總額	<b>7,342,173</b>	8,260,451
Less: non-current portion of trade and other receivables	減：貿易及其他應收款項非流動部分	<b>(914,561)</b>	(422,564)
Current portion of trade and other receivables	貿易及其他應收款項流動部分	<b>6,427,612</b>	7,837,887
Prepayments	預付款項		
– Related parties (note 37(g))	– 關聯方 (附註37(g))	<b>267,842</b>	232,084
– Third parties	– 第三方	<b>1,380,298</b>	1,112,307
Less: provision for impairment	減：減值撥備	<b>(39,267)</b>	—
		<b>1,608,873</b>	1,344,391
Less: non-current portion of prepayments	減：預付款項非流動部分	<b>(1,463,032)</b>	(1,168,930)
Current portion of prepayments	預付款項流動部分	<b>145,841</b>	175,461

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

#### (a) Trade receivables

Ageing analysis of gross trade receivables (including amounts due from related parties of trading in nature) at the respective balance sheet dates, based on the invoice dates or contractual terms, is as follows:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within one year	一年以內	1,020,168	2,921,478
One to two years	一至兩年	1,981,864	1,263,267
Two to three years	兩至三年	870,572	1,103,251
Over three years	三年以上	1,995,469	1,115,441
		<b>5,868,073</b>	<b>6,403,437</b>

The Group have different credit policies for various products and services, depending on the requirements of different business segments and the contractual agreements with different customers.

Movement of the Group's provision for impairment of trade receivables are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Opening balance at 1 January	於一月一日的期初結餘	145,570	85,804
Impairment provision	減值撥備	305,892	59,766
Write off impairment losses on financial assets	撇銷金融資產減值虧損	(56,121)	—
<b>Closing balance at 31 December</b>	<b>於十二月三十一日的期末結餘</b>	<b>395,341</b>	<b>145,570</b>

### 23. 貿易及其他應收款項及預付款項(續)

#### (a) 貿易應收款項

於各結算日按發票日期或合約條款作出的貿易應收款項(包括屬貿易性質的應收關聯方款項)總額賬齡分析如下:

本集團各種產品及服務均有不同之信貸政策，視乎不同業務部門的要求及與不同客戶的合約協議而定。

本集團貿易應收款項的減值撥備變動如下:

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

#### (b) Other receivables

Movement of the Group's provision for impairment of other receivables are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Opening balance at 1 January	於一月一日的期初結餘	32,854	31,814
Impairment provision	減值撥備	82,927	1,040
Reversal due to collection	因收回而撥回	(2,034)	—
<b>Closing balance at 31 December</b>	<b>於十二月三十一日的期末結餘</b>	<b>113,747</b>	<b>32,854</b>

#### (c) Prepayments

The Group's prepayments are mainly for purchase of goods and services, acquisition of land use rights, and acquisition of equity interests.

Movement of the Group's provision for impairment of prepayments are as follows:

		Year ended 31 December 2021 截至 二零二一年 十二月三十一日 止年度 RMB'000 人民幣千元	
Opening balance at 1 January	於一月一日的期初結餘	—	—
Impairment provision	減值撥備	39,267	—
<b>Closing balance at 31 December</b>	<b>於十二月三十一日的期末結餘</b>	<b>39,267</b>	<b>—</b>

(d) The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

### 23. 貿易及其他應收款項及預付款項(續)

#### (b) 其他應收款項

本集團其他應收款項的減值撥備變動如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Opening balance at 1 January	於一月一日的期初結餘	32,854	31,814
Impairment provision	減值撥備	82,927	1,040
Reversal due to collection	因收回而撥回	(2,034)	—
<b>Closing balance at 31 December</b>	<b>於十二月三十一日的期末結餘</b>	<b>113,747</b>	<b>32,854</b>

#### (c) 預付款項

本集團的預付款項主要為購買貨品及服務、土地使用權收購及股權收購的預付款項。

本集團的預付款項減值撥備變動如下：

		Year ended 31 December 2021 截至 二零二一年 十二月三十一日 止年度 RMB'000 人民幣千元	
Opening balance at 1 January	於一月一日的期初結餘	—	—
Impairment provision	減值撥備	39,267	—
<b>Closing balance at 31 December</b>	<b>於十二月三十一日的期末結餘</b>	<b>39,267</b>	<b>—</b>

(d) 於報告日期面對的最高信貸風險為上述各類應收款項的賬面值。本集團並無持有任何抵押物作為擔保。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 24. RESTRICTED CASH

As at 31 December 2021 the restricted cash mainly comprised of guarantee deposits for construction of projects and deposits under frozen by the judiciary (2020: same).

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guarantee deposits for construction of projects	建設項目的保證金	237,441	123,427
Deposits under frozen by the judiciary	被司法部門凍結的存款	35,092	2,074
		<b>272,533</b>	125,501

In December 2021 and January 2022, lenders of certain Overdue Borrowings had taken for property preservation by judicatory, which included frozen of the Group cash in banks of RMB35,092,000.

### 24. 受限制現金

於二零二一年十二月三十一日，受限制現金主要包括建設項目的保證金及被司法部門凍結的存款(二零二零年：相同)。

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guarantee deposits for construction of projects	建設項目的保證金	237,441	123,427
Deposits under frozen by the judiciary	被司法部門凍結的存款	35,092	2,074
		<b>272,533</b>	125,501

於二零二一年十二月及二零二二年一月，若干逾期借款的貸款人已採取司法部門作出的財產保全措施，包括凍結本集團在銀行的現金人民幣35,092,000元。

### 25. CASH AND CASH EQUIVALENTS

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash at bank and in hand (note a)	銀行存款及手頭現金(附註a)	428,427	1,697,688

### 25. 現金及現金等價物

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 25. CASH AND CASH EQUIVALENTS (Continued)

- (a) As at 31 December 2021, cash and cash equivalents of the Group are denominated in:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
RMB	人民幣	392,735	1,654,934
IDR	印尼盾	11,710	9,329
HKD	港元	10,416	2,821
USD	美元	9,456	25,249
SGD	新加坡元	2,113	487
THB	泰銖	1,997	4,868
		<b>428,427</b>	<b>1,697,688</b>

### 26. SHARE CAPITAL

As at 1 January 2020, 31 December 2020,  
1 January 2021 and 31 December 2021

於二零二零年一月一日、  
二零二零年十二月三十一日、  
二零二一年一月一日及  
二零二一年十二月三十一日

### 25. 現金及現金等價物(續)

- (a) 於二零二一年十二月三十一日，本集團的現金及現金等價物以下列貨幣計值：

### 26. 股本

		Number of shares (thousand) 股份數目 (千股)	Share capital 股本 RMB'000 人民幣千元
		<b>1,193,213</b>	<b>1,193,213</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 27. OTHER RESERVES

### 27. 其他儲備

		Capital reserve 股本儲備 RMB'000 人民幣千元	Statutory reserve 法定儲備 RMB'000 人民幣千元	Translation reserve 換算儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Balance at 1 January 2020</b>	於二零二零年 一月一日的結餘	1,819,435	487,573	(26,420)	2,280,588
Capital contribution by non-controlling interests	非控股權益的注資	369,923	—	—	369,923
Currency translation differences	貨幣換算差額	—	—	12,009	12,009
Transfer to statutory reserve (note a)	轉至法定儲備 (附註a)	—	138,207	—	138,207
<b>Balance at 31 December 2020</b>	於二零二零年 十二月三十一日的 結餘	2,189,358	625,780	(14,411)	2,800,727
<b>Balance at 1 January 2021</b>	於二零二一年 一月一日的結餘	<b>2,189,358</b>	<b>625,780</b>	<b>(14,411)</b>	<b>2,800,727</b>
Currency translation differences	貨幣換算差額	—	—	<b>(22,147)</b>	<b>(22,147)</b>
Transfer to statutory reserve (note a)	轉至法定儲備 (附註a)	—	<b>39,693</b>	—	<b>39,693</b>
Transactions with non-controlling interests	非控股權益交易	<b>(66,198)</b>	—	—	<b>(66,198)</b>
<b>Balance at 31 December 2021</b>	於二零二一年 十二月三十一日的 結餘	<b>2,123,160</b>	<b>665,473</b>	<b>(36,558)</b>	<b>2,752,075</b>

#### (a) Statutory reserve

In accordance with relevant rules and regulations in the PRC, except for sino-foreign equity joint venture enterprises, all PRC companies are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used, upon approval by the relevant authority, to offset losses carried forward from previous years or to increase capital of the respective companies.

#### (a) 法定儲備

根據中國相關規則及法規，除中外合資企業外，所有中國公司均須將根據中國會計規則及法規計算的除稅後溢利的10%轉撥至法定儲備金，直至累計資金總額達至其註冊資本的50%為止。法定儲備金須經有關機關批准，方可用作抵銷過往年度結轉的虧損或增加有關公司的資本。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 28. PERPETUAL CAPITAL INSTRUMENT

The perpetual capital instruments have no maturity, and the payments of distribution can be deferred at the discretion of the Company. When the Company elects to declare dividends to their ordinary shareholders, the Company shall make distribution to the holders of perpetual capital instruments at the distribution rates as defined in the subscription agreements.

The average annual distribution rate is about 9% for the year ended 31 December 2021 (2020: about 7%).

### 28. 永久資本工具

永久資本工具並無到期日，且派付款可由本公司酌情遞延。倘本公司選擇向其普通股股東宣派股息，則本公司須按認購協議界定之分派率向永久資本工具持有人作出分配。

截至二零二一年十二月三十一日止年度的平均年分派率約為9%（二零二零年：約為7%）。

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Balance at 1 January</b>	於一月一日的結餘	<b>500,000</b>	2,610,000
Issuance	發行	<b>1,622,300</b>	500,000
Redemption	贖回	<b>(500,000)</b>	(2,610,000)
Profit attributable to holders of perpetual capital instruments	永久資本工具持有人應佔溢利	<b>113,587</b>	117,640
Distributions to holders of perpetual capital instruments	向永久資本工具持有人作出的分派	<b>(113,587)</b>	(117,640)
<b>Balance at 31 December</b>	於十二月三十一日的結餘	<b>1,622,300</b>	500,000

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29. BORROWINGS

### 29. 借款

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Non-current</b>	<b>非流動</b>		
Long-term bank borrowings	長期銀行借款	2,778,605	10,946,507
Corporate bonds and other borrowings	公司債券及其他借款	5,191,834	6,919,414
		<b>7,970,439</b>	17,865,921
<b>Current</b>	<b>流動</b>		
Short-term bank borrowings	短期銀行借款	4,439,748	4,157,826
Current portion of long-term bank borrowings	長期銀行借款的流動部分	10,508,225	2,141,836
Current portion of corporate bonds and other borrowings	公司債券及其他借款的流動部分	5,737,134	3,376,232
		<b>20,685,107</b>	9,675,894
		<b>28,655,546</b>	27,541,815

- (a) The Group's borrowings carried weighted average interest rates of 5.73% per annum for the year ended 31 December 2021 (2020: 5.74%).
- (a) 截至二零二一年十二月三十一日止年度，本集團借款加權平均年利率為5.73%（二零二零年：5.74%）。
- (b) As at 31 December 2021, other borrowings from related parties is depicted in note 37(h)&(i)&(j)&(k).
- (b) 於二零二一年十二月三十一日，來自關聯方的其他借款已披露於附註37(h)&(i)&(j)&(k)。
- (c) As at 31 December 2021, borrowings of RMB13,946,858,000 (2020: RMB12,175,993,000) were secured by pledge of the Group's receivables under service concession arrangements, contract assets, right-of-use assets, property, plant and equipment and intangible assets and the Company's investments in subsidiaries. As at 31 December 2021, the Overdue Borrowings were secured by the aforesaid assets with total carrying value of RMB2,952,281,000.
- (c) 於二零二一年十二月三十一日，借款人民幣13,946,858,000元（二零二零年：人民幣12,175,993,000元）由本集團服務特許經營安排應收款項、合約資產、使用權資產、物業、廠房及設備以及無形資產及本公司於附屬公司的投資質押作抵押。於二零二一年十二月三十一日，逾期借款以上述資產作抵押，總賬面值為人民幣2,952,281,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29. BORROWINGS (Continued)

- (d) As at 31 December 2021, the Group's borrowings were repayable as follows:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within one year	一年以內	20,685,107	9,675,894
One to two years	一至兩年	5,020,600	5,912,923
Two to five years	兩至五年	590,743	5,815,518
Over five years	超過五年	2,359,096	6,137,480
		<b>28,655,546</b>	<b>27,541,815</b>

- (e) The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of each of the year are as follows:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within six months	六個月以內	3,870,187	7,976,954
Six months to one year	六個月至一年	13,301,154	9,400,166
One to five years	一至五年	9,228,000	7,560,809
Over five years	超過五年	2,256,205	2,603,886
		<b>28,655,546</b>	<b>27,541,815</b>

The carrying amounts of the Group's borrowings approximate their fair value.

### 29. 借款(續)

- (d) 於二零二一年十二月三十一日，本集團借款的償還情況如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within one year	一年以內	20,685,107	9,675,894
One to two years	一至兩年	5,020,600	5,912,923
Two to five years	兩至五年	590,743	5,815,518
Over five years	超過五年	2,359,096	6,137,480
		<b>28,655,546</b>	<b>27,541,815</b>

- (e) 於各年末，本集團借款面臨的利率變動風險及合約重新定價日期如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within six months	六個月以內	3,870,187	7,976,954
Six months to one year	六個月至一年	13,301,154	9,400,166
One to five years	一至五年	9,228,000	7,560,809
Over five years	超過五年	2,256,205	2,603,886
		<b>28,655,546</b>	<b>27,541,815</b>

本集團借款的賬面值與其公平值相若。



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29. BORROWINGS (Continued)

(f) The Group's borrowings were denominated in:

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	27,607,592	25,320,134
USD	美元	999,181	2,130,805
THB	泰銖	30,783	70,393
EUR	歐元	17,990	20,483
		<b>28,655,546</b>	<b>27,541,815</b>

(g) During the year ended 31 December 2021, the Group failed to repay RMB1,157,710,000 of certain borrowings according to their scheduled repayment dates. Although the Group managed to settle some of these borrowings during the year after the due dates, RMB1,118,793,000 remained unsettled as at 31 December 2021. The total amounts of these Overdue Borrowings, including interests payable and those portions of such loans that had original contractual repayment dates beyond 31 December 2021, amounted to RMB3,920,203,000 (the "Overdue Borrowings"). Furthermore, the Group was not able to comply with certain financial covenants of its other borrowings (the "Covenant Borrowings") with a total amount of RMB1,695,958,000 as at 31 December 2021. Consequently, the aforementioned borrowings totaling RMB5,616,161,000 as at 31 December 2021 would be immediately repayable if requested by the lenders. Out of such amount, borrowings of RMB2,983,632,000 that have original contractual repayment dates fall beyond 31 December 2022 were classified as current liabilities as at 31 December 2021.

### 29. 借款(續)

(f) 本集團借款以下列貨幣計值：

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
RMB	人民幣	27,607,592	25,320,134
USD	美元	999,181	2,130,805
THB	泰銖	30,783	70,393
EUR	歐元	17,990	20,483
		<b>28,655,546</b>	<b>27,541,815</b>

(g) 截至二零二一年十二月三十一日止年度，本集團未能按照計劃還款日期償還若干借款人民幣1,157,710,000元。儘管本集團設法在到期日後一年內結清部分該等借款，但於二零二一年十二月三十一日，人民幣1,118,793,000元仍未結清。該等逾期借款的總額(包括應付利息及原合約償還日期為二零二一年十二月三十一日後的有關貸款部分)為人民幣3,920,203,000元(「逾期借款」)。此外，本集團未遵守其他借款(於二零二一年十二月三十一日的總額為人民幣1,695,958,000元)之若干財務契諾(「契諾借款」)。故倘貸款人要求，於二零二一年十二月三十一日的上述總額為人民幣5,616,161,000元的借款將成為應立即償還。其中，原合約還款日期為二零二二年十二月三十一日後的借款人民幣2,983,632,000元於二零二一年十二月三十一日被分類為流動負債。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 29. BORROWINGS (Continued)

(g) (Continued)

These matters triggered cross-defaults and resulted in certain other borrowings of the Group (other than the Overdue Borrowings and the Covenant Borrowings) with a total amount of RMB10,781,143,000 as at 31 December 2021 becoming immediately repayable if requested by the lenders, of which RMB6,628,398,000 represented non-current borrowings with original contractual repayment dates fall beyond 31 December 2022 that were classified as current liabilities.

Subsequent to the balance sheet date, the Group further failed to repay scheduled instalments and interests of RMB362,615,000 relating to borrowings with a total amount of RMB4,619,134,000, of which total amounts of RMB3,164,749,000 were related to borrowings that were either overdue or otherwise in default as at 31 December 2021.

From December 2021 to January 2022, lenders of certain Overdue Borrowings amounting to RMB764,360,000 had applied to the courts in the People's Republic of China for property preservation measures, and the courts ordered to freeze the Group's certain cash in banks, and equity interests in an associate and a subsidiary. In January 2022, the Group reached a settlement with one of the above lenders for Overdue Borrowings of RMB381,866,000 as at 31 December 2021, but failed to repay the agreed rescheduled instalments in February and March 2022. On 23 March 2022, due to further legal actions taken by the relevant lender, the Company was listed as a person subject to enforcement by Urumqi Intermediate People's Court, for the settlement of the outstanding amount of RMB371,503,000. The Group believes that the property preservation and enforcement caused by relevant Overdue Borrowings will not constitute major contingent liabilities of the Group and has not recognised any provision in the consolidated financial statements.

Up to the date of approval of these consolidated financial statements, the Group's defaulted and cross-defaulted borrowings amounted to approximately RMB17,851,689,000.

### 29. 借款(續)

(g) (續)

該等事件觸發交叉違約，並導致本集團於二零二一年十二月三十一日總額為人民幣10,781,143,000元的若干其他借款(逾期借款及契諾借款除外)成為應立即償還(倘貸款人要求)，其中，人民幣6,628,398,000元為被分類為流動負債的原合約償還日期為二零二二年十二月三十一日後的非流動借款。

於結算日後，本集團進一步未能償還人民幣362,615,000元的預定分期付款及利息，對應借款總額為人民幣4,619,134,000元，其中，於二零二一年十二月三十一日，人民幣3,164,749,000元對應逾期或違約借款。

自二零二一年十二月至二零二二年一月，金額為人民幣764,360,000元的若干逾期借款貸款人已在中華人民共和國法院申請財產保全措施，法院頒令凍結本集團在銀行的若干現金及於一間聯營公司及一間附屬公司的股權。於二零二二年一月，本集團與上述貸款人之一就截至二零二一年十二月三十一日的金額為人民幣381,866,000元的逾期借款達成和解，但未能於二零二二年二月及三月償還經協定重新計劃的分期付款。於二零二二年三月二十三日，由於相關貸款人採取進一步法律行動，本公司被烏魯木齊中級法院列為被執行人，以結清未償還款項人民幣371,503,000元。本集團認為相關逾期借款引起的財產保全以及被執行的情況不會構成本集團的重大或然負債及本集團並無於合併財務報表內確認任何撥備。

截至合併財務報表獲批准之日，本集團的違約及交叉違約借款為約人民幣17,851,689,000元。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 30. TRADE AND OTHER PAYABLES

### 30. 貿易及其他應付款項

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Trade payables:	貿易應付款項：		
– Related parties (note 37(g))	– 關聯方（附註37(g)）	1,498,780	1,468,045
– Third parties	– 第三方	5,210,270	5,825,723
		<b>6,709,050</b>	7,293,768
Notes payables	應付票據	318,010	160,000
Other payables:	其他應付款項：		
– Related parties (note 37(g))	– 關聯方（附註37(g)）	246,061	305,788
– Third parties	– 第三方	1,200,576	955,240
Staff welfare benefit payable	應付員工福利	59,957	46,849
Other taxes payable	其他應付稅項	200,531	262,476
Dividend payables	應付股息	73,655	12,229
		<b>8,807,840</b>	9,036,350
Less: non-current portion	減：非流動部分	<b>(2,833,401)</b>	(5,906,360)
Current portion	流動部分	<b>5,974,439</b>	3,129,990

(a) Trade payables are settled in accordance with agreed terms with suppliers.

(a) 貿易應付款項根據與供應商協定的條款結算。

(b) At 31 December 2021, the ageing analysis of the trade payables based on invoice dates or contractual terms, is as follows:

(b) 於二零二一年十二月三十一日，根據發票日期或合約條款作出的貿易應付款項的賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within one year	一年以內	1,635,012	4,202,807
One to two years	一至兩年	2,701,724	1,590,313
Two to three years	兩至三年	1,250,758	1,168,930
Over three years	三年以上	1,121,556	331,718
		<b>6,709,050</b>	7,293,768

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 31. DEFERRED INCOME

Deferred income represented government grants received from governmental authorities with respect to Group's constructions of wastewater treatment facilities, water supply facilities, solid waste treatment plants as well as the provision of water supply service. The movement of deferred income is as below:

### 31. 遞延收益

遞延收益是指就本集團建造污水處理設施、供水設施、固體廢物處理廠以及提供供水服務獲政府機構發放的政府補助。遞延收益的變動如下：

		<b>Government grants</b> 政府補助 <b>RMB'000</b> 人民幣千元
<b>Opening balance at 1 January 2020</b>	於二零二零年一月一日的期初結餘	701,720
Additions	添置	40,625
Credit to profit or loss accounts	計入損益賬	(32,577)
<b>Closing balance at 31 December 2020</b>	於二零二零年十二月三十一日的期終結餘	709,768
<b>Opening balance at 1 January 2021</b>	於二零二一年一月一日的期初結餘	<b>709,768</b>
Additions	添置	<b>167,130</b>
Credit to profit or loss accounts	計入損益賬	<b>(33,238)</b>
Disposal of a subsidiary	出售一間附屬公司	<b>(26,500)</b>
<b>Closing balance at 31 December 2021</b>	於二零二一年十二月三十一日的期終結餘	<b>817,160</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. DEFERRED INCOME TAX

#### (a) Deferred income tax assets

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>The balance comprises temporary differences attributable to:</b>	<b>該結餘包括暫時差額：</b>		
Deferred income	遞延收益	158,028	140,228
Tax losses	稅項虧損	662,857	467,596
Accrued expenses and impairment provision	應計開支及減值撥備	341,992	278,293
Total deferred income tax assets	遞延所得稅資產總額	1,162,877	886,117
Set-off of deferred income tax liabilities	抵銷遞延所得稅負債	(290,750)	(184,680)
Net deferred income tax assets	淨遞延所得稅資產	872,127	701,437

Movements	變動	Accrued expenses and impairment provision			Total
		Deferred income	Tax losses	Tax losses	
		遞延收益	稅項虧損	應計開支及減值撥備	總計
		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
<b>Balance at 1 January 2020</b>	於二零二零年一月一日的結餘	149,153	260,426	213,493	623,072
(Charge)/credit to profit or loss accounts	於損益賬中（扣除）／計入	(8,925)	207,170	64,800	263,045
<b>Balance at 31 December 2020</b>	於二零二零年十二月三十一日的結餘	140,228	467,596	278,293	886,117
<b>Balance at 1 January 2021</b>	於二零二一年一月一日的結餘	140,228	467,596	278,293	886,117
Credit to profit or loss accounts	於損益賬中計入	17,800	195,261	63,699	276,760
<b>Balance at 31 December 2021</b>	於二零二一年十二月三十一日的結餘	158,028	662,857	341,992	1,162,877

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 32. DEFERRED INCOME TAX (Continued)

#### (b) Deferred income tax liabilities

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>The balance comprises temporary differences attributable to:</b>	<b>該結餘包括暫時差額：</b>		
Fair value gains	公平值收益	<b>(838,856)</b>	(877,940)
Service concession receivables	服務特許應收款項	<b>(699,408)</b>	(526,964)
Others	其他	<b>(78,921)</b>	(57,246)
Total deferred income tax liabilities	遞延所得稅負債總額	<b>(1,617,185)</b>	(1,462,150)
Set-off of deferred income tax assets	抵銷遞延所得稅資產	<b>290,750</b>	184,680
Net deferred income tax liabilities	淨遞延所得稅負債	<b>(1,326,435)</b>	(1,277,470)

Movements	變動	Fair value gains	Service concession receivables	Others	Total
		公平值收益	服務特許應收款項	其他	總計
		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
Opening balance at 1 January 2020	於二零二零年一月一日的期初結餘	(914,306)	(329,278)	(33,848)	(1,277,432)
Credit/(charge) to profit or loss accounts	於損益賬中計入/ (扣除)	36,366	(197,686)	(23,398)	(184,718)
Closing balance at 31 December 2020	於二零二零年十二月三十一日的期終結餘	(877,940)	(526,964)	(57,246)	(1,462,150)
Opening balance at 1 January 2021	於二零二一年一月一日的期初結餘	<b>(877,940)</b>	<b>(526,964)</b>	<b>(57,246)</b>	<b>(1,462,150)</b>
Credit/(charge) to profit or loss accounts	於損益賬中計入/ (扣除)	<b>39,084</b>	<b>(172,444)</b>	<b>(21,675)</b>	<b>(155,035)</b>
Closing balance at 31 December 2021	於二零二一年十二月三十一日的期終結餘	<b>(838,856)</b>	<b>(699,408)</b>	<b>(78,921)</b>	<b>(1,617,185)</b>

### 32. 遞延所得稅(續)

#### (b) 遞延所得稅負債

As at 31 December

於十二月三十一日

2021

2020

二零二一年

二零二零年

RMB'000

RMB'000

人民幣千元

人民幣千元

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>The balance comprises temporary differences attributable to:</b>	<b>該結餘包括暫時差額：</b>		
Fair value gains	公平值收益	<b>(838,856)</b>	(877,940)
Service concession receivables	服務特許應收款項	<b>(699,408)</b>	(526,964)
Others	其他	<b>(78,921)</b>	(57,246)
Total deferred income tax liabilities	遞延所得稅負債總額	<b>(1,617,185)</b>	(1,462,150)
Set-off of deferred income tax assets	抵銷遞延所得稅資產	<b>290,750</b>	184,680
Net deferred income tax liabilities	淨遞延所得稅負債	<b>(1,326,435)</b>	(1,277,470)

Movements	變動	Fair value gains	Service concession receivables	Others	Total
		公平值收益	服務特許應收款項	其他	總計
		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
Opening balance at 1 January 2020	於二零二零年一月一日的期初結餘	(914,306)	(329,278)	(33,848)	(1,277,432)
Credit/(charge) to profit or loss accounts	於損益賬中計入/ (扣除)	36,366	(197,686)	(23,398)	(184,718)
Closing balance at 31 December 2020	於二零二零年十二月三十一日的期終結餘	(877,940)	(526,964)	(57,246)	(1,462,150)
Opening balance at 1 January 2021	於二零二一年一月一日的期初結餘	<b>(877,940)</b>	<b>(526,964)</b>	<b>(57,246)</b>	<b>(1,462,150)</b>
Credit/(charge) to profit or loss accounts	於損益賬中計入/ (扣除)	<b>39,084</b>	<b>(172,444)</b>	<b>(21,675)</b>	<b>(155,035)</b>
Closing balance at 31 December 2021	於二零二一年十二月三十一日的期終結餘	<b>(838,856)</b>	<b>(699,408)</b>	<b>(78,921)</b>	<b>(1,617,185)</b>



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 33. PROVISIONS

### 33. 撥備

		Maintenance costs 保養成本 RMB'000 人民幣千元 (note a) (附註a)	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Opening balance at 1 January 2020</b>	於二零二零年一月一日的期初結餘	356,018	3,105	359,123
Provision capitalised in intangible assets	於無形資產中將撥備撥作資本	129,941	—	129,941
Amortised to profit or loss accounts (note 11)	攤銷至損益賬(附註11)	8,355	—	8,355
Paid during the year	年內已付款項	—	(183)	(183)
<b>Closing balance at 31 December 2020</b>	於二零二零年十二月三十一日的期終結餘	494,314	2,922	497,236
<b>Opening balance at 1 January 2021</b>	於二零二一年一月一日的期初結餘	<b>494,314</b>	<b>2,922</b>	<b>497,236</b>
Provision capitalised in intangible assets	於無形資產中將撥備撥作資本	<b>17,287</b>	—	<b>17,287</b>
Amortised to profit or loss accounts (note 11)	攤銷至損益賬(附註11)	<b>9,529</b>	<b>2,195</b>	<b>11,724</b>
<b>Closing balance at 31 December 2021</b>	於二零二一年十二月三十一日的期終結餘	<b>521,130</b>	<b>5,117</b>	<b>526,247</b>

(a) Pursuant to the service concession agreements entered into by the Group, the Group has the contractual obligations to maintain the facilities it operates to specified level of serviceability and/or to restore the plants to a specified conditions before they are handed over to the Grantors at the end of the service concession period. These contractual obligations to maintain or restore the facilities, except for any upgrade elements, 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 year.

(a) 根據本集團訂立的服務特許經營協議，本集團的合約責任為保養其經營的設施，確保符合特定的可提供服務水平及／或於服務特許經營期結束時，在移交廠房予授予人之前，將其修復至指定狀態。該等保養或修復設施的合約責任(任何改造部分除外)乃按年末履行當前責任所需支出的最佳估計值確認與計量。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 34. NOTE OF CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Cash used in operation

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before income tax	所得稅前溢利	<b>(1,030,933)</b>	502,624
Adjustments for:	就以下各項作出調整：		
– Impairment losses on financial assets	– 金融資產減值虧損	<b>419,125</b>	70,156
– Impairment Losses on intangible assets	– 無形資產減值虧損	<b>198,155</b>	—
– Impairment Losses on prepayments	– 預付款項減值虧損	<b>39,267</b>	—
– Depreciation of investment properties	– 投資物業折舊	<b>845</b>	845
– Amortisation of intangible assets	– 無形資產攤銷	<b>429,120</b>	373,950
– Depreciation of property, plant and equipment	– 物業、廠房及設備折舊	<b>210,675</b>	191,652
– Depreciation of right-of-use assets	– 使用權資產折舊	<b>22,688</b>	24,430
– Share of profit of investments accounted for using the equity method	– 以權益法入賬的應佔投資溢利	<b>(78,517)</b>	(78,570)
– Other gains — net	– 其他收益淨額	<b>(164,333)</b>	(48,810)
– Finance costs — net	– 融資成本淨額	<b>1,530,806</b>	1,258,992
Change in working capital:	營運資金變化：		
– Inventories	– 存貨	<b>(7,705)</b>	(4,851)
– Contract assets	– 合約資產	<b>(1,933,239)</b>	(2,630,702)
– Trade and other receivables and receivables under concession arrangements	– 貿易及其他應收款項以及特許經營安排下的應收款項	<b>(1,133,369)</b>	(2,667,471)
– Prepayments	– 預付款項	<b>6,552</b>	(264,092)
– Trade and other payables	– 貿易及其他應付款項	<b>(246,490)</b>	(318,061)
– Contract liabilities	– 合約負債	<b>(807)</b>	(18,525)
– Deferred income	– 遞延收益	<b>133,892</b>	8,048
<b>Cash used in operations</b>	<b>經營所用現金</b>	<b>(1,604,268)</b>	(3,600,385)

### 34. 合併現金流量表附註

#### (a) 經營所用現金

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 34. NOTE OF CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Non-cash financing activities

During the year ended 31 December 2021, capital contribution from non-controlling interests included amounts of RMB183,308,000 by contribution of certain concession projects to a subsidiary.

#### (c) Net debt reconciliation

### 34. 合併現金流量表附註(續)

#### (b) 非現金融資活動

截至二零二一年十二月三十一日止年度，非控股權益的注資包括對附屬公司的若干特許經營項目出資金額人民幣183,308,000元。

#### (c) 債務淨額對賬

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	428,427	1,697,688
Borrowings	借款	(28,655,546)	(27,541,815)
Lease liabilities	租賃負債	(45,271)	(49,034)
<b>Net debt</b>	<b>債務淨額</b>	<b>(28,272,390)</b>	<b>(25,893,161)</b>
Cash and cash equivalents	現金及現金等價物	428,427	1,697,688
Gross debt — fixed interest rates	債務總額 — 固定利率	(16,844,726)	(17,232,948)
Gross debt — floating interest rates	債務總額 — 變動利率	(11,856,091)	(10,357,901)
<b>Net debt</b>	<b>債務淨額</b>	<b>(28,272,390)</b>	<b>(25,893,161)</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 34. NOTE OF CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (c) Net debt reconciliation (Continued)

		Liabilities from financing activities 來自融資活動的負債			
		Cash and cash equivalents 現金及現金等價物 RMB'000 人民幣千元	Borrowings 借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Net debt as at 1 January 2020</b>	於二零二零年一月一日的淨債務	2,468,435	(21,618,930)	(50,610)	(19,201,105)
Cash flows	現金流量	(770,599)	(6,222,168)	11,988	(6,980,779)
Other changes (i)	其他變動(i)	—	—	(10,412)	(10,412)
Foreign exchange adjustments	外匯折算調整	(148)	175,345	—	175,197
Other non-cash movements	其他非現金變動	—	123,938	—	123,938
<b>Net debt as at 31 December 2020</b>	於二零二零年十二月三十一日的淨債務	1,697,688	(27,541,815)	(49,034)	(25,893,161)
Cash flows	現金流量	<b>(1,269,964)</b>	<b>(680,594)</b>	<b>19,326</b>	<b>(1,931,232)</b>
Other changes (i)	其他變動(i)	—	<b>(457,943)</b>	<b>(15,563)</b>	<b>(473,506)</b>
Foreign exchange adjustments	外匯折算調整	<b>703</b>	<b>24,806</b>	—	<b>25,509</b>
<b>Net debt as at 31 December 2021</b>	於二零二一年十二月三十一日的淨債務	<b>428,427</b>	<b>(28,655,546)</b>	<b>(45,271)</b>	<b>(28,272,390)</b>

(i) Other movements mainly comprise finance expenses recognised for borrowings and lease liabilities.

(i) 其他變動主要包括就借款及租賃負債確認的財務開支。

### 34. 合併現金流量表附註(續)

#### (c) 債務淨額對賬(續)

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 35. CAPITAL COMMITMENTS

Capital expenditure contracted for but not yet incurred as of 31 December 2021 is as follows:

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment, concession projects and construction projects	物業、廠房及設備、特許經營項目及建設項目	11,723,410	12,539,792
Equity investments	權益投資	240,298	240,298
		<b>11,963,708</b>	<b>12,780,090</b>

### 35. 資本承擔

截至二零二一年十二月三十一日已訂約但尚未產生的資本支出如下：

### 36. FINANCIAL GUARANTEE

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Provided for the borrowings of a joint venture and an associate (Note 37(m))	就合營公司及聯營公司借款提供的擔保（附註37(m)）	287,140	385,330
Guarantee provided for the borrowings of third parties	就第三方借款提供的擔保	2,101	18,438
		<b>289,241</b>	<b>403,768</b>

### 36. 財務擔保

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS

#### (a) Major shareholders

The following entities are the major shareholders of the Company

Name 名稱	Place of incorporation 公司註冊地	Ownership interests (%) 所有權利益 (%)	
		2021 二零二一年	2020 二零二零年
YEPI (i)	雲南省水務(i) PRC 中國	30.07	30.07
Beijing OriginWater	北京碧水源 PRC 中國	24.02	24.02

(i) On 11 January 2022, Yunnan Province Water Industry Investment Co., Ltd., the shareholder of the Company, changed the company name to Yunnan Green Environmental Protection Industry Group Co., Ltd..

#### (b) Subsidiaries

Interests in principal subsidiaries are set out in note 15.

#### (c) Name and relationship with other major related parties

Name 名稱	Relationship 關係
YHTH 雲南康旅集團	Controlling shareholder of YEPI 雲南省水務的控股股東
Caiyun International Investment Limited ("Caiyun Investment") 彩雲國際投資有限公司 (「彩雲投資」)	Fellow subsidiary 同系附屬公司
Yunnan Investment Group 雲投集團	State-owned enterprise 國有企業
Yunnan Construction and Investment Holding Group Co., Ltd. ("YCIH") 雲南省建設投資控股集團有限公司 (「雲南建投集團」)	State-owned enterprise 國有企業
Yunnan Asset Management Co., Ltd. ("YNDAMC") 雲南省資產管理有限公司 (「雲南省資產管理」)	State-owned enterprise 國有企業

### 37. 主要關聯方交易

#### (a) 主要股東

以下實體是本公司的主要股東

Name 名稱	Place of incorporation 公司註冊地	Ownership interests (%) 所有權利益 (%)	
		2021 二零二一年	2020 二零二零年
YEPI (i)	雲南省水務(i) PRC 中國	30.07	30.07
Beijing OriginWater	北京碧水源 PRC 中國	24.02	24.02

(i) 於二零二二年一月十一日，本公司股東雲南省水務產業投資有限公司將公司名稱變更為雲南省綠色環保產業集團有限公司。

#### (b) 附屬公司

主要附屬公司的利益載於附註15。

#### (c) 關聯方的名稱及與其他主要關聯方的關係



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (d) Key management personnel compensation

Key management includes executive directors. The compensation paid or payable to key management for employee services is shown below:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Short-term employee benefits	短期員工福利	8,605	10,094

#### (e) Transactions with other state-owned enterprises

In accordance with HKAS 24 "Related Party Disclosures", state-owned enterprises and their subsidiaries, directly or indirectly controlled by the PRC Government are regarded as related parties of the Group.

The Group operates in an economic environment predominated by state-owned enterprises. During the years ended 31 December 2021 and 2020, the Group had transactions with state-owned enterprises including, but not limited to, operating services, construction services and equipment sales.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not state-owned. The Group has established its pricing strategy and approval process for purchase and sales of products and services. Such pricing strategy approval processes are consistently applied regardless of the counterparties are state-owned entities or not. Having due regard to the substance of the relationships, the directors of the Company are of the opinion that none of these transactions are material significant related party transactions that require separate disclosure except for the transactions with YCIH.

### 37. 主要關聯方交易 (續)

#### (d) 重要管理人員薪酬

重要管理人員包括執行董事。就員工服務已付或應付重要管理人員的薪酬如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Short-term employee benefits	短期員工福利	8,605	10,094

#### (e) 與其他國有企業進行的交易

根據香港會計準則第24號「關聯方披露」，由中國政府直接或間接控制的國有企業及其附屬公司被視為本集團的關聯方。

本集團在由國有企業主導的經濟環境中經營業務。於截至二零二一年及二零二零年十二月三十一日止年度，本集團與國有企業進行的交易包括(但不限於)運營服務、建設服務及設備銷售。

此等交易乃在本集團的日常業務過程中按可與其他非國有實體所訂立者比較的條款進行。本集團已建立買賣產品及服務的定價策略及批准流程。有關定價策略批准流程貫徹採用，而不論對手方是否為國有實體。經適當考慮有關關係的實質後，本公司董事認為此等交易概非須進行獨立披露的重大主要關聯方交易，惟與雲南建投集團進行的交易除外。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (f) Significant transactions with related parties

During the years ended 31 December 2021 and 2020, the Group had the following significant transactions with related entities which are carried out on terms agreed with the counter parties in the ordinary course of business:

### 37. 主要關聯方交易(續)

#### (f) 與關聯方的主要交易

於截至二零二一年及二零二零年十二月三十一日止年度，本集團與關聯實體按對手方的正常業務過程中協定的條款進行了以下重大交易：

		Year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sales and purchases of goods and services	銷售及購買貨品及服務		
– Sales of goods and services to YCIH	– 銷售貨品及服務予雲南建投集團	38,848	423,025
– Sales of goods and services to other related parties	– 銷售貨品及服務予其他關聯方	3,556	6,443
– Purchase of construction services from YCIH	– 從雲南建投集團購買建造服務	1,159,585	2,530,841
– Purchase of construction services from Haiyun Environmental Protection	– 從海雲環保購買建造服務	58,858	89,061
– Purchase of goods from Beijing OriginWater	– 從北京碧水源購買貨品	1,397	2,893
Finance costs of borrowings	借款的融資成本		
– Caiyun Investment	– 彩雲投資	71,798	79,047
– YHTH	– 雲南康旅集團	160,400	100,167
– A joint venture and an associate	– 一家合營公司及聯營公司	2,788	89
Capital contribution by non-controlling interests	非控股權益的注資		
– YNDAMC	– 雲南省資產管理	—	800,000

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (g) Significant outstanding balances arising from sales/ purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Trade receivables for sales of goods and services	銷售貨品及服務的貿易應收款項		
– YCIH	– 雲南建投集團	2,024,084	2,298,727
– Haiyun Environmental Protection	– 海雲環保	9,204	76,512
– Other related parties	– 其他關聯方	19,190	19,997
		<b>2,052,478</b>	2,395,236

The balances of trade receivables from sales of goods and services are mainly denominated in RMB, unsecured, interest free, and settled in accordance with agreed terms with related parties.

銷售貨品及服務的貿易應收款項的結餘主要以人民幣計值、無抵押、免息，及根據與關聯方約定的條款結算。

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Prepayments for purchase of goods and services	購買貨品及服務之預付款項		
– YCIH	– 雲南建投集團	262,691	207,411
– Beijing OriginWater	– 北京碧水源	5,148	24,673
– YHTH	– 雲南康旅集團	3	—
		<b>267,842</b>	232,084

#### (g) 由銷售／購買貨品及服務產生的尚未償付的主要結餘

以下有關與關聯方交易的結餘於報告期末尚未償付：

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (g) Significant outstanding balances arising from sales/ purchases of goods and services (Continued)

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Trade and other payables for purchase of goods and services	購買貨品及服務之貿易及其他應付款項		
– YCIH	– 雲南建投集團	1,628,721	1,642,456
– Beijing OriginWater	– 北京碧水源	14,400	20,150
– Haiyun Environmental Protection	– 海雲環保	101,720	75,948
		<b>1,744,841</b>	1,738,554
Less: non-current portion of trade and other payables	減：貿易及其他應付款項的非即期部分	<b>(98,199)</b>	(1,548,223)
Current portion of trade and other payables	貿易及其他應付款項的即期部分	<b>1,646,642</b>	190,331

The trade and other payables for purchase of sales of goods and services are denominated in RMB, unsecured, interest free, and are settled in accordance with agreed terms with related parties.

購買貨品及服務之貿易及其他應付款項以人民幣計值、無抵押、免息，及根據與關聯方約定的條款結算。

### 37. 主要關聯方交易 (續)

#### (g) 由銷售／購買貨品及服務產生的尚未償付的主要結餘 (續)

# Notes to the Consolidated Financial Statements 合併財務報表附註

## 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

## 37. 主要關聯方交易(續)

### (h) Borrowings from a related party — Caiyun Investment

### (h) 向關聯方借款 — 彩雲投資

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	<b>1,566,002</b>	1,813,189
Repayments	還款	<b>(685,341)</b>	(130,290)
Currency translation differences	貨幣換算差額	<b>(20,137)</b>	(116,897)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	<b>860,524</b>	1,566,002

The borrowings granted from Caiyun Investment are denominated in USD, unsecured, bear interest and repayable in accordance with agreed terms with Caiyun investment.

彩雲投資授予的借款以美元計值、無抵押、計息，並須根據與彩雲投資約定的條款償還。

### (i) Borrowings from a related party — YHTH

### (i) 向關聯方借款 — 雲南康旅集團

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	<b>813,572</b>	—
Receipts	收款	<b>8,504,086</b>	4,023,976
Repayments	還款	<b>(4,951,328)</b>	(3,210,404)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	<b>4,366,330</b>	813,572

The borrowings granted from YHTH are denominated in RMB, unsecured, bear interest and repayable in accordance with agreed terms with YHTH. As at 31 December 2021, interest and other financial charges payable to YHTH amounted to RMB212,137,000 (2020: RMB72,918,000).

雲南康旅集團授予的借款以人民幣計值、無抵押、計息，並須根據與雲南康旅集團約定的條款償還。於二零二一年十二月三十一日，應付雲南康旅集團的利息及其他財務費用為人民幣212,137,000元(二零二零年：人民幣72,918,000元)。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (j) Borrowings from a related party — Yunnan Investment Group

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	—	—
Addition	增加	500,000	—
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	500,000	—

The borrowings granted from Yunnan Investment Group are denominated in RMB, unsecured, bear interest and repayable in accordance with agreed terms with Yunnan Investment Group. As at 31 December 2021, interest and other financial charges payable to Yunnan Investment Group amounted to RMB12,639,000 (2020: Nil).

### 37. 主要關聯方交易(續)

#### (j) 向關聯方借款 — 雲投集團

雲投集團授予的借款以人民幣計值、無抵押、計息，並須根據與雲投集團約定的條款償還。於二零二一年十二月三十一日，應付雲投集團的利息及其他財務費用為人民幣12,639,000元(二零二零年：零)。

#### (k) Borrowings from a joint venture and an associate

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	30,000	—
Receipts	收款	39,838	88,000
Repayments	還款	(5,000)	(58,000)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	64,838	30,000

The borrowings granted from a joint venture and an associate are denominated in RMB, unsecured, bear interest and repayable in 2022.

#### (k) 向合營公司及聯營公司借款

合營公司及聯營公司授予的借款以人民幣計值、無抵押、計息，並須於二零二二年償還。

# Notes to the Consolidated Financial Statements 合併財務報表附註

## 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

### (I) Funds due from/to related parties (i) Funds due from Beijing OriginWater

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	<b>25,063</b>	24,311
Payment	付款	—	754
Receipt	收款	—	(2)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	<b>25,063</b>	25,063

### (ii) Cash advances with other related parties

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	<b>14,798</b>	11,970
Payment	付款	<b>1,325</b>	8,146
Receipt	收款	<b>(619)</b>	(5,318)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	<b>15,504</b>	14,798

The funds grant to related parties are denominated in RMB, unsecured, interest free and repayable on demand.

向關聯方提供的資金均以人民幣計值、無抵押、免息及應按要求償還。

## 37. 主要關聯方交易(續)

### (I) 與關聯方的資金往來 (i) 應收北京碧水源的資金

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	<b>25,063</b>	24,311
Payment	付款	—	754
Receipt	收款	—	(2)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	<b>25,063</b>	25,063

### (ii) 與其他關聯方的現金墊款

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	<b>14,798</b>	11,970
Payment	付款	<b>1,325</b>	8,146
Receipt	收款	<b>(619)</b>	(5,318)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	<b>15,504</b>	14,798



# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (I) Funds due from/to related parties (Continued)

##### (iii) Funds due to other related parties

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
<b>Opening balance at 1 January</b>	於一月一日的期初結餘	5,279	2,065
Receipt	收款	—	3,906
Repayment	還款	(5,279)	(692)
<b>Closing balance at 31 December</b>	於十二月三十一日的期末結餘	—	5,279

The funds grant from related parties are denominated in RMB, unsecured, interest free and repayable on demand.

關聯方提供的資金均以人民幣計值、無抵押、免息及應按要求償還。

#### (m) Guarantee

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Guarantee provided by YHTH in respect of the borrowings of the Group	雲南康旅集團就本集團借款提供的擔保	1,567,780	537,450

#### (m) 擔保

		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Guarantee provided to related parties in respect of the borrowing of a joint venture and an associate	就合營公司及聯營公司的借款向關聯方提供的擔保	287,140	385,330

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 37. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

#### (n) Credit enhancement

In order to facilitate the Group to issue perpetual bonds during the year ended 31 December 2021, YHTH has undertaken to the bondholders to acquire the Group's perpetual bonds of RMB1,622,300,000 under certain circumstance and also provided certain properties of YHTH as security (note 28).

### 37. 主要關聯方交易(續)

#### (n) 增信

為便於本集團於截至二零二一年十二月三十一日止年度發行永續債，雲南康旅集團已向債券持有人承諾在特定情況下購買本集團人民幣1,622,300,000元的永續債，並提供雲南康旅集團若干物業作為擔保(附註28)。

### 38. BALANCE SHEET OF THE COMPANY

### 38. 本公司資產負債表

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	167,763	172,327
Receivables under service concession arrangements	服務特許經營安排下的應收款項	71,620	75,809
Investments in subsidiaries	於附屬公司的投資	9,945,412	9,360,945
Contract assets	合約資產	5,827	—
Intangible assets	無形資產	14,880	3,681
Investments accounted for using the equity method	以權益法入賬的投資	1,021,930	791,549
Trade and other receivables	貿易及其他應收款項	1,140	1,112
Prepayments	預付款項	404,359	384,361
Financial asset at fair value through other comprehensive income	以公平值計量且其變動計入其他綜合收益的金融資產	76	76
Deferred income tax assets	遞延所得稅資產	151,897	155,182
		<b>11,784,904</b>	<b>10,945,042</b>
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	6	26
Trade and other receivables	貿易及其他應收款項	1,370,594	1,733,048
Amounts due from subsidiaries	應收附屬公司款項	12,141,401	8,455,880
Prepayments	預付款項	1,087	1,061
Restricted cash	受限制現金	68,994	79,250
Cash and cash equivalents	現金及現金等價物	17,569	41,077
		<b>13,599,651</b>	<b>10,310,342</b>
<b>Total assets</b>	<b>總資產</b>	<b>25,384,555</b>	<b>21,255,384</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 38. BALANCE SHEET OF THE COMPANY (Continued)

### 38. 本公司資產負債表(續)

		As at 31 December	
		於十二月三十一日	
		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>EQUITY</b>	<b>權益</b>		
<b>Equity attributable to ordinary shareholders of the Company</b>	<b>本公司普通股股東應佔權益</b>		
Share capital	股本	1,193,213	1,193,213
Other reserves (note a)	其他儲備(附註a)	2,365,076	2,365,076
(Accumulated losses)/retained earnings (note a)	(累計虧損)/保留盈利(附註a)	(30,767)	235,524
		<b>3,527,522</b>	3,793,813
Perpetual capital instruments	永久資本工具	1,622,300	500,000
<b>Total equity</b>	<b>總權益</b>	<b>5,149,822</b>	4,293,813
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Borrowings	借款	4,784,769	5,770,783
<b>Current liabilities</b>	<b>流動負債</b>		
Borrowings	借款	8,319,260	7,261,201
Trade and other payables	貿易及其他應付款項	7,130,704	3,929,587
		<b>15,449,964</b>	11,190,788
<b>Total liabilities</b>	<b>總負債</b>	<b>20,234,733</b>	16,961,571
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>25,384,555</b>	21,255,384

The balance sheet of the Company was approved by the Board of Directors of the Company on 29 April 2022 and was signed on its behalf.

本公司資產負債表由本公司董事會於二零二二年四月二十九日批准並由下列人士代為簽署。

Director  
董事

Director  
董事

## Notes to the Consolidated Financial Statements 合併財務報表附註

### 38. BALANCE SHEET OF THE COMPANY (Continued)

#### (a) Movement of other reserves and retained earnings

### 38. 本公司資產負債表(續)

#### (a) 其他儲備及保留盈利變動

		Capital reserve	Statutory reserve	(Accumulated losses)/ retained earnings	Total
		RMB'000	RMB'000	(累計虧損)/ 保留盈利 RMB'000	總計 RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Balance at 1 January 2020</b>	於二零二零年 一月一日的結餘	2,195,657	131,960	201,500	2,529,117
Profit for the year	年內溢利	—	—	250,465	250,465
Transfer to statutory reserve	轉至法定儲備	—	37,459	(37,459)	—
Dividends for the year ended 31 December 2019	截至二零一九年 十二月三十一日止 年度股息	—	—	(178,982)	(178,982)
<b>Balance at 31 December 2020</b>	於二零二零年 十二月三十一日的 結餘	2,195,657	169,419	235,524	2,600,600
<b>Balance at 1 January 2021</b>	於二零二一年 一月一日的結餘	<b>2,195,657</b>	<b>169,419</b>	<b>235,524</b>	<b>2,600,600</b>
Loss for the year	年內虧損	—	—	<b>(195,353)</b>	<b>(195,353)</b>
Dividends for the year ended 31 December 2020	截至二零二零年 十二月三十一日止 年度股息	—	—	<b>(70,938)</b>	<b>(70,938)</b>
<b>Balance at 31 December 2021</b>	於二零二一年 十二月三十一日的 結餘	<b>2,195,657</b>	<b>169,419</b>	<b>(30,767)</b>	<b>2,334,309</b>

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 39. BENEFITS AND INTERESTS OF DIRECTORS

#### (a) Directors' and supervisors' emoluments

The emoluments of individual director and supervisor of the Company paid/payable by the Group are presented as below:

#### (i) For the year ended 31 December 2021

Name of directors/supervisors	董事/監事姓名	Fees 袍金 RMB'000 人民幣千元	Salary 薪金 RMB'000 人民幣千元	Discretionary bonuses 酌情花紅 RMB'000 人民幣千元	Allowances and other benefits 津貼及 其他福利 RMB'000 人民幣千元	Employer's contribution to pension scheme 僱員退休金 計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Executive Directors:</b>	<b>執行董事：</b>						
Ms. Li Bo (Appointed on 24 June 2021 and resigned on 30 September 2021)	李波女士 (於二零二一年六月二十四日獲委任並於二零二一年九月三十日辭任)	—	—	—	—	—	—
Mr. Yu Long (Chief executive officer)	于龍先生 (行政總裁)	10	2,028	—	130	—	2,168
Mr. Yang Fang (Resigned on 11 June 2021)	楊方先生 (於二零二一年六月十一日辭任)	100	218	—	42	—	360
Ms. Ling Hui (Appointed on 11 June 2021 and resigned on 10 November 2021)	凌慧女士 (於二零二一年六月十一日獲委任並於二零二一年十一月十日辭任)	—	181	—	21	—	202
Mr. Zhou Zhimi (Appointed on 10 November 2021)	周志密先生 (於二零二一年十一月十日獲委任)	—	13	—	2	—	15

### 39. 董事福利及權益

#### (a) 董事及監事的酬金

本集團已付/應付本公司個人董事及監事的酬金呈列如下：

#### (i) 截至二零二一年十二月三十一日止年度

Notes to the Consolidated Financial Statements  
合併財務報表附註

39. BENEFITS AND INTERESTS OF DIRECTORS  
(Continued)

(a) Directors' and supervisors' emoluments (Continued)  
(i) For the year ended 31 December 2021  
(Continued)

39. 董事福利及權益(續)

(a) 董事及監事的酬金(續)  
(i) 截至二零二一年十二月三十一日止年度  
(續)

Name of directors/supervisors	董事/監事姓名	Fees	Salary	Discretionary bonuses	Allowances and other benefits	Employer's contribution to pension scheme	Total
		RMB'000	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	人民幣千元
<b>Non-executive Directors:</b>	<b>非執行董事：</b>						
Mr. Li Jialong (Resigned on 11 June 2021)	李家龍先生 (於二零二一年六月十一日辭任)	—	—	—	—	—	—
Mr. Dai Richeng	戴日成先生	—	—	—	—	—	—
Mr. Chen Yong	陳勇先生	—	—	—	—	—	—
Mr. Liu Hui (Appointed on 11 June 2021)	劉暉先生 (於二零二一年六月十一日獲委任)	—	—	—	—	—	—
Ms. Li Bo (Resigned on 24 June 2021)	李波女士 (於二零二一年六月二十四日辭任)	—	—	—	—	—	—
<b>Supervisors:</b>	<b>監事：</b>						
Mr. Long Limin	龍利民先生	—	—	—	—	—	—
Mr. Zhu Zhen	朱振先生	—	476	—	95	—	571
Mr. Huang Yi	黃軼先生	—	219	—	85	—	304
Ms. Tang Shuang	唐爽女士	33	—	—	—	—	33
Mr. Tan Hairui	譚海銳先生	33	—	—	—	—	33
Ms. Zhang Ling	張玲女士	—	—	—	—	—	—
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>						
Mr. Liao Chuanjiang	廖船江先生	190	—	—	—	—	190
Mr. Zhong Wei	鍾偉先生	13	—	—	—	—	13
Mr. Zhou Beihai	周北海先生	13	—	—	—	—	13
		392	3,135	—	375	—	3,902

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 39. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

#### (a) Directors' and supervisors' emoluments (Continued) (ii) For the year ended 31 December 2020

Name of directors/supervisors	董事/監事姓名	Fees 袍金 RMB'000 人民幣千元	Salary 薪金 RMB'000 人民幣千元	Discretionary bonuses 酌情花紅 RMB'000 人民幣千元	Allowances and other benefits 津貼及 其他福利 RMB'000 人民幣千元	Employer's contribution to pension scheme 僱員退休金 計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Executive Directors</b>		<b>執行董事</b>					
Mr. Yu Long (general manager)	于龍先生(總經理)	10	2,028	640	123	—	2,801
Mr. Yang Fang	楊方先生	100	533	138	110	—	881
<b>Non-executive Directors*</b>		<b>非執行董事*</b>					
Mr. Li Jialong (Appointed on 16 July 2020)	李家龍先生 (於二零二零年 七月十六日 獲委任)	—	—	—	—	—	—
Mr. Dai Richeng (Appointed on 12 October 2020)	戴日成先生 (於二零二零年 十月十二日 獲委任)	—	—	—	—	—	—
Mr. Yang Tao (Resigned on 16 July 2020)	楊濤先生 (於二零二零年 七月十六日辭任)	—	—	—	—	—	—
Mr. He Yuanping (Resigned on 12 October 2020)	何願平先生 (於二零二零年 十月十二日辭任)	—	—	—	—	—	—
Mr. Li Bo	李波女士	—	—	—	—	—	—
Mr. Chenyong	陳勇先生	—	—	—	—	—	—
<b>Supervisors</b>		<b>監事</b>					
Ms. Zhang Ling	張玲女士	33	—	—	—	—	33
Mr. Huang Yi	黃軼先生	—	439	—	47	—	486
Mr. Long Limin	龍利民先生	—	—	—	—	—	—
Mr. Zhu Zhen	朱振先生	—	—	—	—	—	—
Mr. Tan Hairui	譚海銳先生	33	—	—	—	—	33
Ms. Tang Shuang	唐爽女士	—	208	—	43	—	251

### 39. 董事福利及權益(續)

#### (a) 董事及監事的酬金(續) (ii) 截至二零二零年十二月三十一日止年度



# Notes to the Consolidated Financial Statements 合併財務報表附註

## 39. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

### (a) Directors' and supervisors' emoluments (Continued) (ii) For the year ended 31 December 2020 (Continued)

Name of directors/supervisors	董事/監事姓名	Fees	Salary	Discretionary bonuses	Allowances and other benefits	Employer's contribution to pension scheme	Total
		RMB'000	RMB'000	RMB'000	津貼及其他福利	僱員退休金計劃供款	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	人民幣千元
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>					
Mr. Liu Chuen Kong	廖船江先生	190	—	—	—	—	190
Mr. Ma Shihao (Resigned on 12 October 2020)	馬世豪先生 (於二零二零年十月十二日辭任)	75	—	—	—	—	75
Mr. Hu Song (Resigned on 14 July 2020)	胡松先生 (於二零二零年七月十四日辭任)	50	—	—	—	—	50
Mr. Zhou Beihai (Appointed on 12 October 2020)	周北海先生 (於二零二零年十月十二日獲委任)	13	—	—	—	—	13
Mr. Zhong Wei (Appointed on 12 October 2020)	鍾偉先生 (於二零二零年十月十二日獲委任)	13	—	—	—	—	13
		517	3,208	778	323	—	4,826

\* There were no fees or other emoluments payable to non-executive directors during the year.

\* 年內並無應付非執行董事的袍金或其他薪酬。

## 39. 董事福利及權益(續)

### (a) 董事及監事的酬金(續) (ii) 截至二零二零年十二月三十一日止年度 (續)

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 39. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

#### (b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits for the year ended 31 December 2021 (2020: none).

#### (c) Consideration provided to third parties for making available directors' services

For the year ended 31 December 2021, the Group did not pay consideration to any third parties for making available directors' services (2020: nil).

#### (d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

As at 31 December 2021, there are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and connected entities with such directors (2020: nil).

(e) The aggregate emoluments paid to or receivable by directors in respect of their services as directors of the Company for the year ended 31 December 2021 were RMB326,000 (2020: RMB451,000). The aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company for the year ended 31 December 2021 were RMB2,635,000 (2020: RMB3,572,000).

### 39. 董事福利及權益(續)

#### (b) 董事的退休福利及離職福利

截至二零二一年十二月三十一日止年度，概無董事已收取或將收取任何退休福利或離職福利(二零二零年：無)。

#### (c) 就獲取董事服務而向第三方提供的代價

截至二零二一年十二月三十一日止年度，本集團並無就獲取董事服務向任何第三方支付代價(二零二零年：無)。

#### (d) 有關以董事、董事的受控制法團及關連實體為受益人的貸款、準貸款及其他交易的資料

於二零二一年十二月三十一日，概無以董事、董事的受控制法團及關連實體為受益人的貸款、準貸款及其他交易安排(二零二零年：無)。

(e) 董事就彼等於截至二零二一年十二月三十一日止年度擔任本公司董事已獲支付或應收的薪酬總額為人民幣326,000元(二零二零年：人民幣451,000元)。董事就彼等於截至二零二一年十二月三十一日止年度對管理本公司事務提供的其他服務已獲支付或應收的薪酬總額為人民幣2,635,000元(二零二零年：人民幣3,572,000元)。

## Five-year Financial Summary 五年財務概要

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

### 簡明合併損益及其他綜合收益 表

		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		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	收益	5,280,743	8,396,630	6,538,024	6,255,628	5,142,242
Gross profit	毛利	1,316,564	2,096,132	1,832,313	1,498,009	1,304,724
Profit before income tax	所得稅前溢利	(1,030,933)	502,624	677,549	644,226	702,244
Profit for the year	年內溢利	(1,055,254)	341,311	553,808	496,715	544,000
Profit for the year attributable to:	以下人士應佔溢利：					
Ordinary shareholders of the Company	本公司普通股股東	(1,001,876)	223,095	398,153	397,753	422,812
Total comprehensive income for the year	年內綜合收益總額	(1,077,401)	353,320	572,023	323,974	695,742
Total comprehensive income attributable to:	以下人士應佔綜合 收益總額：					
Ordinary shareholders of the Company	本公司普通股股東	(1,024,023)	235,104	416,368	225,012	574,554

### CONDENSED CONSOLIDATED BALANCE SHEET

### 簡明合併資產負債表

		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		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
<b>Assets</b>	<b>資產</b>					
Total non-current assets	非流動資產總額	40,462,391	36,676,593	29,164,775	23,363,751	19,092,066
Total current assets	流動資產總額	7,963,229	10,576,221	10,704,357	9,310,095	8,003,983
Total assets	資產總額	48,425,620	47,252,814	39,869,132	32,673,846	27,096,049
<b>Equity and liabilities</b>	<b>權益及負債</b>					
Equity attributable to:	以下應佔權益：					
Ordinary shareholders of the Company	本公司普通股股東	4,014,202	5,175,361	4,749,316	4,556,822	4,536,565
Perpetual capital instruments	永久資本工具	1,622,300	500,000	2,610,000	1,200,000	1,200,000
Non-controlling interests	非控股權益	1,961,636	1,932,201	1,186,669	1,177,450	949,384
Total equity	權益總額	7,598,138	7,607,562	8,545,985	6,934,272	6,685,949
Non-current liabilities	非流動負債	13,504,638	26,292,531	20,760,860	16,527,163	12,490,571
Current liabilities	流動負債	27,322,844	13,352,721	10,562,287	9,212,411	7,919,529
Total liabilities	負債總額	40,827,482	39,645,252	31,323,147	25,739,574	20,410,100
Total equity and liabilities	權益及負債總額	48,425,620	47,252,814	39,869,132	32,673,846	27,096,049

# Environmental, Social & Governance Report in 2021

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### INTRODUCTION

Yunnan Water is one of the leading integrated service providers in the urban environmental protection industry in China. The Company keeps a mode of “massive water” of raw water supply, tap water supply, sewage treatment, reclaimed water, black and odorous water treatment, river comprehensive treatment which covers all categories in water sector while carries out the solid waste recycling business, such as the industrial waste treatment, medical waste treatment, kitchen waste disposal, waste incineration and power generation, carbonization and resource utilization of sludge and pyrolysis carbonization of organic waste, and provides services including design, investment, construction, operation and maintenance, comprehensive solutions and core technology system integration. Yunnan Water will leverage its own advantages, closely combine with the actual situation of Yunnan Province, around the green economy promising province strategy, ethnic culture promising province strategy and a bridgehead strategic objective of the PRC open to the southwest, firmly grasp the opportunity of the implementation of the state’s “One Belt, One Road” strategy, adhere to its enterprise culture of the fear of heart, grateful heart, self-confidence, keep careful, professional, rigorous working attitude, and build an “Internet of things + Internet” digital intelligent environmental protection enterprise. It is committed to becoming an urban environmental integrated services provider with core technologies, strong investment and financing capabilities, core competitiveness and social influence which is based in Yunnan Province, serves the whole country and moves towards South Asia and Southeast Asia.

In the face of the COVID-19 pandemic (“**COVID-19**”), the Group immediately supported the pandemic prevention and control work, timely understood and managed the capacity and operation condition of medical waste disposal facilities in the affected area, and fully guided and supervised the safe disposal of medical waste in the affected area.

In order to enable stakeholders (including shareholders and investors, customers, employees, suppliers and subcontractors, regulatory authorities, government authorities and the society, as well as non-governmental organizations (“**NGOs**”) and the media) to understand our ESG policies, measures and performance, the Group has prepared and published this ESG report (the “**Report**”).

### 序言

雲南水務是中國領先的城鎮環境綜合服務商之一，本公司在保持原水供應、自來水供應、污水處理、再生水、黑臭水體治理、河道綜合治理等涵蓋水務行業全範疇的「大水務」模式的同時，還開展工業危廢處理、醫廢處理、餐廚垃圾處理、垃圾焚燒發電、污泥碳化資源化及有機質垃圾熱解碳化等固廢業務，提供包括設計、投資、建設、運營及維護、整體解決方案及核心技術系統集成等服務。雲南水務將利用自身優勢，緊密結合雲南實際，圍繞綠色經濟強省、民族文化強省和中國面向西南開放的橋頭堡戰略目標，緊緊抓住國家「一帶一路」戰略實施的契機，秉承敬畏心、感恩心、自信心的企業文化，保持謹慎、專業、嚴謹的工作態度，打造「物聯+互聯」的數字化智慧環保企業，致力成為立足雲南、面向全國、走向南亞及東南亞，擁有核心技術及強大投融资能力，具備核心競爭力及社會影響力的城鎮環境綜合服務商。

面對新冠肺炎疫情（「**新冠肺炎**」），本集團第一時間支持疫情防控工作，及時摸清及管理疫區醫療廢物處置設施能力和運行情況，並全力指導支持督促疫區做好醫療廢物安全處置工作。

本集團為讓各持份者（包括股東及投資者、客戶、僱員、供應商及分包商、監管機構和政府機構及社會，以及非政府組織（「**非政府組織**」）和媒體）了解我們的ESG之政策、措施及表現，本集團編製並發佈了本ESG報告（「**本報告**」）。

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### BOARD STATEMENT

#### ESG Governance Structure

The Group has established an ESG governance structure to ensure that the ESG strategy is consistent with the Group's business strategy and to integrate ESG management into its business operations and decision-making process.

The Board holds the overall responsibility for the Group's ESG issues as well as ensuring the effectiveness of the Group's ESG risk management and the internal control systems. In particular, the Board is accountable for examining and approving the Group's ESG management approach, strategies, policies and objectives, prioritizing ESG-related issues, reviewing the Group's performance periodically against ESG-related goals and targets, and approving disclosures in the Group's ESG reports with the assistance from relevant designated personnel ("Designated Personnel").

Designated Personnel comprises management and employees from major subsidiaries and different departments of the Group and will carry out management on the ESG issues under the delegation from the Board, so as to assist the Board in supervising the ESG issues. Its primary responsibilities include collecting and analysing relevant information and data on the ESG aspects; the preparation of ESG reports; examining and assessing the performance in different aspects such as environment, health and safety, labour standards, product and service responsibility in the ESG areas; ensuring that the Group abides by relevant laws and regulations; assisting to formulate ESG priorities; and assisting in the preparation and implementation of the relevant strategies, framework and policies on the ESG. The Designated Personnel regularly arranges meetings to discuss and review ESG affairs, including but not limited to the effectiveness of current ESG-related policies and procedures, performance, risks and opportunities, as well as strategies and targets. The Designated Personnel also reports to the Board on the development of such works, assists in identifying and assessing the Group's ESG risks, and assesses the effectiveness of the Group's ESG internal control mechanism.

### REPORTING SCOPE

The scope of the Report is determined by the management of the Group after considering the importance of the impact of different projects on the Group's policies and financial performance, and whether the Group has direct control over the project.

The information disclosed in the Report covers 190 water supply, wastewater and solid waste treatment project in operation of the Group in the PRC, representing an addition of 9 new projects in operation and a reduction of 10 old projects as compared with the ESG Report for the year ended 31 December 2020. After the Group's data collection system becomes more mature and the work of sustainable development deepens, the Group will continue to expand the scope of disclosure in the future.

### 董事會聲明

#### ESG治理結構

本集團已制定ESG管治結構，以確保ESG策略與本集團的業務策略保持一致，並將ESG管理融入至其業務營運及決策過程當中。

董事會全面負責本集團的ESG事宜，並確保本集團風險管理及內部監控系統的有效性。具體而言，董事會負責制定ESG管理方針、策略、政策及目標，為ESG事宜進行優先排序，根據ESG相關目的及目標定期檢討本集團的表現，並在相關指定人員（「指定人員」）的協助下批准本集團ESG報告的披露。

指定人員由主要子公司以及各職能的管理層及員工組成，其在董事會的授權下對ESG議題進行管理，以協助董事會監督ESG事宜。其主要的職責包括搜集及分析ESG方面的相關資料及數據；編製ESG報告；監測和評估本集團於ESG範疇內環境、健康與安全、勞工標準、產品及服務責任等不同方面的表現；確保本集團遵守相關法律法規；協助制定ESG的優次事項；以及協助制定及實施本集團ESG相關策略、框架及政策。指定人員定期安排會議，以討論及審視ESG相關事宜，包括但不限於當前ESG相關的政策和程序的有效性、表現、風險及機遇，以及策略和目標。指定人員亦會定期向董事會匯報有關工作進展，並協助辨識和評估本集團的ESG風險以及評估本集團ESG內部控制機制的有效性。

### 報告範圍

本報告範圍由本集團的管理層在考慮了不同項目對本集團政策的及財務表現影響的重要性，以及本集團於該項目有沒有直接控制權而釐定。

本報告所披露數據範圍涵蓋本集團位於中國的190個供水、污水及固廢處理的在營項目，較截至二零二零年十二月三十一日止年度的ESG報告新增了9個在營項目，減少了10個舊有項目。待本集團之數據收集系統更趨成熟，以及可持續發展工作深化之後，本集團將於未來繼續擴大披露範圍。



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### REPORTING FRAMEWORK

The Report has been prepared with reference to the ESG Guide in the Appendix 27 of the Listing Rules of the Main Board of the Stock Exchange and based on the reporting principles of materiality, quantitative, balance, and consistency. During the preparation of the Report, the Group has applied these reporting principles in the aforementioned ESG Reporting Guide as the following:

**Materiality:** Materiality assessment was conducted to diagnose material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for the preparation of the ESG Report. The materiality of issues was reviewed and confirmed by the Board and senior management. Please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment” for further details.

**Quantitative:** The standards and methodologies used in the calculation of relevant information in the Report and the applicable assumptions were disclosed. The key performance indicators (“KPIs”) are supplemented by explanatory notes to establish benchmarks where feasible. All the figures have been rounded up to 2 decimal places.

**Balance:** This ESG Report was prepared based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall ESG performance of the Group.

**Consistency:** The statistical methodologies applied to this Report were substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.

The corporate governance practices of the Group have been published in the “Corporate Governance Report” on pages 60 to 79 of the Annual Report.

### REPORTING PERIOD

The Report covers the ESG activities, challenges and measures taken of the Group during the period from 1 January 2021 to 31 December 2021.

### STAKEHOLDER ENGAGEMENT

The Group attaches importance to stakeholders and their opinions on the Group’s business and ESG matters. In order to understand and respond to the concerns of stakeholders, the Group maintains close communication with major stakeholders. In formulating the operation strategy and ESG measures, the Group will take into account the expectations of the stakeholders, and through mutual cooperation, the Group will continuously improve its performance and create greater value for the society.

### 報告框架

本報告依照聯交所主板上市規則附錄二十七所載之ESG指引並基於重要性、量化、平衡和一致性的報告原則所編製編寫。在編製本報告期間，本集團採用了上述ESG指引中的報告原則，如下所示：

**重要性：**於報告期內通過重要性評估重大議題，將已確認的重大議題作為ESG報告的編製重點。議題的重要性已由董事會及高級管理層審閱及確認。有關進一步詳情，請參閱「持份者參與」及「重要範疇評估」兩節。

**量化：**本報告中相關資料計算中使用的標準和方法以及適用的假設均已披露。關鍵績效指標由解釋性說明補充，以在可行的情況下建立基準。所有數字均四捨五入至小數點後二個位。

**平衡：**本報告基於客觀公正的方式，確保披露的資訊真實反映本集團在ESG方面的整體表現。

**一致性：**本報告的編製方法與上年基本一致，對披露範圍和計算方法發生變化的數據會進行說明。

有關本集團的企業管治常規刊載於本年報第60頁至第79頁的《企業管治報告》內。

### 報告期間

本報告涵蓋本集團二零二一年一月一日至二零二一年十二月三十一日取得的ESG方面的活動、挑戰和採取的措施。

### 持份者參與

本集團重視持份者及其對本集團業務及ESG事宜的意見。為了解及回應持份者關注事項，本集團與主要持份者保持緊密溝通。在制訂營運策略及ESG措施時，本集團會考慮持份者的期望，透過彼此合作使本集團不斷改善其表現，為社會締造更大價值。

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Through different stakeholders' participation and communication channels, the Group will bring stakeholders' expectations into the Group's operation and ESG strategy. The communication channels and expectations of stakeholders are as follows:

通過不同的持份者參與及溝通渠道，本集團會將持份者的期望帶入本集團的營運及ESG策略當中。持份者的溝通渠道及期望如下：

Stakeholders 持份者	Main Communication Channels 主要溝通渠道	Main Concerns 主要關注事宜
Investors and shareholders 投資者及股東	<ul style="list-style-type: none"> <li>Annual general meeting and other shareholder meetings</li> <li>Financial reports</li> <li>Company website and e-mail</li> <li>News reports, announcements and circulars</li> <li>Conference and teleconference</li> <li>Site inspection</li> <li>股東週年大會及其他股東大會</li> <li>財務報告</li> <li>公司網頁及電郵</li> <li>新聞稿、公告及通函</li> <li>會議及電話會議</li> <li>現場考察</li> </ul>	<ul style="list-style-type: none"> <li>Compliance operation</li> <li>Information transparency</li> <li>Protection of rights and interests and the fair treatment of shareholders</li> <li>Return on investment</li> <li>Risk management</li> <li>Corporate governance</li> <li>合規經營</li> <li>信息透明度</li> <li>保障權益及股東公平待遇</li> <li>投資回報</li> <li>風險管理</li> <li>企業管治</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>Customer support hotline and e-mail</li> <li>Customer satisfaction survey</li> <li>Visit and meetings</li> <li>客戶支持熱線及電郵</li> <li>客戶滿意度調查</li> <li>拜訪和會議</li> </ul>	<ul style="list-style-type: none"> <li>Products and services quality</li> <li>Customer privacy protection</li> <li>Business integrity and morality</li> <li>產品與服務質量</li> <li>客戶隱私保障</li> <li>商業誠信與道德</li> </ul>
Employees 員工	<ul style="list-style-type: none"> <li>Training, seminars and briefing</li> <li>Employee performance appraisal and performance evaluation meetings</li> <li>Culture, public welfare and sports activities</li> <li>Working meeting and special meeting</li> <li>Face to face talks, e-mail contact and teleconference</li> <li>Career development communication mechanism</li> <li>培訓、研討會及簡介會</li> <li>員工績效考核及表現評估會議</li> <li>文化、公益及體育活動</li> <li>工作會議及專題會議</li> <li>當面會談、電郵聯繫及電話會議</li> <li>職業發展溝通機制</li> </ul>	<ul style="list-style-type: none"> <li>Career development opportunities</li> <li>Health and safety</li> <li>Remuneration and benefits</li> <li>Working environment</li> <li>Protection of employees' rights and interests</li> <li>Staff care</li> <li>Staff communication</li> <li>事業發展機會</li> <li>健康與安全</li> <li>薪酬與福利</li> <li>工作環境</li> <li>員工權益保障</li> <li>員工關愛</li> <li>員工溝通</li> </ul>



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Stakeholders 持份者	Main Communication Channels 主要溝通渠道	Main Concerns 主要關注事宜
Suppliers and partners 供應商和分包商	<ul style="list-style-type: none"> <li>Business meetings, e-mail and telephone</li> <li>Review and assessment</li> <li>Procurement and tender meetings</li> <li>Opinion survey</li> </ul>	<ul style="list-style-type: none"> <li>Long-term cooperation</li> <li>Business ethics and reputation</li> <li>Fair tendering process</li> </ul>
Regulatory authorities and Government 監管機構和政府機構	<ul style="list-style-type: none"> <li>On site investigation, supervision and inspection and visit reception</li> <li>Financial reports</li> <li>Progress report</li> <li>Telephone and e-mail</li> <li>Information disclosure</li> <li>Daily communication report</li> </ul>	<ul style="list-style-type: none"> <li>Compliance operation</li> <li>Policy implementation</li> <li>Pay taxes</li> </ul>
The community, non-governmental organisations and media 社區、非政府機構及媒體	<ul style="list-style-type: none"> <li>ESG reports</li> <li>Project visit and site assessment</li> <li>Public hearing</li> <li>Public welfare activities</li> <li>News reports and announcements</li> <li>Management interview</li> </ul>	<ul style="list-style-type: none"> <li>Giving back to society</li> <li>Environmental protection</li> <li>Social welfare</li> <li>Health and safety</li> </ul>
	<ul style="list-style-type: none"> <li>ESG報告</li> <li>項目參觀及現場考核</li> <li>公聽會</li> <li>公益活動</li> <li>新聞稿及公告</li> <li>管理層採訪</li> </ul>	<ul style="list-style-type: none"> <li>回饋社會</li> <li>環境保護</li> <li>社會福利</li> <li>健康與安全</li> </ul>

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### MATERIALITY ASSESSMENT

In order to better understand the opinions and expectations of the stakeholders on the ESG performance of the Group, the Group adopts a systematic method to conduct the annual materiality assessment. The specific work steps are as follows:

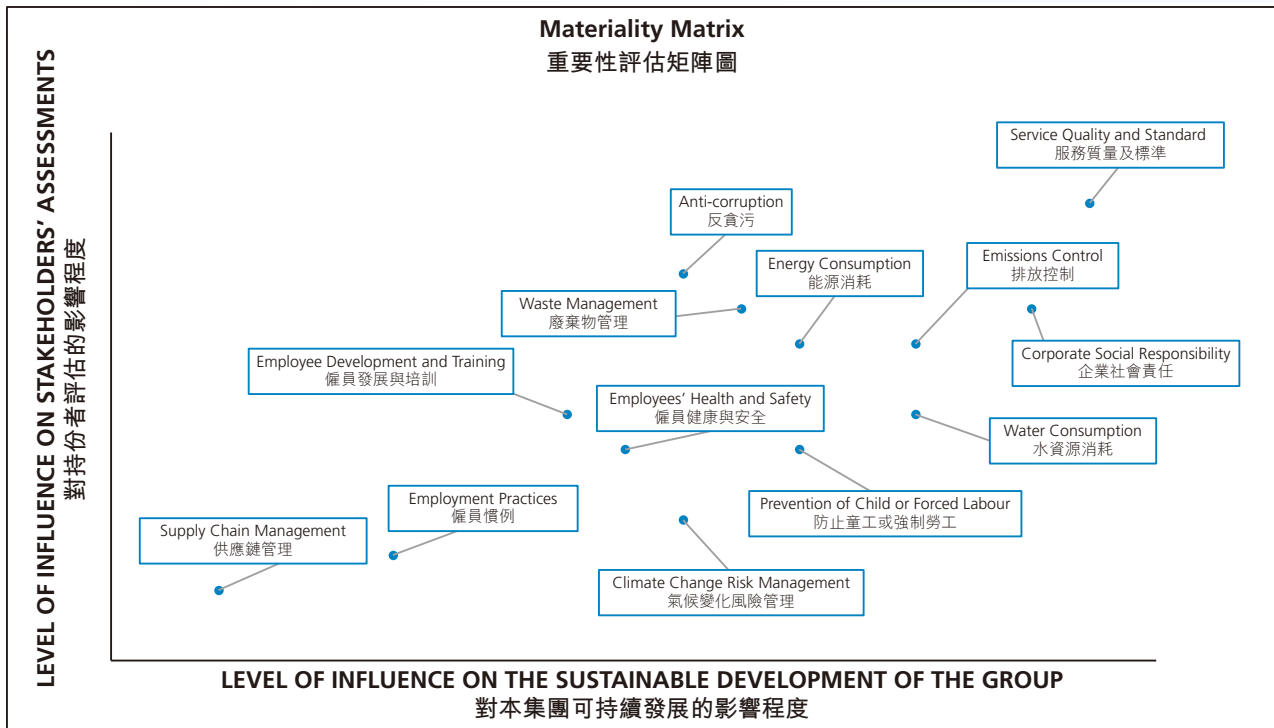
### 重要範疇評估

為更有效了解持份者對本集團之ESG表現的意見及期望，本集團採用有系統的方法進行年度重要範疇評估工作，具體工作步驟如下：

- |   |   |
|---|---|
| <b>Identify Related Issues</b>            | <ul style="list-style-type: none"><li>• With the assistance of consultants, the Group has identified and determined the ESG issues list of the Group during the Reporting Period based on the business development of the Group;</li><li>• The list includes 13 topics with significant impact on economy, environment and society, and high impact on stakeholder assessment, covering four major areas: "environmental protection", "employment and labour practices", "business practices" and "community investment".</li></ul> |
| <b>識別相關議題</b>                             | <ul style="list-style-type: none"><li>• 本集團在顧問協助下依據本集團的業務發展，識別並確定了本集團於報告期內的ESG議題清單；</li><li>• 清單包含與對經濟、環境和社會的衝擊較顯著及對持份者評估的影響程度較高的13項議題，涵蓋「環境保護」、「僱傭及勞工常規」、「營運慣例」和「社區投資」四大範疇。</li></ul>  |
| <b>Collect Feedback from Stakeholders</b> | <ul style="list-style-type: none"><li>• Taking the issues in the list as the core content of the assessment, the questionnaire was designed and distributed to stakeholders to rate on the importance of various ESG issues to themselves and their impact on the Group's sustainable development, and respond to any open-ended questions;</li><li>• The major stakeholders covered in this assessment include but are not limited to employees and management.</li></ul>  |
| <b>收集持份者回饋</b>                            | <ul style="list-style-type: none"><li>• 以清單內議題作為重要範疇評估核心內容設計問卷，並透過發放問卷調查，讓持份者就各項ESG議題對自身的重要性，及對本集團可持續發展的影響程度評分和回應開放式問題；</li><li>• 本次評估所覆蓋之主要持份者，包括但不限於員工及管理層。</li></ul>   |
| <b>Identify Important Issues</b>          | <ul style="list-style-type: none"><li>• Through the analysis of the questionnaire results, the materiality of 13 topics was evaluated and the materiality matrix of the year ended 31 December 2021 was compiled;</li><li>• Reviewed stakeholders' opinions and the results of importance assessment, discussed with management and determined the key disclosure of the Report and the key points to enhance ESG performance in the future.</li></ul>  |
| <b>識別重要議題</b>                             | <ul style="list-style-type: none"><li>• 通過對問卷結果分析，評估13項議題的重要性並編製截至二零二一年十二月三十一日止年度的重要性矩陣；</li><li>• 審閱持份者意見與重要性評估結果，與管理層討論並確定報告披露重點以及未來提高ESG績效的要點。</li></ul>   |
| <b>Validation</b>                         | <ul style="list-style-type: none"><li>• The materiality matrix was examined by the management of the Group.</li></ul>   |
| <b>驗證</b>                                 | <ul style="list-style-type: none"><li>• 重要性矩陣交由本集團管理層審視。</li></ul>  |

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The Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents comply with the requirements of the ESG Guide.

本集團確認已就ESG事宜設立合適及有效的管理政策及監控系統，並確認所披露內容符合ESG指引的要求。

## CONTACT THE GROUP

The Group welcomes comments and suggestions from stakeholders. You can provide valuable advice on the Report or its performance in sustainable development, and contact the Group through the following ways:

## 與本集團聯絡

本集團歡迎持份者提供意見及建議。閣下可就本報告或其在可持續發展方面的表現提供寶貴意見，並透過以下方式與本集團聯絡：

Telephone number: +86 871 6720-3907  
E-mail address: ir@yunnanwater.com.cn

電話號碼：+86 871 6720-3907  
電郵地址：ir@yunnanwater.com.cn

## A. ENVIRONMENTAL

The Group believes that it is crucial to comply with applicable environmental laws, regulations and policies for the long-term development and success of the Group. Therefore, we continue to keep abreast with the policy guidance of the industry, analyse the latest applicable environmental protection laws, regulations, policies as well as the best domestic and foreign industry practices, and timely update our policies and procedures in relation to environmental protection to ensure that our environmental management is in line with the latest standards. In response to government's carbon reduction scheme and stakeholders' expectation and their concern on ESG-related issues, the Group has set targets for greenhouse gas ("GHG") emissions, waste management, energy and water consumption.

## A. 環境

本集團相信遵守相關環保規則及法規對本集團業務的長期發展及成功至關重要。因此，我們會持續了解行業的政策導向，分析最新的適用環保法律法規、政策及國內外行業最佳實踐，並及時更新我們與環保相關的管理制度，以確保我們的環境管理與時俱進。為響應政府的減碳政策及回應各持份者對本集團的期望及所關注的ESG事宜，本集團已就溫室氣體（「溫室氣體」）排放、廢物管理、能源及水源消耗設立目標。

# Environmental, Social & Governance Report in 2021

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### A1. Emissions

The Group is actively participating in environmental protection. All the Group's subsidiaries are required to strictly comply with the Group's internal management system in relation to environmental protection in order to meet the relevant legal requirements, including but not limited to the Environmental Protection Law of the PRC, the Law of the PRC on Environmental Impact Assessment, the Law of the PRC on the Prevention and Control of Atmospheric Pollution and the applicable pollutant emission standards formulated by local governments. During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations in relation to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes that would have a significant impact on the Group.

#### EXHAUST GAS EMISSIONS

The Group continues to renovate treatment technologies and to optimize its production management system, aiming to effectively achieve the annual emission reduction targets for the operation project, and therefore has received government recognition and praise. For odour generated from wastewater treatment, the Group has planted greenbelts around the gas sources and collected the gas for biotreatment in order to meet national emission standards. For hazardous gas generated from solid waste treatment, the Group has introduced international advanced technologies and continued to enhance the flue gas treatment equipment to ensure that harmful components contained in the flue gas have been effectively removed and the emission standards are met. The Group has also formulated a completed job post system and detailed operating procedures to strengthen the management and monitoring of the exhaust gas treatment process, pay close attention to the working conditions, strictly control the exhaust gas collection and treatment process, and identify and solve problems in time, so as to ensure the stable, efficient and normal operation of each exhaust gas treatment equipment.

Due to the increase in amount of domestic wastes and wastewater processed, the Group's overall exhaust gas emissions during the Reporting Period has increased.

### A1. 排放物

本集團積極實踐環保工作。本集團要求其附屬公司均需嚴格遵守本集團內部有關環保的管理制度及相關的法律及規例，其中包括但不限於《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《中華人民共和國大氣污染防治法》及地方政府制定的適用污染物排放標準等。於報告期內，本集團並不知悉任何嚴重違反有關廢氣及溫室氣體排放、向水及向土地排放以及產生有害及無害廢棄物的法例及法規，而對本集團構成重大影響。

#### 廢氣排放

本集團不斷革新處理技術、完善生產管理制度，從而協助運營項目所在地能更好地完成每年的減排目標，因而獲得了各級政府的肯定和好評。針對污水處理過程中產生的臭氣，我們採取在臭氣產生源周圍種植綠化隔離帶及將臭氣收集後進行生物處理等工藝方法，使其達到國家許可的排放標準。針對固廢處置過程中產生的有害氣體，本集團引進國際先進技術，不斷對煙氣處理設備進行革新，確保有效去除煙氣中的有害成份，保證達標排放。本集團亦制定完善的崗位制度和詳細的操作規程，加強廢氣處理過程的管理和監控，密切注意工況，嚴格控制廢氣的收集和處理過程，及時發現並解決問題，以確保各廢氣處理設備的穩定、高效、正常運行。

由於生活垃圾以及污水處理量的增加，本集團於報告期內的整體廢氣排放量有所上升。

#### Year ended 31 December

截至十二月三十一日止年度

Exhaust gas emissions 廢氣排放	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Particulate matter (PM) 顆粒物(PM)	tonne 噸	8.79	14.03
Sulfur oxide (SO <sub>x</sub> ) 硫氧化物(SO <sub>x</sub> )	tonne 噸	31.36	25.50
Nitrogen oxide (NO <sub>x</sub> ) 氮氧化物(NO <sub>x</sub> )	tonne 噸	226.30	194.97

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### GHG EMISSIONS

The Group's GHG emissions arise mainly from the purchased consumption of electricity. The Group has implemented various energy conservation measures to minimize GHG emissions. Please refer to the section headed "Energy Consumption" below for details.

In response to the national vision of "carbon emission peak by 2030, carbon neutrality by 2060", the Group has set a goal of actively promoting its independent research and development of organic solid waste anaerobic pyrolysis carbonization technology, expecting to realize "returning carbon to soil" and "closed circuit carbon cycle for human life". In addition, Yunnan Water and several entities jointly signed the "carbon emission peak, carbon neutrality" strategic cooperation agreement in March 2021. Taking this as an opportunity, Yunnan Water will strengthen technology research and development, resource integration business expansion, and actively assist in serving the goal of "carbon emission peak, carbon neutrality".

During the Reporting Period, the Group's GHG emission intensity is approximately 0.05 tonnes of CO<sub>2</sub>e per sq.m., representing an increase of approximately 25.00% compared with the year ended 31 December 2020. This is mainly due to the increase in the amount of domestic wastes and wastewater processed, resulting in an increase in GHG emissions. The Group's GHG emissions during the Reporting Period are summarized as follows:

### 溫室氣體排放

本集團的溫室氣體排放主要源自於外購電力消耗。本集團已實施各種節能措施，以幫助減少相應的溫室氣體排放量。詳情請參考下文「能源消耗」一節。

為響應國家「2030碳達峰·2060碳中和」的願景，本集團設定了積極推廣其自主研發的有機固廢絕氧熱解碳化技術之目標，期望實現「還碳於土」和「人類生活碳閉路循環」。除此之外，雲南水務於2021年3月與多家單位共同簽署「碳達峰、碳中和」戰略合作協議，以此為契機，雲南水務將加強技術研發、資源整合業務拓展，積極助力服務「碳達峰、碳中和」目標。

於報告期內，本集團的溫室氣體排放密度約為0.05噸二氧化碳當量／建築平方米，與截至二零二零年十二月三十一日止年度相比增加約25.00%。其主要原因是生活垃圾以及污水處理量的增加，導致溫室氣體排放量增加。於報告期內，本集團的溫室氣體排放量概述如下：

Indicators <sup>1</sup> 指標 <sup>1</sup>	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Direct GHG emissions (Scope 1) <sup>2</sup> 直接溫室氣體排放(範圍1) <sup>2</sup>	tCO <sub>2</sub> e 噸二氧化碳當量	—	—
Energy indirect GHG emissions (Scope 2) 能源間接溫室氣體排放(範圍2)	tCO <sub>2</sub> e 噸二氧化碳當量	<b>278,778.97</b>	234,281.00
<b>Total GHG emissions</b> <b>溫室氣體排放總量</b>	<b>tCO<sub>2</sub>e</b> <b>噸二氧化碳當量</b>	<b>278,778.97</b>	234,281.00
GHG emissions intensity <sup>3</sup> 溫室氣體排放密度 <sup>3</sup>	tCO <sub>2</sub> e/sq.m. 噸二氧化碳當量／ 建築平方米	<b>0.05</b>	0.04



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### Notes:

1. GHG emission data is presented in terms of carbon dioxide equivalent with reference to, but not limited to, the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Research Institute and the World Business Council for Sustainable Development, "2019 Emission Reduction Projects — Baseline Emission Factors for Regional Power Grids in China" published by Ministry of Ecology and Environment of the People's Republic of China, "How to prepare an ESG Report — Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX, and the "Global Warming Potential Values" from the IPCC Fifth Assessment Report (2014) (AR5).
2. The Group only owned a small number of motor vehicles and consumed limited fuel, therefore, the Group did not collect relevant fuel consumption data.
3. As of 31 December 2021, the Group's gross floor area is approximately 5,679,289.44 sq.m. (As of 31 December 2020: approximately 5,653,329.90 sq.m.). This data will also be used to calculate other density data.

### SOLID WASTE TREATMENT BUSINESS

The Group has always insisted on providing customers with high-quality solid waste treatment services, actively focusing on solid waste treatment issues and continuously developing solid waste technologies as well as promoting the recycling of resources.

The Group installs and uses monitoring equipment in accordance with relevant national regulations to monitor the discharge of pollutants in real-time and disclose the data of pollution discharge. The Group has special personnel to supervise the implementation of solid waste treatment and disposal measures, and timely collect, transport and treat solid waste according to the regulatory requirements and the disposal measures formulated to eliminate the pollution impact. In addition, the Group monitors the content of solid waste such as heavy metal from time to time, track information of comprehensive utilization of solid waste and expand the way of comprehensive utilization. The Group strictly follows the hazardous waste treatment and disposal plan to regulate and dispose the hazardous waste, so as to effectively prevent the occurrence of secondary pollution on the site.

The Group collects, transports and disposes of medical waste in time, and takes effective measures to prevent the loss, leakage or diffusion of medical waste. In the event of major infectious disease outbreaks and other emergencies, the Group will take effective measures to dispose of pandemic medical waste in a timely, orderly, efficient and harmless manner to prevent the second transmission or spread of pandemic disease and to ensure the proper handling of medical waste. At the same time, the Group's medical waste treatment process only produces a small amount of non-toxic and sterile residue and no wastewater, which can truly achieve harmless and minimized disposal.

### 備注：

1. 溫室氣體排放數據乃按二氧化碳當量呈列，並參照包括但不限於世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查標準：企業會計與報告標準》、中華人民共和國生態環境部刊發的《2019年度減排項目中國區域電網基準線排放因子》、聯交所頒佈的《如何編製環境、社會及管治報告—附錄二：有關環境關鍵績效指標的報告指引》、IPCC第五次評估報告(二零一四年)(AR5)《全球變暖的潛在價值》。
2. 本集團僅擁有少量機動車，所消耗的燃油有限，因此本集團並無收集相關的燃油消耗數據。
3. 截至二零二一年十二月三十一日，本集團的建築面積約為5,679,289.44平方米(截至二零二零年十二月三十一日約為5,653,329.90平方米)。此數據亦會用作計算其他密度數據。

### 固廢處理業務

本集團一直堅持為客戶提供高質量的固廢處理服務，積極關注固廢處置的問題並不斷開拓固廢處理技術以及促進資源的再生利用。

本集團會按照國家有關規定安裝及使用監測設備，實時監測污染物的排放情況並公開污染排放數據。本集團設專人監督固體廢物處理和處置措施的落實，按規範要求和制定的處置措施對固體廢物及時收集、運送和處理，以消除污染影響。此外，本集團不定期對固體廢物的重金屬等含量進行監測，以及跟蹤固體廢物綜合利用的信息並擴大綜合利用的途徑。本集團對危險廢物嚴格按照危險廢物處理處置規劃進行規範並處置，切實防止二次污染現場的發生。

本集團及時收集、運輸和處置醫療廢物，並採取有效措施，防止醫療廢物流失、洩漏、滲漏或擴散。於重大傳染病疫情等突發事件發生時，本集團會採取有力措施，及時、有序、高效及無害化地處置疫情醫療廢物，嚴防疫病二次傳播或擴散，全力確保醫療廢物妥善處置。與此同時，本集團的醫療廢物處理過程只產生少量無毒無菌殘渣且無廢水產生，能真正做到無害化、減量化處置。

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### Case Study: Zhengxiao Environmental Protection – Retrograde on plague road to guard the lights of thousands of homes (疫路逆行，守護萬家燈火)

個案研究：正曉環保 — 疫路逆行，守護萬家燈火

Yunnan Zhengxiao Environmental Protection Investment Co., Ltd. (雲南正曉環保投資有限公司) (“**Zhengxiao Environmental Protection**”), which is the largest medical waste disposal enterprise in Yunnan Province, is owned by Yunnan Water. In 2021, a total of approximately 16,887 tons of medical waste was treated by Zhengxiao Environmental Protection, including medical waste from 3 provincial and municipal designated hospitals for the treatment of novel coronavirus pneumonia (“**NCP**”), 32 NCP fever clinics, 19 isolation hotels, and 1 airport isolation area. During the Reporting Period, Zhengxiao Environmental Protection strictly handled the medical waste collected from NCP fever clinics and designated hospitals as soon as possible, without temporary storage or overnight treatment. Medical waste is collected by special revolving boxes, which is collected and transported by the special cleaning vehicles of Zhengxiao Environmental Protection from medical units and transported to Kunming Medical Waste Centralized Disposal Center for strict treatment, with the collection rate of medical waste reaching 100%.

雲南水務擁有雲南最大的醫療廢物處置企業 — 雲南正曉環保投資有限公司(「**正曉環保**」)。正曉環保在二零二一年全年共處置醫療廢物約16,887噸，其中省市兩級新冠肺炎(「**NCP**」)3家定點醫療救治醫院、32家NCP發熱門診、19家隔離酒店、1個機場隔離區。於報告期內，正曉環保嚴格做到了NCP發熱門診和定點醫院收集的醫療廢物第一時間進行處置，不暫存，不過夜。醫療廢物由專用周轉箱收集，從各醫療單位經正曉環保專用清運車輛收集運輸，運抵昆明市醫療廢物集中處置中心嚴格處置，醫療廢物的收集率達到100%。

Through years of technical research and development and engineering application, Yunnan Water has successfully and independently developed low temperature pyrolysis carbonization technology. The technology is applied to the disposal of various types of organic solid wastes, such as sludge, domestic waste, kitchen waste and excrement. The technology has the following features:

1. Flexible treatment scale: it is especially suitable for the reduction, harmless and resource utilization treatment of organic solid waste in counties, towns and villages which cannot be covered by waste incineration power plants, filling the gap in the organic solid waste treatment market in this region;
2. Wide range of application: the requirements on the heat value, classification, particle size of the organic solid waste are not strict;
3. Solving dioxin disposal problems at source: the low temperature and anaerobic environment in the pyrolysis machine can eliminate the necessary conditions of metal oxide catalysts for synthesis of dioxin, making the dioxin content in flue gas can be discharged up to standard without the need of activated carbon injection system in flue gas purification system;

通過多年技術研發和工程應用，雲南水務成功自主研發了低溫絕氧熱解碳化技術。該技術應用於污泥、生活垃圾餐廚垃圾、糞便等多類型固體有機質廢棄物處理。該技術具有如下特點：

1. 處理規模靈活：特別適宜於縣城、村鎮等垃圾焚燒發電廠所不能覆蓋區域的有機固廢的減量化、無害化、資源化的處理，填補了這一區域的有機固廢處理市場空白；
2. 適用範圍廣：對有機固廢熱值、分類、粒度等要求不嚴格；
3. 從源頭解決二噁英處理難題：熱解機內的低溫、絕氧環境杜絕二噁英合成所必需的金屬氧化物催化劑的條件，使得煙氣尾氣淨化系統中無需配置活性炭噴射系統即可實現煙氣中二噁英含量的達標排放；



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4. Solid biochar products are stable in nature, its heavy metal leaching toxicity, chlorine and other pollutants concentration comply with the national class II of soil use specifications, and can be applied in flowers and trees and other carbon based fertilizer;
  5. Recycling products, such as iron, copper, aluminum, glass, sand and gravels, are availably recovered, achieving resource utilization, reduction and harmless of the domestic waste.
4. 固體生物炭產物的性質穩定，重金屬浸出毒性、氯等污染物濃度含量符合國家II類土壤使用規範，可應用於花草樹木等的炭基肥；
  5. 可有效回收鐵、銅鋁、玻璃、砂石料等資源化產物，實現了生活垃圾的資源化、減量化和無害化。

During the Reporting Period, the Group set a goal of continuously increasing solid waste treatment projects, and actively promoted the anaerobic pyrolysis and carbonization technology of organic solid waste, so as to realize the resource utilization, reduction and harmless of domestic waste in more small cities and towns in China.

於報告期內，本集團設定持續增加固廢處理項目的目標，積極推廣有機固廢絕氧熱解碳化技術，以為國內更多小城市、城鎮等地實現生活垃圾的資源化、減量化和無害化。

The Group is committed to promoting the upgrading of industry standards and improving the system, and forming a benign interaction between technology, standards and system to protect the ecological environment.

本集團致力促進行業提升標準和完善制度，並形成技術與標準、制度的良性互動，保護生態環境。

### Case Study: 2021 Solid Waste Strategy Forum

#### 個案研究：2021固廢戰略論壇

In December 2021, the Group participated in the “The 15th Solid Waste Strategic Forum 2021” hosted by E20 Environmental Platform and China Urban Construction Design & Research Institute Co., Ltd. With the theme of “leading the future with high quality”, this forum takes waste incineration, municipal sanitation, organic solid waste, soil remediation and landfill and solid waste recycling as five plates, and comprehensively presents the territory of each sub-field of solid waste. The forum joined hands with relevant competent government departments, industry leading enterprises, universities, colleges and design institutes, financial institutions, research institutions and industrial media representatives to jointly explore the road of high-quality development in the field of solid waste under the background of “double carbon goals”. Yunnan Water actively promoted the technology of low-temperature aerobic pyrolysis and carbonization at the forum, and actively communicated with all parties and responded to their inquiries. Luo Yuxuan, a chief engineer of the Company and general manager of the technology and risk control center, delivered a speech on behalf of the Company on the topic of “returning carbon to earth, collaborative disposal of multiple types of organic solid wastes — low-temperature aerobic pyrolysis and carbonization technology”.

於二零二一年十二月，本集團參與由E20環境平台和中國城市建設研究院有限公司主辦的「2021（第十五屆）固廢戰略論壇」。本屆論壇以「高質量引領未來」為主題，以垃圾焚燒、市政環衛、有機固廢、土壤修復與填埋、固廢資源化為五大板塊，全面呈現固廢各細分領域版圖，攜手政府相關主管部門、行業領軍企業、高校學院及設計院、金融機構、行研機構及產業媒體代表，共同探討固廢領域在「雙碳目標」背景下的高質量發展之路。雲南水務於論壇積極推廣低溫絕氧熱解碳化技術，積極與各方進行交流和回應他們的詢問。公司總工程師、技術與風控中心總經理羅宇煊更在論壇上代表公司以「還碳入土，多類型有機固廢協同處置 — 低溫絕氧熱解碳化技術」為題作了發言。

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During the Reporting Period, the solid waste treatment volumes of the Group's solid waste treatment business are summarized as follows:

於報告期內，本集團的固廢處理業務的固廢處理量概述如下：

Type of solid wastes treated 所處理固廢的類別	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Hazardous wastes 危險廢物	tonnes 噸	10,243.24	17,520.18
Medical wastes 醫療廢物	tonnes 噸	32,899.94	40,733.88
Domestic wastes 生活垃圾	tonnes 噸	635,008.09	399,078.17

### HAZARDOUS WASTES

The operation of the Group does not produce a significant amount of hazardous waste.

### 有害廢棄物

本集團的運營不會產生顯著數量的有害廢棄物。

### NON-HAZARDOUS WASTES

The Group generates non-hazardous wastes in its daily operation of business, which are mainly dewatering sludge generated in the process of its sewage treatment and water supply and slag and fly ash generated in the process of the Group's solid waste treatment. The Group has comprehensive management system in place for all kinds of solid wastes generated in the process of its production and operation, strictly complies with national discharge standards and adopts effective measures to reduce and properly dispose of solid wastes.

### 無害廢棄物

本集團於日常業務運作中會產生無害廢棄物，主要為其於污水處理及供水過程中產生的脫水污泥，以及由固廢處理過程中產生的爐渣以及飛灰。本集團針對生產運營過程中產生的各類廢棄物制定了完善的管理制度，嚴格按照國家排放標準，採取有效措施減低排放量並妥善處置。

For solid wastes such as sludge generated in the process of sewage treatment and water supply, the Group strictly follows relevant national policies, regulations, industry standards and the requirements of environmental impact assessment report approval to establish comprehensive production management system and process control system in order to manage the measurement, transportation and disposal of solid wastes to prevent secondary pollution. Besides, the Group possesses advanced membrane technology in the industry and has actively carried out research and development in order to effectively reduce solid wastes generated during the operation process, and to transform the produced sludge into resources with sludge carbonization technology.

針對污水處理及供水過程中產生的污泥等固體廢棄物，本集團嚴格按照國家政策法規、行業標準以及項目環境影響評價報告批覆要求，制定完整的生產管理制度及過程監控制度，對固體廢棄物的計量、運輸和處置進行規範管理，確保不產生二次污染。同時，本集團擁有當前行業內較為先進的膜核心技術，並積極開展研發工作，力爭大量減少生產運營過程中的固體廢棄物並運用污泥碳化技術將產生的污泥資源化。

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For solid wastes generated in the process of solid waste treatment, the Group adopts a number of comprehensive treatment measures including classification or sealed storage in strict compliance with national policies and industry standards to achieve the purpose of harmless and recycling treatment, and sets up safety warning signs according to regulatory requirements. All disposals of such solid wastes are carried out in strict compliance with national policies and regulations and requirements of government-approved environmental impact assessment report.

For the daily office operation, the Group puts great efforts to promote paperless office and use office automation (“OA”) system and video meeting system by connecting OA platform with various departments of the Company to reduce waste arising from document circulation. The Group exercises control over the purchase of stationeries such as paper, implement strict registration system in respect of the collection of office supplies and encourage employees to print on both sides of paper to reduce waste of paper. During the Reporting Period, the Group only uses a small amount of paper, so the Group does not collect any information about paper. The Group also advocates the reuse of office stationeries including envelopes, folders, etc. Besides, the Group encourages not to use disposable tableware such as paper cups in the office and encourages the purchase of rechargeable office equipment in order to reduce the usage of disposable batteries.

During the Reporting Period, the Group’s non-hazardous wastes disposal intensity is approximately 0.10 tonnes per sq.m., representing an increase of approximately 11.11% as compared with the year ended 31 December 2020. The main reason is the increase in the amount of domestic wastes and wastewater processed which leads to an increase in the generation of non-hazardous wastes. The Group’s non-hazardous wastes disposals during the Reporting Period are summarized as follows:

針對固廢處理過程中的廢棄物，本集團嚴格按照國家政策及行業標準要求分類或密閉存放等多種綜合處理辦法，以達到無害化、資源化處理的目的，並按規範要求設置安全警示標誌，所有廢棄物的處置均嚴格按照國家政策法規及經政府批准的環境影響評價報告要求開展。

針對辦公室日常運作，本集團大力推廣無紙化辦公，使用辦公自動化(「OA」)系統及視頻會議系統，通過OA平台連接公司各部門，減少了文件流轉過程中產生的浪費。本集團對紙張等文具的購買量進行控制，對辦公用品的領用實施嚴格的登記管理制度，鼓勵員工雙面打印，減少紙張浪費。於報告期內，本集團僅使用少量的紙張，因此本集團並無收集任何有關紙張的數據。本集團亦提倡重複使用辦公文具，如信封、文件夾等用品。此外，本集團鼓勵辦公室不使用紙杯等一次性餐具，同時亦鼓勵購買可充電的辦公設備，減少一次性電池的使用。

於報告期內，本集團的無害廢棄物棄置密度約為0.10噸／建築平方米，與截至二零二零年十二月三十一日止年度相比增加約11.11%。其主要原因是生活垃圾以及污水處理量的增加使本集團業務所產生的無害廢棄物量也因而增加。於報告期內，本集團的無害廢棄物棄置表現概述如下：

Type of non-hazardous wastes 無害廢棄物種類	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Slag 爐渣	tonnes 噸	113,719.91	72,385.88
Fly ash 飛灰	tonnes 噸	14,376.23	13,754.96
Sludge 污泥	tonnes 噸	450,649.11	411,031.63
<b>Total disposal of non-hazardous wastes</b> <b>無害廢棄物棄置總量</b>	<b>tonnes</b> <b>噸</b>	<b>578,745.25</b>	<b>497,172.47</b>
Non-hazardous wastes disposal intensity 無害廢棄物棄置密度	tonnes/sq.m 噸／建築平方米	0.10	0.09

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### WASTEWATER DISCHARGE AND TREATMENT

Wastewater generated from the sewage treatment and the operation of water supply facilities mainly contains small amount of domestic sewage and equipment flushing water and was discharged after being processed by the sewage treatment facilities in the plant of the Group and meeting the required standards. Wastewater generated from the operation of solid waste treatment facilities was recycled or be discharged into the municipal pipe network after being processed and meeting the required standard, striving to achieve "Zero Discharge". After being processed by the Group's sewage treatment facilities, the Group's emissions of chemical oxygen demand (COD) and ammonia nitrogen (NH<sub>3</sub>-N) were reduced by approximately 137,375 tonnes and 16,819 tonnes respectively (reduced by approximately 128,311 tonnes and 33,892 tonnes respectively in the year ended 31 December 2020). The Group's wastewater pollutants emissions during the Reporting Period are summarized as follows:

### 污水排放及處理

污水處理和供水設施運營中產生的廢水主要為少量生活污水和設備沖洗用水，經本集團廠內污水處理設施處理達標後排放。我們固廢處理設施運營中產生的污水，則經由廠內專用污水處理設施處理，並於達標後循環使用或排入市政管網，努力實現「零排放」。經本集團的污水處理設施處理後，本集團的化學需氧量(COD)及氨氮(NH<sub>3</sub>-N)的排放量分別削減了約137,375噸及16,819噸(截至二零二零年十二月三十一日止年度分別削減了約128,311噸及33,892噸)。於報告期內，本集團的污水污染物排放表現概述如下：

Type of wastewater pollutants 污水污染物種類	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Chemical oxygen demand (COD) 化學需氧量(COD)	tonnes 噸	15,074	14,994
Ammonia nitrogen (NH <sub>3</sub> -N) 氨氮(NH <sub>3</sub> -N)	tonnes 噸	944	953

## A2. Use of Resources

As one of leading integrated service providers in the municipal wastewater treatment and water supply industries in China, the Group always takes the environmental, social and governmental impact into consideration in its core operating practices and strictly controls the resource consumption of each project according to the principle of economic operation as well as strives to increase the resource utilization rate and improve the operation skills of staff to maximize the resource utilization.

The Group conducts daily monitoring and statistical analysis for each operating project to understand the consumption of energy, water resource and raw materials, so as to determine indicators of the energy consumption, water consumption and raw materials consumption and supervise and evaluate each project. In addition to complying with relevant national laws and regulations, the Group has a series of internal monitoring, management and assessment systems in place, sets the control target for total energy consumption and gives early warning and fine-tuning to production projects of which the energy consumption increases rapidly, in order to ensure that the Group can utilize the resource in an effective way while maintaining high-standard operation. The Group has been striving to achieve maximum benefit for customers and the environment with the minimal resource consumption, and to promote clean and sustainable resources and energies.

## A2. 資源使用

作為於中國城市污水處理及供水行業領先的綜合服務供應商之一，本集團在核心營運實踐中始終結合環境、社會及政府的考慮，並按照經濟運行的原則嚴格控制各項目的資源消耗，致力提高資源利用率及提升員工的操作技能水平，以使能源利用最大化。

本集團對各營運項目進行日常監控統計分析以掌握能源、水資源和原材料消耗情況，從而核定能耗、水耗和原材料消耗的指標，對各項目進行監督考核。除遵守國家相關法律法規以外，本集團制訂了一系列內部監控、管理及考核制度，建立能源消耗總量控制目標，並對能源消耗總量增長過快的生產項目及時作出預警和調控，確保本集團能保持高標準運營的同時有效利用資源。本集團始終致力使用最少的資源為客戶和環境創造最大的效益，推進有效的資源與能源運用的永續發展。



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### **ENERGY CONSUMPTION**

During the Reporting Period, the energy consumption of the Group was mainly purchased electricity. The Group encourages all staff to save electrical energy during the production process and office work. The Group arranges cleaners to conduct inspections during the non-office hours to ensure that the electric devices such as lighting equipment have been switched-off. In addition, the Group has set the target of holding environmental protection activities every year to enhance employees' awareness of energy conservation.

Waste-to-energy incineration is a way to achieve "reduction, resource utilization and harmlessness" through incineration, converting thermal energy from incineration to electricity to avoid wastage of resources. The Group enhances the measures on stacking fermentation of waste to increase the heat utilization ratio and also adopts variable frequency control for large-power motors in order to reduce self-consumed electricity and increase the on-grid energy. Besides, the Group adopts advanced operating technology during the incineration process, enhance the thermal insulation effect of the equipment and recycle thermal energy for secondary use to increase the re-utilization rate of energy. Moreover, metering devices for electricity, water, heat, etc. are installed at the energy supply accesses to measure the energy used, in order to control consumption and reduce costs.

In order to increase the energy utilization rate in the process of wastewater treatment, the Group focuses on technological transformation of key equipment with high energy consumption and low efficiency, including the lifting pump, air blower and sludge dewatering systems, etc. The Group will continuously develop and promote new green technologies to reduce energy consumption in the process in the future.

### **能源消耗**

本集團於報告期內的能源消耗主要為外購電力消耗。在生產和辦公過程中，本集團倡導廣大員工節約用電。本集團亦安排保潔人員在非辦公時間進行巡查，確保照明設備等用電設備處於關閉狀態。此外，本集團設定每年舉辦環境保護活動的目標，以提升員工節能意識。

垃圾焚燒發電是通過焚燒實現「減量化、資源化、無害化」，利用焚燒的熱能轉化為電能，避免資源浪費。本集團重點加強了垃圾堆放發酵的措施以提高熱量利用率，亦對大功率電機採用變頻調節從而節約自用電並增加上網電量。同時，在焚燒過程中，本集團採用先進的操作工藝，加強設備的隔熱保溫效果，通過二次熱能的回收利用手段，提高能源的再利用率。除此之外，本集團在能源供應入口安裝電、水、熱等計量裝置，對所用能源進行計量，以控制消耗、減少浪費。

針對污水處理中的能源消耗，為提高能源利用率，本集團重點對能耗大、效率低的關鍵設備進行了技術改造，其中包括提升泵、鼓風機、污泥脫水系統等。本集團在未來會不斷研發推廣綠色新技術以減少工藝環節的能源消耗。

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In order to increase the energy utilization rate in the process of water supply, the Group continues to innovate production technology and improve the production management system to increase water production rate. During the Reporting Period, the Group's energy consumption intensity is approximately 83.82 kWh per sq.m., representing an increase of approximately 19.66% as compared with the year ended 31 December 2020. The main reason is the increase in amount of domestic wastes and wastewater processed, which leads to an increase in electricity consumption. The Group's energy consumption performance during the Reporting Period is summarized as follows:

針對供水過程中的能源消耗，為提高能源利用率，本集團不斷革新生產技術、完善生產管理制度，以提高產水率。於報告期內，本集團的能源消耗密度約為83.82千瓦時／建築平方米，與截至二零二零年十二月三十一日止年度相比增加約19.66%。其主要原因是生活垃圾以及污水處理量的增加，導致電力消耗增加。於報告期內，本集團的能源消耗表現概述如下：

Type of energy 能源種類	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Direct energy consumption <sup>2</sup> 直接能源消耗 <sup>2</sup>	kWh 千瓦時	—	—
Indirect energy consumption 間接能源消耗			
— Electricity — 電力	kWh 千瓦時	476,027,301.43	396,040,455.72
<b>Total energy consumption volume 能源消耗總量</b>	<b>kWh 千瓦時</b>	<b>476,027,301.43</b>	<b>396,040,455.72</b>
Energy consumption intensity 能源消耗密度	kWh/sq.m. 千瓦時／建築平方米	83.82	70.05

### WATER CONSUMPTION

The Group helps people in different regions to resolve water supply problems and provides them with healthy and sufficient tap water. During the Reporting Period, the volume of water sold by the Group amounted to approximately 252,504,290 m<sup>3</sup> and the volume of wastewater treated by the Group amounted to approximately 755,529,870 m<sup>3</sup>. The Group requires all its operating projects to use reclaimed water for flushing and cooling of equipment if permitted and to use reclaimed water for all greenery in factories and office areas, so as to reduce water resource consumption during the production process. To further reduce water consumption, water in all the solid waste treatment facilities is fully recycled and reclaimed water is also used as flushing water in some toilets. The Group also sets a target to maintain the percentage of reclaimed water consumption to enhance employees' awareness of water conservation. Moreover, the Group invests resources to carry out activities such as posting water conservation signs to remind staff to save water.

### 水源消耗

本集團幫助不同地區的民眾解決水資源的供給問題，為民眾提供健康、充裕的自來水。本集團於報告期內的售水量約為252,504,290.00立方米，而污水處理量約為755,529,870.00立方米。本集團要求各營運項目在生產設備允許範圍內使用再生水對設備進行沖洗和冷卻，廠區及辦公區綠化用水全部使用再生水，以降低生產過程中的水資源消耗。為進一步減少用水量，本集團污水處理設施用水盡量採取循環利用，並將部分衛生間沖洗水改用再生水。本集團亦設定維持再生水消耗量百分比的目標，以提升員工節約用水意識。除此之外，本集團亦投入資源開展活動，通過張貼節約用水標識等方式提醒全體員工節約用水。

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During the Reporting Period, the Group's water consumption intensity is approximately 5.66 m<sup>3</sup> per sq.m., remained the same as compared with the year ended 31 December 2020. The Group's water consumption performance during the Reporting Period is summarized as follows:

於報告期內，本集團的耗水密度約為5.66立方米／建築平方米，與截至二零二零年十二月三十一日止年度相比維持一致。於報告期內，本集團的水源消耗表現概述如下：

Indicators 指標	Unit 單位	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
Reclaimed water 再生水	m <sup>3</sup> 立方米	11,747,970.66	12,623,083.93
Tap water 自來水	m <sup>3</sup> 立方米	20,386,310.55	19,394,987.60
<b>Total water consumption 耗水總量</b>	<b>m<sup>3</sup> 立方米</b>	<b>32,134,282.21</b>	<b>32,018,071.53</b>
Water consumption intensity 耗水密度	m <sup>3</sup> /sq.m. 立方米／建築平方米	5.66	5.66

For the Group's water supply business, the Group draws water from local sources with proper government approval. Therefore, the Group does not have any water sourcing issues.

因本集團的供水業務在獲得當地政府的批覆後從自然水體引水，所以在求取適用水源上不存在問題。

### USE OF PACKAGING MATERIALS

As an environmental-friendly water service enterprise, the Group does not use any packaging materials during the daily course of its business operations.

### 包裝材料使用

作為水務環保企業，本集團於日常業務運作中不涉及包裝材料。

## A3. The Environment and Natural Resources

### ENVIRONMENT IMPACT MANAGEMENT

The construction of environmental protection projects will have certain impact on the environment and natural resources. The Group considers such impact as one of the key factors when making investment decisions. The Group performs evaluation of the abovementioned impact according to relevant laws and regulations. The Group applies "simultaneous design, construction and operation" acceptance check after the project has been put into operation to meet the requirements of the relevant laws, regulations and policies. Besides, the Group has also developed relevant systems and procedures to monitor and manage environmental impact of all projects in order to avoid excessive use and waste of natural resources, minimize the negative impact of the Group's business operation on the environment, thus achieving sustainable development and creating long-term value for the Group's stakeholders and communities.

## A3. 環境及天然資源

### 環境影響管理

環保項目的建設對環境和天然資源會產生一定影響，因此本集團將項目對環境的影響列入考慮投資決策時的重點因素。本集團建設的項目一律按照相關的法律法規要求進行環境影響的評價，並在項目建設投運後申請環保「三同時」驗收，確保所有項目的建設、運行都同時滿足政策法規的要求。此外，本集團也制訂了相關制度程序，對所有項目建設的環境影響進行監控和管理，避免濫用及損耗天然資源的情況發生，盡量減少本集團的業務經營對環境造成的負面影響，從而達致可持續發展，為本集團的持份者及社區締造長遠價值。



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As treated wastewater in the wastewater treatment business will be ultimately discharged to the environment, the Group strictly adheres to the processing requirements to guarantee the stable quality of treated water and reduce its impact on the environment. In addition, the Group has strengthened the maintenance and repair of drainage pipelines and sewage treatment equipment to ensure the integrity and normal operation of pipelines and equipment and to eliminate accidental discharge. When abnormal problems are found, the Group will contact and report to the environmental protection department in time.

The Group attaches great importance to the treatment of pollutants including exhaust gas, liquid waste, odour and equipment noise generated in the solid waste treatment process, and takes various control measures for various pollutants to eliminate the environmental pollution caused by solid wastes and plays a positive role in protecting water and soil. The treatments are as follows:

- In addition to fly ash, exhaust gas also contain harmful substances including nitrogen oxides (NO<sub>x</sub>), Sulphur dioxide (SO<sub>2</sub>), hydrogen chloride (HCl), heavy metals and dioxins. The major harmful substances are organic substances including dioxins, which are controlled with the more economical and effective "3T+E" technology;
- After treatment of liquid waste with the professional wastewater treatment system set up in the plant, the effluent will be reused or used for greening and road cleaning; and
- Odour is used as combustion gas, or effective measures including adsorption and filtration with adsorption device using activated carbon are adopted to ensure air quality.

For the thermal pollution during production process, the Group has adopted advanced thermal insulation material to provide the heat generation equipment with thermal insulation treatment in order to ensure that the heat source point reaches the operation standard.

For the noise pollution during production process, the Group has installed blimps for the noise-generating equipment and utilized green plants to absorb noise according to function zoning, so that the noise emission can meet the standard. The Group has also formulated a completed job post system and detailed operating procedures, strengthened the maintenance and management of noisy equipment, paid close attention to the effectiveness of equipment operation conditions and noise reduction measures, found and solved problems in time, and ensured the stable and normal function of noise control measures.

因污水處理業務中處理後的污水需排入自然環境中，為減少污水對環境的影響，本集團在項目運營過程中嚴格執行工藝紀律，確保出水水質穩定達標。此外，本集團加強了排水管道和污水處理設備的保養和維修，保證管道、設備完整，正常運行，杜絕事故排放。當發現異常問題時，本集團會及時與環保部門聯繫並匯報。

本集團亦針對固廢處理過程中產生的煙氣、廢液、臭氣、設備噪聲等污染物的治理給予了高度重視，並對各種污染物採取了治理措施。不僅消除了固體廢棄物對環境的污染，也對保護水體和土壤起到了積極作用。治理措施如下：

- 除飛灰外，煙氣還含有氮氧化物(NO<sub>x</sub>)、二氧化硫(SO<sub>2</sub>)、氯化氫(HCl)、重金屬和二惡英類等有害物質。最為主要的有害的物質為二惡英類物質等有機物，本集團會採用較為經濟、有效的「3T+E」技術予以抑制；
- 廢液採用通過廠區設置的專業的廢水處理系統處理後，出水將在進行回用或用於綠化及道路清洗等；及
- 把臭氣作為助燃氣體，或通過活性炭吸附式裝置吸附過濾等有效措施確保空氣質量。

對於生產過程中的熱污染，本集團採用先進的隔熱材料對產熱設備進行隔熱處理，確保熱源點達到作業標準。

針對生產過程中的噪音污染，本集團對產生噪聲的設備安裝隔音罩，並根據功能分區，利用綠色植物吸聲降噪，使得噪音排放達標。本集團亦已制定完善的崗位制度和詳細的操作規程，加強高噪聲設備的維護和管理，密切注意設備運行工況和降噪措施的有效性，及時發現解決問題，確保各噪聲控制措施穩定、正常發揮作用。

### A4. Climate Change

Climate change posed escalating risks and challenges on the global economy, which may also negatively affect the operations and services of the Group. Therefore, the Group deeply understands the importance of identifying and mitigating any significant impacts of climate change. In accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (“TCFD”) established by the Financial Stability Board, the management of the Group has assessed and is fully aware of climate-related risks and opportunities affecting the Group’s operations. Based on the assessment results, the Group has incorporated climate risk into internal control processes to manage and review climate-related risks and seize related opportunities. With reference to risk classification by TCFD, the Group has identified climate-related risks and opportunities, as well as the corresponding management measures as follows:

#### *Physical risks*

Extreme weather conditions, such as extremely cold or hot, storm, heavy rain, typhoon, appear more frequently and its severity increased gradually, which may result in risk of reduction in productivity, interruption of the supply chain, and damage to the assets of the Group, and even interrupt the operation of the sewage treatment plant of the Group. This may result in decrease in the Group’s revenue, and increase in the cost of repairing or restoring damaged location. Extreme weather events may also hinder the work of employees and even cause casualties. In response, the Group has developed a business continuity plan, which is designed to reduce or avoid losses when extreme weather affects the Group’s place of operation. The Group will also identify such risks and give priority to those with serious impact so that preventive measures can be taken in the first place. At the same time, the Group will study the possibility of changing its business model to reduce or avoid these serious impacts on its business operations.

#### *Transition risks*

In order to achieve sustainable development and move towards the vision of “carbon emission peak by 2030, carbon neutrality by 2060 (2030碳達峰、2060碳中和)”, each of local governments has enacted climate-related legislation or tightened relevant regulations to support the global decarbonization goal. For example, Chinese government’s competent regulatory authorities commence to set limits on greenhouse gas emissions and implement mandatory carbon trading policy, which could increase relevant operating costs. The Group will strengthen communication with regulatory authorities and make proactive business adjustments according to changes in regulations and policies in a timely manner. In addition, the Group will conduct additional investigations as necessary to identify carbon emission hotspots in its operations and explore ways to improve them.

### A4. 氣候變化

氣候變化為全球經濟帶來的風險和挑戰不斷升級，亦可能對本集團的業務及服務帶來負面影響。因此，本集團深明識別和減輕氣候變化帶來的任何重大影響的重要性。根據金融穩定委員會成立的氣候相關財務信息披露工作組（「TCFD」）的建議，本集團管理層已評估並充分知悉對本集團業務有所影響的氣候相關風險及機遇。本集團已根據評估結果，將氣候風險納入內部控制流程，以管理和審查氣候相關風險並把握相關機遇。參照TCFD的風險分類，本集團已識別的氣候相關風險及機遇，以及相應的管理措施如下：

#### *實體風險*

極寒或極熱、風暴、暴雨、颱風等極端天氣事件的頻率及嚴重程度逐漸增加，可能會導致產能下降、中斷供應鏈以及損害本集團資產的風險，甚至使本集團污水處理廠的營運中斷。這可能導致本集團的收入減少和修復或恢復受損地點的成本增加。除此之外，極端天氣事件亦可能會阻礙員工工作，甚至造成人命傷亡。作為應對措施，本集團制定了業務連續性計劃，旨在極端天氣影響本集團經營地點時減少或避免損失。本集團亦會識別該等風險，並優先考慮具有嚴重影響的風險，以便於第一時間採取預防措施。同時，本集團將研究改變業務模式的可能性，以減少或避免這些對業務營運的嚴重影響。

#### *轉型風險*

為實現可持續發展，並朝著「2030碳達峰、2060碳中和」的願景邁進，各地政府相繼制訂氣候相關法例或收緊相關法規，以支持全球脫碳的目標。例如，中國政府的相關監管部門開始對溫室氣體排放設置限制，並開始推行強制碳交易的方針，此可能會令相關運營成本增加。本集團將會加強與各監管部門的溝通聯繫，以及時根據法規和政策的變化作出主動的業務調整。以外，本集團將按需要展開額外調查，以鎖定營運過程中的碳排放熱點，並研究改善的方法。

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In addition, the Stock Exchange requires public companies to strengthen climate-related disclosure in their ESG reports, which may increase operating costs. Failure to meet climate change-related compliance requirements may expose the Group to the risk of claims and litigation, which may result in a decline in corporate reputation. Therefore, the Group will regularly monitor existing and emerging trends, policies and regulations related to climate change to avoid reputational risks arising from a slow response. In addition, in order to reduce the Group's environmental impact and meet the requirements of the Stock Exchange, the Group has set targets to reduce energy consumption and GHG emissions. The Group will continue to evaluate the effectiveness of its actions on climate change and enhance its capacity to address climate-related issues.

### **Opportunity**

With the formation of a global consensus on the goal of "double carbon" (Carbon Dioxide Peaking • Carbon Neutrality (碳達峰•碳中和)), Yunnan Water, as a leading integrated urban environmental service provider, has ushered in unprecedented development opportunities. Yunnan Water has seized the market opportunities and new pattern, constantly explored and innovated, independently developed more than 200 patents, realised the great leap forward development from Yunnan to the whole country and the whole industrial chain layout and project reserve in the fields of water supply, sewage, membrane materials, solid waste, medical waste and hazardous waste, and has its own competitive advantages such as policy support, market-oriented management team and professional core technology. Yunnan Water is committed to be integrated environmental services provider at the municipal level based in Yunnan, covering the nation and moving towards to South Asia and Southeast Asia, with core technology, strong investment and financing capacity, core competitiveness and social influence.

Since the China Environment Chamber of Commerce released the annual "Top 50 Environmental Enterprises in China", Yunnan Water has also been included in the list every year. In recent years, the world's major economies have also successively launched relevant policy measures and policy guidelines, and green and sustainable financial markets are becoming more and more vigorous. In 2021, "CITIC Trust • Yunnan Water Carbon Neutral Green Renewable Creditor's Right Collective Investment Trust Fund", the first carbon neutral green renewable bond issued by CITIC Trust in China was officially implemented. The trust financing plan will promote Yunnan Water to further expand the market, accelerate the transformation to urban environmental integrated service provider, and help Yunnan build a 100 billion level green environmental protection industry.

此外，聯交所要求上市公司在其ESG報告中加強與氣候相關的披露，相關運營成本可能會因而增加。如未能滿足氣候變化相關的合規要求，本集團可能會面臨索賠和訴訟風險，使企業聲譽可能下降。因此，本集團會定期監測與氣候變化有關的現有及新興趨勢、政策及法規，以避免因反應遲緩而導致的聲譽風險。此外，為減少本集團對環境的影響及符合聯交所的要求，本集團已制定減少能源消耗和溫室氣體排放的目標。本集團將繼續評估本集團應對氣候變化行動的有效性，並增強其應對氣候相關問題的能力。

### **機遇**

隨著全球碳達峰、碳中和「雙碳」目標共識的形成，雲南水務作為領先的城鎮環境綜合服務商迎來前所未有的發展機遇。雲南水務緊抓市場機遇和新格局，不斷開拓創新，獨自研發200餘項專利，實現了從雲南走向全國的跨越式發展，在供水、污水、膜材料以及固廢、醫廢、危廢等領域實現了全產業鏈佈局和項目儲備，具備政策支持、市場化經營團隊、專業核心技術等自身競爭優勢。雲南水務致力成為立足雲南、面向全國、走向南亞及東南亞，擁有核心技術及強大投融資能力，具備核心競爭力及社會影響力的城鎮環境綜合服務商。

自全國工商聯環境商會發佈年度「中國環境企業50強榜單」以來，雲南水務每年也被列入榜單中。近年來，世界各主要經濟體也陸續推出了相關政策措施以及政策指引，綠色和可持續金融市場亦越來越蓬勃。於二零二一年，中信信託在全國發行的首單碳中和綠色可續期債，「中信信託•雲南水務碳中和綠色可續期債權投資集合資金信託計劃」正式落地實施。該信託融資計劃，將推動雲南水務進一步擴充市場，加快向城鎮環境綜合服務商轉型，助力雲南打造千億級綠色環保產業。

## B. SOCIAL

### B1. Employment

Employees are the largest and most valuable asset of the Group and the core of our competitive advantage. Therefore, the success of the Group depends heavily on the ability to attract, train and retain employees. The Group adheres to the people-oriented principle, respects and protects the legitimate rights and interests of every employee, strictly regulates labour and employment management, and guarantees employees' occupational health and safety. The Group has also formulated a series of relevant personnel management policies in accordance with relevant laws and regulations to protect the vital interests of employees, fully respect and value the enthusiasm and creativity of employees, aiming to build a harmonious employment relationship, provide employees with healthy, sunny and positive working atmosphere, and to guide employees to actively integrate their personal pursuits into the long-term development of the Group.

The Group has complied with all laws and regulations related to salary compensation and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, antidiscrimination and other treatment package and benefits, including but not limited to the Company Law of the PRC, the Contract Law of the PRC, the Labour Contract Law of the PRC and the Labour Security Supervision Regulations in the PRC. During the Reporting Period, the Group was not aware of any material non-compliance with labor laws and regulations that would have a significant impact on the Group.

During the Reporting Period, the Group has a total of 6,998 (2020: 7,007) employees within the reporting scope of this Report, all of whom are full-time employees. Employees by gender, age group, employment category and region are as follows:

## B. 社會

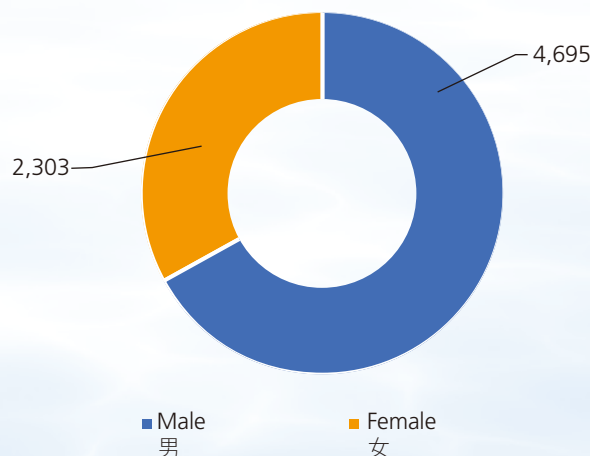
### B1. 僱傭

員工是本集團最大及最具價值的資產和競爭優勢的核心，因此本集團的成功十分依賴於吸引、培養及留住員工的能力。本集團堅持以人為本，並尊重和保障每一位員工的合法權益，嚴格規範勞動僱傭管理，保障員工職業健康安全。本集團亦根據相關法律及規例制定了一系列相關人事管理政策以維護員工切身利益，充分尊重和重視激發員工積極性和創造力，以構建和諧的僱傭關係，為員工提供健康、陽光和積極的工作氛圍，引導員工積極將個人追求融入到本集團長遠發展之中。

本集團已遵守所有與薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的法律及規例，包括但不限於中國的《中華人民共和國公司法》、《中華人民共和國合同法》、《中華人民共和國勞動合同法》及《勞動保障監察條例》等。於報告期內，本集團並不知悉任何嚴重違反勞工法律及法規，而對本集團造成重大影響。

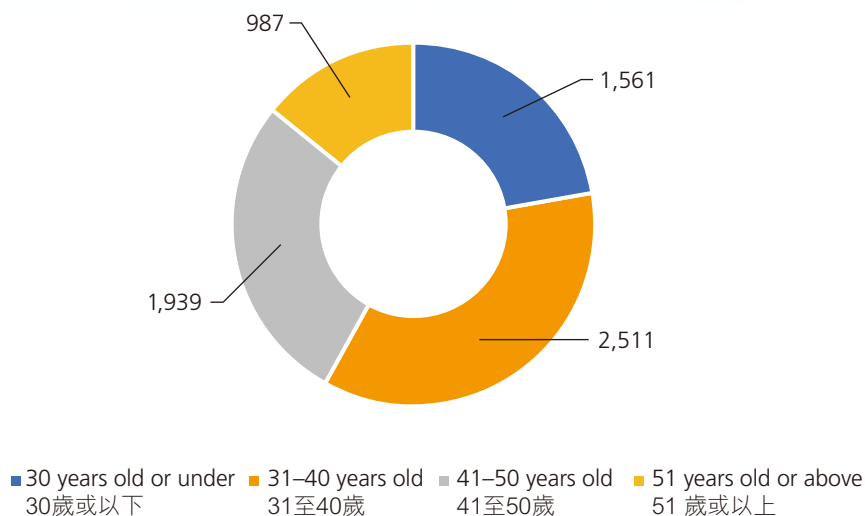
於報告期內，本集團於本報告涵蓋範圍合共有6,998名(二零二零年：7,007名)僱員，全部均為全職僱員。僱員按性別、年齡組別、僱傭類別及地區的劃分如下：

Number of employees by gender  
按性別劃分

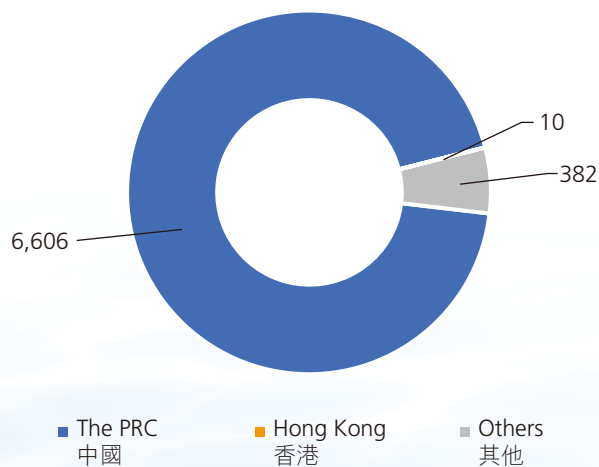




Number of employees by age group  
按年齡組別劃分



Number of employees by region  
按地區劃分



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### RECRUITMENT, PROMOTION, REWARD AND DISMISSAL

The Group carries out open social recruitment in the market and around the world following the principles of fairness, equality and competition, and makes overall assessment and recruitment on a selective basis. The Group also recruits excellent college students through campus recruitment, and enables college students move forward courageously toward their career goals under the professional and allround talent development mechanism. After employees are hired, the Group enters into labour contracts with employees in accordance with labour laws and regulations to effectively protect rights and interests of employees.

Guided by target results, the Group has established an employee performance appraisal system that covers employee performance, competencies, attitudes, etc., and appropriately applies the appraisal results to employee performance pay, promotion and salary adjustments. In order to create a healthy, diversified and inclusive working environment, all promotion, salary review and position transfer decisions are based on the individual performance of employees and the business conditions of the Group for objective consideration.

During the Reporting Period, the Group's overall turnover rate<sup>4</sup> was approximately 16.59%. The employee turnover rates<sup>5</sup> by gender, age group and geographical region are as follows:

By gender	以性別劃分	
Male	男性	17.89%
Female	女性	13.94%
By age group	以年齡組別劃分	
30 years old or below	30歲或以下	22.29%
31–40 years old	31–40歲	14.70%
41–50 years old	41–50歲	13.41%
Above 50 years old	50歲以上	18.64%
By region	以地區劃分	
The PRC	中國	17.11%
Hong Kong	香港	—
Others	其他	8.12%

Notes:

4. The calculation formula of overall employee turnover rate is shown as below:

Overall turnover rate =  $X/Y * 100\%$   
 X = Total number of employees leaving employment during the year  
 Y = Total number of employees at the end of the year

Relevant figure has been disclosed from 2021 onwards.

5. The calculation formula of employee turnover rate by specified category is shown as below:

Turnover rate by specified category =  $X/Y * 100\%$   
 X = Number of employees in the specified category leaving employment during the year  
 Y = Number of employees in the specified category at the end of the year

Relevant figure has been disclosed from 2021 onwards.

### 招聘、晉升、獎勵及解聘

人員招聘方面，本集團以公開、平等、競爭、擇優的原則吸納人才，採用市場化與國際化相結合公開進行社會招聘，全面考核，擇優錄用。本集團亦透過學校招聘招募優秀的大學生，並在專業和全方位的人才發展機制下，讓大學生們朝著職業生涯目標奮勇前行。本集團在員工錄用後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。

本集團以目標結果為導向，建立了員工績效考核體系，覆蓋員工業績、能力、態度等方面，並恰當地將考核結果運用於員工績效工資、職務晉升和工資調整。為營造健康、多元化及共融的工作環境，一切升遷、薪酬回顧及調職決定均以員工個人表現配合本集團業務情況作客觀考慮。

於報告期內，本集團的整體流失率<sup>4</sup>約為16.59%。按性別、年齡組別及地區劃分的僱員流失率<sup>5</sup>如下：

備註：

4. 整體僱員流失率的計算公式如下：

整體流失率 =  $X/Y * 100\%$   
 X = 年內離職僱員總人數  
 Y = 年末僱員總人數

相關數字自二零二一年起披露。

5. 按特定類別的僱員流失率的計算公式如下：

按特定類別的流失率 =  $X/Y * 100\%$   
 X = 年內特定類別劃分的離職僱員人數  
 Y = 年末特定類別劃分的僱員人數

相關數字自二零二一年起已披露。



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### REMUNERATION AND BENEFITS

On the basis of evaluating the value of employees' positions, the Group has established a fair, reasonable and competitive remuneration and benefits system based on its business strategy and with reference to the industry level and regional level. At the same time, the Group strictly abides by the relevant laws and regulations, continuously improves employee benefits and reviews the working hours of employees, pays various statutory social insurances according to laws, and guarantees that employees enjoy statutory holidays and other benefits. In addition, our employees are entitled to paid annual leave, wedding leave, maternity leave and other holidays.

### EQUAL OPPORTUNITIES

The Group has strictly complied with relevant national and local government laws and regulations, adopted a fair, just and open recruitment process, and formulated relevant systems to eliminate discrimination in recruitment process, no employee will be discriminated against due to factors such as race, gender, colour, age, family background, national tradition, religion, physical fitness and nationality, so that employees can enjoy fair treatment at all stages of recruitment, salary, training, promotion, termination of labor contracts and retirement, and we can also try our best to recruit professionals with different backgrounds to join the Group. The Group is committed to providing equal opportunities in all aspects and maintaining diversity of employees, and also prohibits any unfair treatment.

## B2. Health and Safety

The Group regards employees as important assets of the Group and therefore attach great importance to occupational health and safety management in the production and operation process. The Group has complied with all laws and regulations related to providing a safe working environment and protecting employees from occupational hazards, including but not limited to the Safety Production Law of the PRC, the Law of the PRC on the Prevention and Control of Occupational Disease, the Fire Protection Law of the PRC, the Special Equipment Safety Law of the PRC, the Special Equipment Safety Supervision Regulations and the Hazardous Chemicals Safety Management Regulations in Mainland China and the laws and regulations of other applicable countries. During the Reporting Period, the Group was not aware of any material non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group. In the past three years (including the Reporting Period), the Group has not found any major violations of applicable national laws and regulations related to health and safety that have a significant impact on the Group, nor has it recorded any work-related death accident, nor working days lost due to work related injuries.

The Group has implemented the safe production responsibility at each level, carried out hazard identification and risk assessment, and strengthened hazardous operation management during the operating management process. Safety inspection is conducted regularly to eliminate hidden safety hazard at the production site and prevent the occurrence of accidents. During the project construction process, the Group is committed to fulfilling the safety responsibilities of the

### 薪酬福利

本集團在對員工崗位價值進行評估的基礎上，以本集團經營戰略為導向，參考行業水平和地區水平，制定了一套公平、合理且有競爭力的薪酬及福利體系。同時，本集團嚴格遵守相關法律及規例，不斷完善員工福利待遇及檢討員工的工作時數，依法繳納了各項法定社會保險並保障員工享受社會法定假日等福利。除此之外，員工可享受帶薪年休假、婚假、產假等假期。

### 平等機會

本集團嚴格遵守國家及地方政府相關法律及法規，採取公平、公正、公開的招聘流程，制定了相關制度以杜絕招聘過程中的歧視現象，不因種族、性別、膚色、年齡、家庭背景、民族傳統、宗教、身體素質和國籍等因素歧視任何一位員工，讓員工在招聘、薪酬、培訓、晉升、終止勞動合同、退休等各個階段享受公平待遇，以盡力羅致不同背景的專才加入本集團。本集團致力於在所有方面提供平等機會並承諾保持員工多元化，並且禁止任何不公平對待。

## B2. 健康與安全

本集團視僱員為本集團之重要資產，因此在生產經營過程中高度重視職業健康與安全管理。本集團已遵守所有與提供安全工作環境及保障僱員避免職業性危害有關的法律及規例，包括但不限於中國內地的《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》、《中華人民共和國消防法》、《中華人民共和國特種設備安全法》、《特種設備安全監察條例》、《危險化學品安全管理條例》及其他適用國家之法律及規例。於報告期內，本集團並不知悉任何嚴重違反健康與安全相關法律及法規，而對本集團造成重大影響。過去三年（包括報告期），本集團均無發現任何對本集團造成重大影響的健康與安全相關的適用國家法律及規例之重大違規事宜，亦無錄得任何因工作關係而導致死亡的意外事件，或因工傷而損失之工作日數。

本集團在運營管理過程中層層落實安全生產職責，開展危險辨識和風險評價，加強危險作業管理，定期開展安全檢查，消除生產現場的安全隱患，杜絕安全生產事故的發生。在項目建設過程中，本集團認真落實業主方的

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owner, and has formulated a series of safety measures and policies to enhance safety monitoring in order to ensure construction safety and provide its staff with a safe working environment. Yunnan Water has also obtained the OHSAS18001 International Management System Certificate and further strengthened the operation and management of the occupational health and safety management system.

The Group has implemented the following measures to create and maintain a safe working environment for employees:

- Set up a safety management organization in accordance with regulations;
  - Hire registered safety engineers;
  - Appoint safety management personnel;
  - Formulate safety, quality and environmental management policies and goals;
  - Establish a safety management system and system;
  - Compile and publish a comprehensive emergency response and rescue plan for production safety accidents and a special emergency response plan for safety accidents; and
  - Establish a safety production committee and hold regular meetings to study, deploy and solve problems in the production safety management process.
- 按規定成立安全管理機構；
  - 聘請國家註冊安全工程師；
  - 任命安全管理人員；
  - 制定安全、質量、環境管理方針和目標；
  - 建立安全管理制度和體系；
  - 編製並發佈生產安全事故綜合應急救援綜合預案和生產安全事故專項應急預案；及
  - 成立安全生產委員會並定期召開會議，研究、部署和解決生產安全管理過程中存在的問題。

### Case Study: Experience Exchange Meeting on Safety Production and Management of Construction Projects in 2021

#### 個案研究：2021年建設項目安全生產管理經驗交流會

In order to further strengthen the safety production management of the Company's construction projects, promote the outstanding experience and practices in the practice of safety production management of construction projects, implement the safety production responsibility, actively find out the problems and gaps in the safety production management of construction projects, timely fill in the shortcomings, improve the safety production management level of project managers and enhance the safety production awareness of employees, Yunnan Water held an experience exchange meeting on safety production and management of construction projects in April 2021. At the exchange meeting, the construction unit shared the responsibilities and tasks of the construction unit in the safety production and management of the construction project, and introduced the specific practices of the safety production and management of all parties involved in the construction, while the construction unit shared the management practice experience such as the construction of safety production and management system, hidden danger investigation and treatment, safety education and training.

為進一步加強公司建設項目安全生產管理，推廣建設項目安全生產管理實踐中較為突出的好的經驗及做法，落實安全生產責任，主動查找建設項目安全生產管理上存在的問題及差距，及時補齊短板，提高各項目經理的安全生產管理水平，以及提高員工安全生產意識，雲南水務於二零二一年四月召開了建設項目安全生產管理經驗交流會。在交流會上，建設單位分享了建設單位在建設項目安全生產管理的職責、任務，介紹了對參建各方的安全生產管理和具體做法，而施工單位則分享了安全生產管理體系搭建和隱患排查治理及安全教育培訓等管理實踐經驗。

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### **Preventive and Control Measures of COVID-19**

Since the outbreak of COVID-19, Yunnan Water has conscientiously implemented the deployment of epidemic prevention and control by superior government departments and the Group, established a leading group for epidemic prevention and control, and formulated and issued the implementation plan for epidemic prevention and control and the emergency rescue plan for epidemic prevention and control. The Group has incorporated the emergency management of outbreak prevention and control into the construction of emergency management system, established and improved emergency systems and plans such as Emergency Response Plan Management System (《突發事件應急預案管理制度》), Emergency Rescue Plan for COVID-19 (《新冠肺炎疫情應急救援預案》), and Emergency Plan for Medical Waste Disposal during Major Epidemic (《重大疫情期間醫療廢物處置應急預案》).

Due to the obvious rebound of the global epidemic, the local aggregated epidemic caused by overseas import has successively affected many provinces. In order to further implement the epidemic prevention and control work, Yunnan Water held a special meeting on epidemic prevention and control in August 2021. The special meeting on epidemic prevention and control was held in the form of on-site and video. Members of Yunnan Water leading group, main heads of various departments, and main heads of major regions and wholly-owned subsidiaries also participated. The meeting informed the epidemic situation at home and abroad and the epidemic prevention and control of the Company. The meeting mainly covered the epidemic situation at home and abroad and the epidemic prevention and control situation of Yunnan Water, analysed the current situation and challenges of epidemic prevention and control of Yunnan Water, and the requirements of epidemic prevention and control of Yunnan Water. The requirements of Yunnan Water epidemic prevention and control include but are not limited to:

- Strengthen business trip management and minimize personnel mobility across provinces and regions;
- Improve the awareness of prevention and control and implement individual prevention and control;
- Strictly control gathering meetings, training and other activities;
- Accelerate the vaccination work; and
- Strengthen emergency response. Strictly abide by the relevant requirements of epidemic prevention and control, and actively cooperate with the implementation of normalized prevention and control measures.

### **新冠疫情防控措施**

新冠疫情爆發以來，雲南水務認真貫徹落實上級政府部門以及本集團的疫情防控工作部署，成立疫情防控工作領導小組，制定及下發疫情防控實施方案和疫情防控應急救援預案。本集團已將突發疫情防控應急管理納入應急管理體系建設，建立健全《突發事件應急預案管理制度》、《新冠肺炎疫情應急救援預案》及《重大疫情期間醫療廢物處置應急預案》等應急制度及預案。

因應全球疫情反彈明顯，境外輸入引發的本土聚集性疫情已先後波及多個省份，為了進一步做好疫情防控工作，雲南水務於2021年8月召開疫情防控專題會。疫情防控專題會以現場和視頻形式進行，雲南水務領導班子成員，各部門主要負責人，以及各大區、全資子公司主要的負責人亦有參與。通報了國內和國外的疫情情況及公司的疫情防控情況。會議主要涵蓋了國內和國外的疫情情況及雲南水務的疫情防控情況、分析當前雲南水務疫情防控面臨的形勢和挑戰，以及雲南水務疫情防控工作的要求。雲南水務疫情防控工作的要求包括但不限於：

- 加強出差管理，盡量減少跨省區的人員流動；
- 提高防控意識，落實個人防控；
- 嚴格控制聚集性的會議、培訓等活動；
- 加快推進疫苗接種工作；及
- 強化應急處置工作。嚴格遵守疫情防控相關要求，積極配合落實常態化防控措施。

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### TRAINING ON PRODUCTION SAFETY

The Group actively carries out safety trainings and education for the staff, regularly enhance the professional skill and safety awareness of the staff. The Group also distributes labour insurance supplies on time in accordance with the labor insurance supplies management system and organizes regular health checks every year for its staff in order to prevent them from being exposed to occupational harm and occupational diseases.

The Group has also formulated a series of emergency plans to deal with emergencies, such as the “Comprehensive Emergency Plan for Production Safety Accidents” and the “Emergency Plan for Sudden Environmental Incidents”, etc., and requires to organize no less than one flood prevention drill training activity every year; the fire and earthquake prevention equipment and facilities shall be inspected at least once a year to ensure that they are all in good condition. We strive to improve the ability of employees to deal with emergencies through emergency drills for production safety accidents.

### 安全生產培訓

本集團積極開展員工安全培訓教育，不斷提高員工的業務技能和 safety 意識，並按照本集團勞保用品管理制度，按時發放勞保用品，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。

本集團亦為應付突發事件而制定一系列應急預案，例如《生產安全事故綜合應急預案》及《突發性環境事件應急預案》等，並要求每年組織不少於一次的防洪演習培訓活動以及每年對防火防震設施至少進行一次檢查，以確保設備、設施全部完好。務求通過生產安全事故應急演練，提高員工對突發事件的處置能力。

#### Case study: “Safe Production Month” Activity

##### 個案研究：「安全生產月」活動

In response to the “safe production month” initiated by Yunnan Health & Cultural Tourism Holding Group Co., Ltd. (“YHTH”), Yunnan Water carried out a series of safety activities with the theme of “implementing safety responsibilities and promoting safety development” in June 2021, so as to improve the safety awareness of all employees, eliminate all kinds of potential safety hazards and continuously consolidate the foundation of safety management.

為響應由雲南省康旅控股集團有限公司（「康旅集團」）發動的「安全生產月」雲南水務於二零二一年六月開展以「落實安全責任，推動安全發展」為主題的系列安全活動，提高全員安全意識，消除各類安全隱患，不斷夯實安全管理基礎。

#### Case study: “Four Ones” activities

##### 個案研究：「四個一」活動

Through the “four ones” activity of “carrying out a hidden danger investigation activity, carrying out a safety education activity for all staff, carrying out an emergency drill activity and carrying out a safety class activity for the main principals of grass-roots companies”, the leadership of the main principals of grass-roots companies in safety and the independent safety management ability of employees have been greatly improved.

通過「開展一次隱患排查活動、開展一次全員安全教育活動、開展一次應急演練活動、開展基層公司主要負責人講一次安全課活動」的「四個一」活動，大大提高了基層公司主要負責人的安全領導力和員工自主安全管理能力。

#### Case study: “Ankang Cup (安康杯)” Safety Production Knowledge Competition

##### 個案研究：「安康杯」暨安全生產知識競賽

YHTH held the “Ankang Cup (安康杯)” safety production knowledge competition in 2021, which aims to urge all units to implement the main responsibility of enterprise safety and promote safety development. Yunnan Water won two honors, including the excellent organization award and the second prize in the final of the “Ankang Cup (安康杯)” safety production knowledge competition of YHTH in 2021.

康旅集團舉辦了二零二一年「安康杯」暨安全生產知識競賽，旨在督促各單位落實企業安全主體責任，推動安全發展。雲南水務榮獲康旅集團二零二一年「安康杯」暨安全生產知識競賽決賽優秀組織獎、二等獎等兩項榮譽。



**B3. Development and Training**

The Group attaches great importance to the establishment of its internal management training and development system. Through diversified training modes such as induction training, management training, technical training and pre-job training, we meet the different needs of employees at all levels and types and to improve their skills so that they can continue to provide high-quality services and assist the Group in its sustainable development, meanwhile assisting employees in their personal growth and development.

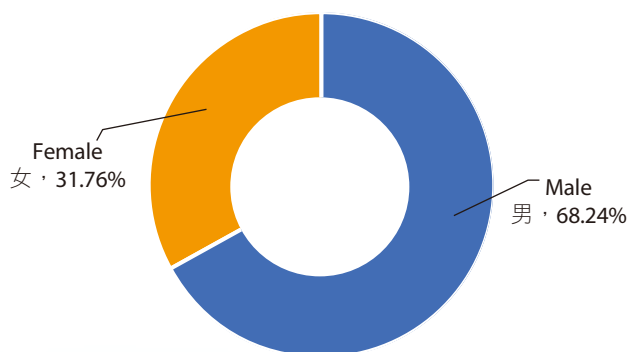
During the Reporting Period, the Group has approximately 77.92%<sup>6</sup> (2020: 37.72%) of the trained employees within the reporting scope of this Report, and each employee completed approximately 104.41 hours<sup>7</sup> (2020: 6.68 hours) of training on average. The percentage of employees trained<sup>8</sup>, and the average training hours completed per employee<sup>9</sup> by gender and employee category are as follows:

**B3. 發展及培訓**

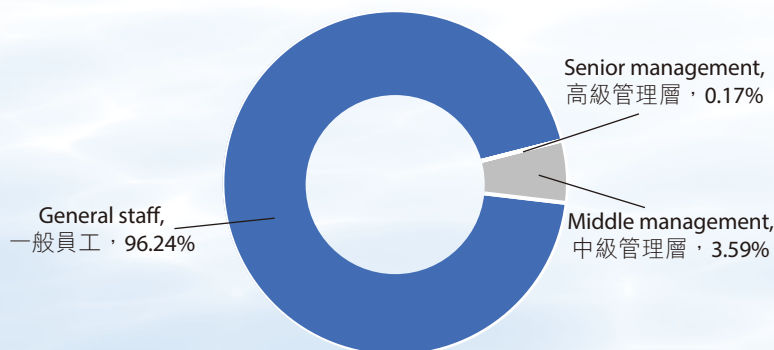
本集團注重企業內部管理培訓與發展體系的建立，通過入職培訓、管理人員培訓、技術人員培訓和崗前培訓等多元化培訓模式來滿足各級各類員工的不同需求，提升員工技能，使員工能夠持續提供高質量的服務，協助本集團進行可持續發展，同時幫助員工個人成長及發展。

於報告期內，本集團於本報告涵蓋範圍有約77.92%<sup>6</sup>（二零二零年：37.72%）的受訓僱員，每位僱員平均完成了約104.41小時<sup>7</sup>（二零二零年：6.68小時）的培訓。按性別及僱員類別劃分的受訓僱員百分比<sup>8</sup>，以及每名僱員完成受訓的平均時數<sup>9</sup>如下：

Percentage of trained employees by gender  
按性別劃分受訓百分比



Percentage trained employees by employment category  
按僱員類別劃分受訓百分比



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		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年	2020 二零二零年
<b>Average training hours</b>	<b>平均受訓時數</b>		
<b>By gender</b>	<b>按性別劃分</b>		
Male	男性	<b>92.23</b>	7.71
Female	女性	<b>129.26</b>	4.61
<b>By employee category</b>	<b>按僱員類別劃分</b>		
Senior Management	高級管理層	<b>47.22</b>	6.51
Middle management	中級管理層	<b>35.82</b>	10.03
Junior personnel	基層人員	<b>106.47</b>	6.30

Notes:

6. The calculation formula of overall percentage of trained employees is shown as below:

$$\text{Overall percentage of trained employees} = X/Y * 100\%$$

X = Total number of trained employees for the year  
Y = Total number of employees at the end of year

7. The calculation formula of average training hours per employee is shown as below:

$$\text{Average training hours per employee} = X/Y * 100\%$$

X = Total number of training hours for the year  
Y = Total number of employees at the end of year

8. The calculation formula of percentage of employees trained by specified category is shown as below:

$$\text{Percentage of employees trained by specified category} = X/Y * 100\%$$

X = Number of trained employees in the specified category for the year  
Y = Total number of trained employees at the end of the year

Relevant figure has been disclosed from 2021 onwards.

9. The calculation formula of average training hours by specified category is shown as below:

$$\text{Average training hours by specified category} = X/Y * 100\%$$

X = Total number of training hours for employees in the specified category for the year  
Y = Number of employees in the specified category at the end of the year

### TRAINING MANAGEMENT

To help new staff to get involved as soon as possible, the Group provides induction training programs for new staff to introduce the corporate culture and various internal rules and regulations of the Group. The Group's staff receives different types of training according to their roles and responsibilities. For instance, during the Reporting Period, the operation center carried out professional trainings on MBR engineering, testing knowledge, automatic control system and online monitoring; the financial center conducted financial business trainings on financial system and policy and overseas investment, etc.; the human resources department also held professional trainings for segments on internal control, risk management, system construction and safety management.

備註：

6. 整體受訓僱員百分比的計算公式如下：

$$\text{整體受訓員工百分比} = X/Y * 100\%$$

X = 年內受訓僱員總人數  
Y = 年末僱員總人數

7. 每位僱員平均培訓時數的計算公式如下：

$$\text{每位員工平均培訓時數} = X/Y * 100\%$$

X = 年內總培訓時數  
Y = 年末僱員總人數

8. 按特定類別劃分的受訓僱員百分比的計算公式如下：

$$\text{按特定類別劃分的受訓僱員百分比} = X/Y * 100\%$$

X = 年內特定類別受訓僱員人數  
Y = 年內受訓僱員總人數

相關數字自二零二一年起披露。

9. 按特定類別劃分的平均培訓時數的計算公式如下：

$$\text{按特定類別劃分的平均培訓時數} = X/Y * 100\%$$

X = 年內特定類別僱員的總培訓時數  
Y = 年末特定類別僱員人數

### 培訓管理

為幫助新員工盡快融入，本集團會定期舉辦新員工培訓，介紹雲南水務的企業文化以及各項規章制度等。在職員工按工作需要定期接受不同類型的培訓。例如於報告期，於運營中心負責開展包括MBR工藝、化驗知識、自控系統、在線監測等專業性培訓，財務中心負責開展包括財務制度與政策、海外投資等財務業務培訓。人力資源部則協同開展包括內部控制、風險管理、制度建設、安全管理等各板塊的專業培訓。



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The Group provides its staff with comprehensive training programs according to the characteristics of different positions in order to help employees grow rapidly and realize individual value and to contribute to the growth and development of the Group. The Group provides professional safety technical training for personnel in special jobs such as boilers, pressure vessels, elevators, electrical, lifting, welding equipment, vehicle driving, inflammable and explosive. Employees need to pass the examination of relevant departments and obtain a qualified operation certificate (license) before they can be allowed to operate independently within the specified validity period. In addition, for the on-duty personnel of special types of jobs, they must receive regular safety education to ensure work safety.

### B4. Labour Standards

#### **PREVENTING CHILD AND FORCED LABOUR**

The Group has complied with all laws and regulations related to the prevention of child labour or forced labour, including but not limited to the Labour Law of the PRC and the Provisions on the Prohibition of Using Child Labour in the PRC. During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labor-related laws and regulations that would have a significant impact on the Group.

The Group strictly prohibits any child labour and forced labour. The Group clearly stipulates that only employees who have reached the legal age are hired, and new employees are required to provide true and accurate personal information when entering employment. In addition, the Group also conducts background checks based on the information provided by the employees, and does not employ those who are found to have falsified information. If any of these are found to be illegal, we will also report them to the regulatory authority to prevent similar problems from arising. The Group also conducts regular audits and inspections to prevent any child labor and forced labor in its operations. In addition, employees of the Group only work overtime voluntarily when necessary. The Group will never condone any negative behaviors such as verbal abuse, corporal punishment, physical abuse, oppression and sexual harassment of its employees for any reason.

本集團根據不同崗位的特點，為員工提供完備的培訓計劃，幫助員工快速成長，實現個人在企業中的價值，為企業成長與發展作出貢獻。對於從事鍋爐、壓力容器、電梯、電氣、起重、焊接、車輛駕駛、易燃易爆等特殊工種人員，本集團會為其提供專業安全技術培訓。員工需要經過有關部門考試合格，並取得合格操作證(執照)後，在規定的有效期內才能准其獨立操作。另外，對於特殊工種的在崗人員，則須接受定期的安全教育，以確保工作安全。

### B4. 勞工準則

#### **防止童工及強制勞工**

本集團已遵守所有與防止童工或強制勞工有關的法律及規例，包括但不限於中國的《中華人民共和國勞動法》及《禁止使用童工規定》等。於報告期內，本集團並不知悉任何嚴重違反童工及強制勞工相關法律及法規，而對本集團造成重大影響。

本集團嚴格禁止僱用任何童工及強制勞工。本集團明確規定只僱用達到法定年齡的員工，並要求新員工入職時提供真實準確的個人資料，此外，本集團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，本集團也不予錄用。如當中涉及違法部分，我們會同時上報監管當局，以杜絕同類問題產生。本集團亦會定期進行審核及檢查，以防止在其營運中出現任何童工及強制勞工。此外，本集團的員工僅在必要時自願加班。本集團亦絕不縱容出於任何理由對其員工進行任何例如口頭謾罵、體罰、身體虐待、壓迫、性騷擾等的負面行為。

## B5. Supply Chain Management

### ***FAIR AND OPEN PROCUREMENT***

In accordance with the provisions of the Tendering and Bidding Law of the PRC and other relevant national laws and regulations, the Group selects qualified suppliers through public bidding on the public resource trading platform where the project is located. The Group has formulated the Administrative Measures for Bidding and Procurement to regulate bidding and procurement activities and improve the efficiency of fund use, and to safeguard the interests of the Group at the same time.

In accordance with the principles of unified management, legality and comprehensive selection of the best, the Group conducts bidding activities for all construction projects and procurement activities for goods, projects and services. All personnel involved in bidding and procurement management shall abide by the following regulations:

- Strictly implement the relevant laws and regulations of the state and Yunnan Province on tendering and bidding management, and adhere to the principle of "openness, fairness, justice, honesty and credibility";
- Strictly abide by procedures, act in accordance with regulations, manage in accordance with the laws, and be honest and self-disciplined;
- Comply with bidding and bid evaluation disciplines, and shall not disclose any bidding information and materials that should be kept confidential during the bidding and bid evaluation process; and
- Strictly forbidden to split project and circumvent the Company's bidding and procurement regulations.

Any violation of tendering and bidding laws and regulations and noncompliance with bidding discipline shall be investigated, verified and dealt with by the discipline inspection department of the Group.

## B5. 供應鏈管理

### **公平及公開採購**

本集團根據《中華人民共和國招標投標法》等國家相關法律及規例，在項目所在地公共資源交易平台採取公開招標的方式選取合格供貨商。本集團已制定《招標、採購管理辦法》，規範招標、採購行為，以提高資金使用效益，同時達到維護本集團利益。

本集團一概按照統一管理、合法、綜合擇優的原則，進行所有工程建設項目之招標活動及貨物、工程、服務的採購活動。所有招標、採購管理相關人員均應遵守以下規定：

- 嚴格執行國家和雲南省招投標管理的有關法規，堅持「公開、公平、公正、誠實信用」的原則；
- 嚴格遵守程序、照章辦事、依法管理、廉潔自律；
- 遵守招標、評標紀律，不得在招標及評標過程中泄露任何應當保密的招投標信息和資料；及
- 嚴禁拆分項目，規避本公司招標、採購的規定。

對於違反招投標法律和法規規定以及不遵守招標工作紀律的，由本集團紀檢部門進行調查、核實、處理。

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For those that have not reached the bidding amount specified in the Tendering and Bidding Law, the Group selects qualified suppliers by bid invitation, competitive comparison or bid negotiation according to the specific circumstances.

對於未達到招標投標法規定的招標金額，本集團根據具體情況採用邀請招標、競爭性比選或議目標方式選取合格供貨商。

Total number of major suppliers by region 按地區劃分的主要供應商總數	Unit 單位	2021 二零二一年
The PRC 中國	Number 個	10
<b>Total number of major suppliers</b> 主要供應商總數	Number 個	<b>10</b>

### PROCUREMENT AND BIDDING PROCESS

After the project has met the bidding conditions and has been approved by the Company's management, the Group will organize a unified bidding or comparative procurement for the project in accordance with the bidding process stipulated in the Administrative Measures for Bidding and Procurement and the Process for Competitive Comparison Procurement of the Group. All of the major suppliers were evaluated and engaged through the procurement and bidding process mentioned above.

### 採購及招標流程

在項目已具備招標條件並公司管理層審批後，本集團將按照本集團《招標、採購管理辦法》中招標流程或競爭性比選採購流程，為該項目進行統一組織招標或比選採購。所有主要供應商均根據上述採購及招標流程進行評估和聘用。

The following chart sets out the simplified "Bidding Flowchart of Yunnan Water Investment Co., Limited":

下圖為簡化後的《雲南水務投資股份有限公司招標流程圖》：

#### Draw up bidding plan

- The bidding and procurement department is responsible for providing various approval documents required for bidding filing;
- The bidding and procurement department compares and selects, entrusts a bidding agency and a cost consulting company, and the project department assists in reviewing the blocked bid price; and
- The bidding agency prepares bidding documents, the bidding and procurement department and the contract cost department review business documents, and the project management center and the technical risk control center review technical documents.

#### 擬定招標方案

- 招標採購部負責提供招標備案所需各項批文；
- 招標採購部比選、委託招標代理公司及造價諮詢公司，項目部協助對攔標價進行審核；及
- 招標代理公司編製招標文件，招標採購部、合同造價部審核商務文件、項目管理中心、技術風控中心審核技術文件。

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- Bidding**
- Establish a pre-qualification assessment team to review the pre-qualification documents under the supervision of the bidding supervision leading team;
  - The assessment team issues a pre-qualification report; and
  - Issue a notice of pre-qualification results.
- 招標**
- 成立資格預審評審小組，對資格預審文件進行評審，招標監督領導小組進行監督；
  - 評審小組出具資格預審報告；及
  - 發出資格預審結果通知。
- Bid winning**
- Form a bid evaluation committee to review the tendering documents under the supervision of the bidding supervision leading team;
  - The bid evaluation team issues a bid evaluation report; and
  - Determine the bid winning results.
- 中標**
- 組建評標委員會，對投標文件進行評審，招標監督領導小組進行監督；
  - 評標小組出具評標報告；及
  - 確定中標結果。
- End of bidding**
- The bidding and procurement department, the project management center and relevant departments clarify the key points of contract execution; and
  - The bidding and procurement department assists the project manager of the project department to establish a working relationship with the contractor.
- 招標結束**
- 招標採購部、項目管理中心及相關部門對合同執行要點進行交底；及
  - 招標採購部協助項目部項目經理與承包商建立工作聯繫。

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The following chart sets out the simplified “Flowchart for Competitive Comparison Procurement of Yunnan Water Investment Co., Limited”:

下圖為簡化後的《雲南水務投資股份有限公司競爭性比選採購流程圖》：

- Compare suppliers**
- The bidding and procurement department issues competitive comparison and selection invitation documents to more than 3 suppliers based on the content of the task handover form. Among them, the business conditions are drawn up by the bidding and procurement department and the purchasing application department, and the technical requirements are drawn up by the technology and risk control center or related departments; and
  - The list of suppliers to be invited shall be jointly determined by the relevant departments organized by the bidding and procurement department, reported to the leaders in charge and the general manager for approval and implementation, and submitted to the bidding supervision leading team for review.
- 比選供貨商**
- 由招標採購部根據任務移交單內容向3家以上供貨商發出競爭性比選邀請文件，其中，商務條件由招標採購部與採購申請部門擬定，技術要求由技術與風控中心或相關部門擬定；及
  - 擬邀請參加的供貨商名單由招標採購部組織相關部門共同確定，報分管領導及總經理批准實施，報招標監督領導小組審查。
- Quotation and evaluation**
- After all quotations are collected, the bidding and procurement department will organize the application department and relevant cooperation departments to jointly open and review the bids under the supervision of the bidding supervision leading team;
  - Adjust the quotation requirements, ask all parties to make the second quotation on the same level; and
  - The bidding and procurement department organizes the application department and relevant cooperation departments to jointly review the second quotation based on the same technical level, and select the top three.
- 報價及評標**
- 各家報價齊全後，由招標採購部組織，申請部門及相關配合部門共同開標、評審，招標監督領導小組監督；
  - 調整報價要求，請各方在同一水平線上進行二次報價；及
  - 在同一技術水平，由招標採購部組織，申請部門及相關配合部門共同對二次報價進行評審，評出前三名。

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- |                              |   |
|------------------------------|---|
| <b>Contract confirmation</b> | <ul style="list-style-type: none"><li>• The bidding and procurement department is responsible for organizing contract negotiations, with the participation of the application department and the assistance of the relevant cooperating departments.</li></ul>  |
| 合同確認                         | <ul style="list-style-type: none"><li>• 招標採購部負責組織合同談判，申請部門參與，相關配合部門協助。</li></ul>  |
| <b>Contract performance</b>  | <ul style="list-style-type: none"><li>• The bidding and procurement department and the contract execution departments clarify the key points of contract execution;</li><li>• The bidding and procurement department assists the project leaders of the contract execution departments to establish working contacts with the supplier;</li><li>• The bidding and procurement department tracks and urges suppliers to supply on time and quality;</li><li>• If goods return or exchange needed, the bidding and procurement department will assist in contacting the supplier to return or exchange the goods; and</li><li>• The bidding and procurement department conducts after-sales evaluation of the supplier based on the feedback from the contract execution.</li></ul> |
| 合同執行                         | <ul style="list-style-type: none"><li>• 招標採購部與合同執行部門對合同執行要點進行交底；</li><li>• 招標採購部協助合同執行部門項目負責人與供貨商建立工作聯繫；</li><li>• 招標採購部跟蹤督促供貨商按時、按質供貨；</li><li>• 如需退換貨，招標採購部協助聯繫供貨商退換貨；及</li><li>• 招標採購部將根據合同執行的反饋情況，對該供貨商進行售後評價。</li></ul>  |



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### **MANAGE ENVIRONMENTAL AND SOCIAL RISKS OF THE SUPPLY CHAIN**

The Group attaches great importance to the management level of suppliers in terms of sustainable development. In order to better identify and control the environmental and social risks of the supply chain and maintain the stability of the supply chain, the Group has formulated strict procurement management methods. In selecting suppliers, the Group will give priority to suppliers with good environmental and social performance as its business partners. At the same time, the Group will communicate the Group's expectations on material quality and safety as well as service to suppliers so as to ensure a steady and continuous supply of high quality materials and services. In addition, the Group will conduct annual supplier assessment, which will include suppliers' performance in environmental and social performance, qualification level, quality of goods or services provided, service adaptability and capability, and quotation. Supplier assessment will be scored by the relevant departments receiving the service, if the score is poor, it will be eliminated from the supplier list. The Group also closely monitors the business practices of suppliers and subcontractors through on-site inspections. Any irregularities found during site inspection will be reported to management immediately.

### **GREEN SUPPLY CHAIN**

The Group is committed to integrating sustainability into its procurement practices to minimise its impact on the environment, and shares this philosophy with its business partners and suppliers. The Group is expected to improve its suppliers' environmental protection awareness, and promote the good environmental performance and governance measures among its business partners and suppliers. In addition, at the supplier meetings, the Group encourages suppliers to consider the risks posed by climate change to their operations and actively mitigate its environmental impacts.

### **管理供應鏈的環境及社會風險**

本集團高度關注供應商在可持續發展方面的管理水平。為更好的識別和管控供應鏈環境及社會的風險，維持供應鏈的穩定，本集團已制定嚴格的採購管理辦法。在選擇供應商時，本集團會優先考慮在環境及社會層面表現良好的供應商為本集團的合作夥伴。同時，本集團會向供應商傳達本集團對材料品質和安全以及服務的期望，從而確保穩定持續地供應高品質的材料及服務。此外，本集團會對供應商進行年度供應商考核，將供應商在環境及社會績效、資質水平、提供的貨物或服務質量、服務配合度及能力，以及報價方面的表現納入供應商考核因素中。供應商考核由接受服務的相關部門評分，若分數為差，則從供應商庫中淘汰。本集團亦會透過現場檢查對供應商及分包商的商業行為進行密切監控。如在現場檢查期間發現任何違規情況，將立即向管理層匯報。

### **綠色供應鏈**

本集團致力將可持續發展元素融入採購常規，務求盡可能減少本集團對環境的影響，並與其業務夥伴及供應商分享此理念。本集團期望提升其供應商的環保意識，並在其業務夥伴及供應商中推廣良好的環境表現及管治措施。另外，本集團於供應商會議鼓勵供應商期間考慮氣候變化對其運營構成的風險，並積極減輕其對環境的影響。

### B6. Product Responsibility

The Group attaches great importance to product and service quality and corporate reputation. The Group actively ensures product quality through internal control and is committed to providing services that meet industry standards. The Group strictly complies with the relevant laws and regulations, including but not limited to the Law of the PRC on Protecting Consumers' Rights and Interests and the Advertising Law of the PRC. During the Reporting Period, the Group was not aware of any material non-compliance with any laws and regulations in relation to health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress that would have a significant impact on the Group.

#### **PRODUCT QUALITY**

Yunnan Water continues to improve the production and operation quality management system of the Group, and formulates the Production and Operation Quality Management Manual (《生產運營質量管理手冊》) and the Engineering Construction Project Quality Control Method (《工程建設項目質量控制辦法》), which clarify the quality policy, objectives and commitments, specify the management methods of the Group in all stages of the environmental protection project, such as design, investment, procurement, construction, acceptance and delivery, and systematically guide Yunnan Water and its subsidiaries to establish, implement, maintain and improve quality management mechanisms to ensure high quality project and product delivery. During the Reporting Period, the Group did not recall any products for quality, safety and health reasons.

For instance, the Group adopts advanced online monitoring systems to continuously monitor the quality of the treated wastewater and supplied water during the operating process of the wastewater treatment and water supply facilities. Specifically, the monitoring data of the online monitoring system for wastewater treatment will be transmitted to the government platform for pollution sources of the authority in a real-time way for 24-hour monitoring. The Group adheres to the policy of "quality first, prevention first", and continuously improves process control in accordance with the cyclical work method of "planning, execution, inspection, and processing".

### B6. 產品責任

本集團十分重視產品與服務質量及企業信譽。本集團積極透過內部監控確保產質量素，致力提供符合行業標準的服務。本集團嚴格遵守相關法律法規，包括但不限於中國的《中華人民共和國消費者權益保法》及《中華人民共和國廣告法》等。於報告期內，本集團並不知悉任何嚴重違反有關產品及服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的法律及法規，而對本集團造成重大影響。

#### **產品質量**

雲南水務持續完善本集團生產運營質量管理制度，並制定了《生產運營質量管理手冊》和《工程建設項目質量控制辦法》，明確質量方針、目標和承諾，明確本集團在環保項目的設計、投資、採購、施工、驗收及交付等各個階段的管理手段，有系統地指導雲南水務及其子公司建立、實施、保持和改進質量管理機制，確保高質量的項目及產品交付。於報告期內，本集團未發生任何因產品質量、安全與健康理由須回收的情況。

本集團的污水處理及供水設施投入運營時，採用先進的在線監測系統連續監測污水處理出水及供水的水質。其中，污水處理的在線監測系統監測數據實時傳輸至政府部門的污染源監測綜合管理平台，供其每天24小時監察。本集團堅持「質量第一，預防為主」的方針，按「計劃、執行、檢查、處理」循環工作方法，不斷改進過程控制。

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Besides, Yunnan Water has obtained international management system certificates such as ISO9001, ISO14001 and OHSAS18001, strictly abides by the above standards during the process of production and assembly, and enhances the operation of the systems on quality, environment, occupational health & safety in order to ensure the quality of the membrane products manufactured by the Group.

The Group carries out major businesses by strictly implementing and complying with the relevant national or industrial standards. With regard to the wastewater treatment business of the Group, the Group is committed to ensuring that the treated wastewater meets the requirement of Discharge Standard for Pollutants for Municipal Wastewater Treatment Plant (GB-18918-2002) or Environmental Quality Standard V for Surface Water or local standards and that wastewater discharge outlets are built in strict compliance with the requirements of the environmental impact assessment report approved by the government for designated discharge.

With regard to the water supply business of the Group, the Group attaches great importance to water quality control from the water source to users since the quality of the water supplied directly affects public health. Water supplied by the Group meets a number of national standards, including but not limited to Hygienic Standard for Drinking Water (GB-5749-2006), Standard for Quality of Urban Water Supply (CJ/T-206-2005), Technical Regulations on Operation, Maintenance and Safety of Urban Water Supply Plant (CJJ-58-2009), Technical Regulations on Operation, Maintenance and Safety of Urban Water Supply Pipeline Network (CJJ-207-2013) and Urban Water Supply Services (GB/T32063-2015) in order to ensure reliable and safe water supply. The Group has established strict quality management systems, tests and inspects against various indexes on production and operation and conducts real-time monitoring on the water quality to ensure that the water quality meets the relevant standards.

另外，為確保本集團製造的膜產品的質量，雲南水務已取得ISO9001、ISO14001、OHSAS18001的國際管理體系證書，在生產及裝配的整個過程中嚴格執行上述標準，加強質量、環境、職業健康安全管理体系的運作。

本集團的主要業務均嚴格執行並嚴守相關的國家或行業標準。針對本集團的污水處理業務，本集團致力確保處理後的污水均達到《城鎮污水處理廠污染物排放標準》(GB-18918-2002)，或《地表水環境質量》類V類標準或地方標準，並嚴格按照經政府批准的環境影響評價報告要求建成污水排放口，定點排放。

針對本集團的供水業務，由於安全的用水質量會直接影響公眾的身體健康，因此本集團高度關注從水源到用戶終端之水質控制。本集團所提供的用水符合國家標準，包括但不限於《生活飲用水衛生標準》(GB-5749-2006)、《城市供水水質標準》(CJ/T-206-2005)及《城鎮供水廠運行、維護及安全技術規程》(CJJ-58-2009)、《城鎮供水管網運行、維護及安全技術規程》(CJJ-207-2013)及《城鎮供水服務》(GB/T32063-2015)，確保可靠及安全的供水。本集團建立了嚴格的質量管理體系，對各項生產運行指標進行化驗與檢測，實時監控水質情況，保證水質達標。

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With regard to the solid waste treatment business, the services provided by the Group are governed by Pollution Control Standard for Domestic Waste Landfill (GB-16889-2008), Pollution Control Standard for Municipal Waste Incineration (GB 18485-2014), Technical Requirements on Medical Waste Incinerator (GB-19218-2003) and Pollution Control Standard for Hazardous Waste Incineration (GB-18484-2001). The Group has set up internal control systems and set discharge limits for incineration plants according to strict operation conditions and technical requirements in order to minimize the impact of waste incineration to the environment and to the public.

### **PROTECTION OF INTELLECTUAL PROPERTY**

During the Reporting Period, the Group continued to devote substantial resources in research and development capabilities. In the PRC, the Group has numerous registered patents related to sewage treatment, water supply, sludge treatment, membrane manufacturing and application, and municipal waste treatment. As of 30 April 2022, the Group has 37 issued patents in water sector, of which 36 utility model patents and 1 invention patent; and 134 issued patents in solid waste sector, of which 10 invention patents, 120 utility model patents and 4 software copyright patents. The Group respects the intellectual property rights of third parties, and is also committed to protecting its own intellectual property rights from infringement. In the future, the Group will closely monitor infringements in the market and crack down on any infringements such as counterfeit trademarks.

### **ADVERTISING AND LABELING**

As a company providing environmental protection services, the operation of the Group does not involve major matters related to advertising and labeling. Nevertheless, the Group is committed to ensuring that the labels of its products conform to the actual product conditions. The Group strictly abides by the Advertising Law of the PRC and other relevant advertising and marketing laws and regulations, formulates and implements relevant systems for monitoring advertising and marketing, strictly reviews publicly released promotional materials and sales commitments, and prevents promotional content from being inaccurate or misleading, so as to protect the consumers' rights from being infringed.

就固廢處理業務而言，本集團之服務受《生活垃圾填埋場污染控制標準》(GB-16889-2008)、《生活垃圾焚燒污染控制標準》(GB 18485-2014)、《醫療廢物焚燒爐技術要求》(GB-19218-2003)以及《危險廢物焚燒污染控制標準》(GB-18484-2014)規管。本集團建立了內部控制體系，通過嚴格的操作規範和技術要求，在實際運行中設定焚燒廠的排放限額，盡量將垃圾焚燒對環境及公眾健康造成的負面影響降至最低。

### **知識產權保護**

於報告期內，本集團繼續投放大量資源於研究及開發能力。在中國，就與污水處理、供水、污泥處理、膜製造及應用以及市政垃圾處理有關的技術，本集團已擁有多項註冊專利。截至2022年4月30日，本集團水務板塊已授權專利37項，其中實用新型專利36項，發明專利1項；固廢板塊已授權專利134項，其中發明專利10項，實用新型專利120項，軟件著作專利4項。本集團尊重第三方知識產權，亦致力保護自身知識產權不受侵犯。在未來，本集團會密切監控市場上的侵權行為，並打擊假冒商標等任何侵權行為。

### **廣告及標籤**

作為一間提供環保服務的公司，本集團的運營並不涉及重大與廣告及卷標有關的事項。儘管如此，本集團致力保證本集團產品的卷標符合產品實情。本集團嚴格遵守《中華人民共和國廣告法》等廣告營銷相關法律及規例，制定和實施監管廣告營銷的相關制度，嚴格審核公開發佈的宣傳材料及銷售承諾，防止宣傳內容失實或存在誤導性，保障客戶的消費權益不被侵害。



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### **CUSTOMER SATISFACTION**

The Group attaches great importance to customers' opinions, and establishes multiple communication channels to investigate customer satisfaction, including written questionnaires, customer forums, return visits, telephone inquiries, etc. The Group conducts investigation and analysis of customer satisfaction and takes the results therefrom as the basis for evaluating the performance and improvement of the quality management system. If the Group receives complaints from customers, it will handle them with care and all material complaints will be kept in writing. The relevant responsible departments of the Group will also analyze and investigate the contents of the complaint and formulate a resolution opinion, and finally, they will give feedback to the complainants and follow up the satisfaction of the complainants for the resolution opinion. During the Reporting Period, the Group had not received any material complaints in relation to products and services.

The Group requires all external image display, event promotion, marketing promotion and other publicity content of its units, agencies and subordinate projects be produced and published after the approval of the leader in charge, to avoid any form of false publicity, and to ensure that the content of the publicity true and accurate.

## **B7. Anti-corruption**

### **PREVENT CORRUPTION AND FRAUD**

The Group has established a disciplinary committee and a disciplinary inspection and supervision office dedicated for preventing bribery, extortion and fraud prevention as well as relevant investigations and handling. The Group has established a corruption risk prevention and control system, developed corruption risk prevention and control measures, so as to implement dynamic management of corruption risk prevention and control. In addition, the Group has established whistleblowing channels via telephone and e-mail to accept reports relating to the violation of laws and the code of conduct. The Group also attaches importance to corruption risk education, organizes corruption risk training, holds special lectures on corruption prevention and enhances the anti-corruption awareness of the staff.

### **客戶滿意度**

本集團重視客戶的意見，並建立多個溝通渠道以對顧客滿意程度進行調查，當中包括書面調查表、召開顧客座談會、回訪、電話詢問調查等。本集團對顧客滿意程度進行調查分析並作為評價質量管理體系業績和改進的依據。倘若本集團收到客戶的投訴，本集團會謹慎處理，所有重大的投訴均會以書面形式作保留。本集團的相關負責部門亦會對投訴的內容進行分析、調查、形成處理意見，最後會向投訴人進行反饋，並跟進投訴人對處理意見的滿意情況。於報告期內，本集團並沒有接獲任何產品及服務相關的重大投訴。

本集團要求各單位、各機構和下屬項目所有對外形象展示、活動宣傳、營銷宣傳等宣傳內容，須由分管領導長審批後，方可製作及對外發佈，避免任何形式虛假宣傳，確保宣傳內容的真實準確。

## **B7. 反貪污**

### **防止貪污及舞弊**

本集團成立了紀委和紀檢監察室，負責防止賄賂、勒索、欺詐等工作和相關調查及處理。本集團已建立廉潔風險防控體系和制定了廉潔風險防控措施，從而實行廉潔風險防控動態管理。此外，本集團已建立電話、郵件等舉報方式，以受理有關違紀違法舉報。本集團亦重視對員工的廉潔風險教育，並組織開展廉潔風險警示教育，舉辦廉潔專題講座，加強員工的廉潔意識。

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The management and all employees of the Group strictly abide by the Group's code of ethics and conduct and relevant laws and regulations, including but not limited to the Tendering and Bidding Law of the PRC and the Interim Provisions on the Prohibition of Commercial Bribery. During the Reporting Period, the Group was not aware of any material non-compliance with any laws and regulations in relation to the prevention of bribery, extortion, fraud and money laundering that would have a significant impact on the Group. There were no concluded legal cases regarding corrupt practices brought against the issue or its employees during the Reporting Period.

During the Reporting Period, the Group's Directors and employees accepted 2 hours and 20 hours of anti-corruption training respectively, of which contents include but not limited to how Directors undertake and practice their anti-corruption responsibilities, ESG report disclosure requirements on anti-corruption, relevant requirements and regulations on anti-corruption required by the laws of the PRC, and the instance of corruption committed by the public officials of listed company. Through the training, Directors and employees at different ranks are better informed of their respective roles and responsibilities in anti-corruption and business ethics, as well as the points to note in business compliance.

本集團管理層和所有員工均能嚴格遵守本集團的道德行為守則及相關法律法規，包括但不限於《中華人民共和國招標投標法》及《關於禁止商業賄賂行為的暫行規定》。於報告期內，本集團並不知悉任何嚴重違反有關防止賄賂、勒索、欺詐及洗黑錢的法律及法規，而對本集團造成重大影響。於報告期內沒有對本集團或其僱員提出並已審結的貪污訴訟案件。

於報告期內，本集團的董事和員工分別接受了2小時及20小時的反腐敗培訓，培訓的內容包括但不限於董事如何承擔與實踐反貪責任，ESG報告中關於反貪腐的披露要求，中國法律中反貪污的相關要求與條例，以及上市公司公職人員貪污的實例。通過相關培訓，董事及不同職級的員工更加明確了彼等在反貪腐及商業道德方面的相應角色及責任，以及合規經營的注意事項。



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### Case Study: 2021 Anti-Corruption Warning Education Activity

#### 個案研究：2021年廉潔從業警示教育活動

In order to further establish a sense of integrity and build a solid line of defense against corruption and metamorphosis, in December 2021, Yunnan Water organized its staff to the Yunnan Province Anti-Corruption and Integrity Warning Education Base to carry out the 2021 Anti-Corruption Warning Education Activity. In addition to visiting the education base, the employees of Yunnan Water also took a special warning education class to deepen their understanding of national anti-corruption laws and regulations based on typical cases of violations in China in recent years. A total of 38 employees from the management and staff of Yunnan Water participated in the activity.

為進一步樹立廉潔從業意識，築牢拒腐防變思想防線，於二零二一年十二月，雲南水務組織人員到雲南省反腐倡廉警示教育基地，開展二零二一年廉潔從業警示教育活動。雲南水務員工除了參觀教育基地，還上了一場特別的警示教育課，以近幾年來於中國違法的典型案例加深了解國家反腐敗法律和法規。雲南水務管理人員和員工共38人參加活動。

### Case Study: Integrity Home Visit

#### 個案研究：廉政家訪

In December 2021, the management of Yunnan Water went to the homes of employees to carry out integrity home visits. The activity plays an important role in improving the integrity and morality of employees and helps them create a clean family atmosphere at the same time. In addition, the activity conveyed Yunnan Water's care for its employees, and shortened the emotional distance between management and employees. Finally, the family members of the interviewed employees signed the Letter of Commitment to Keep and Help Integrity for the Families of Leading Cadres of Yunnan Water Investment Co., Limited.

於二零二一年十二月，雲南水務管理人員深入員工家中，開展廉政家訪活動。活動對於以提升員工廉潔作風和道德品質具有重要作用，同時協他們營造清廉家風。除了之外，活動傳遞了雲南水務對員工的關愛，也拉近了管理層和員工之間的情感距離。最後，受訪員工家屬均簽署了《雲南水務公司領導幹部家屬守廉助廉承諾書》。

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### B8. Community Investment

#### CORPORATE SOCIAL RESPONSIBILITY

The Group has a strong sense of social responsibility. As an active advocator for building a learning-oriented enterprise, the Group makes contributions in implementing the strategy of developing the country through science and education and reinvigorating the country through talents development as well as building a harmonious society while actively establishing and enhancing the reputation of the Group.

As a environmental enterprise, the Group particularly focuses on environmental protection and education. During the Reporting Period, the Group has conducted different activities to raise the public awareness on environmental protection.

### B8. 社區投資

#### 企業社會責任

本集團是一家有著強烈社會責任感的企業。作為創建學習型企業的積極倡導者，本集團在積極樹立和提升企業品牌的同時，還將在貫徹科教興國和人才強國戰略、促進和諧社會建設等方面做出我們應有的貢獻。

作為一間環保企業，本集團尤其專注於環境保護和教育。於報告期內，本集團舉辦不同活動以提高公眾對環境保護的意識。

#### Case Study: The World Environment Day on 5 June

##### 個案研究：六五環境日

The World Environment Day on 5 June each year is one of the United Nations' main vehicles for promoting global environmental awareness, raising government awareness and action on environmental issues. Yunnan Water launched various activities, and on this special day of the World Environment Day, it also called on everyone to love nature, clean beautiful homes, help prevent and control the pandemic, and build a better environment together.

每年的六月五日的世界環境日是聯合國促進全球環境意識、提高政府對環境問題的注意並採取行動的主要媒介之一。雲南水務開展了不同的活動，在環境日這個特殊的日子裏，呼籲大家愛護大自然，清潔美麗家園，助力疫情防控，共築美好環境。

#### "Cloud Visit" of Yunnan Water's No.1 Wastewater Treatment Plant in Ruili (雲南水務瑞麗市第一污水處理廠) 雲南水務瑞麗第一污水廠「雲參觀」

Yunnan Water's No.1 Wastewater Treatment Plant in Ruili provided "Cloud Open" and "Cloud Visit" for the society to let the public understand the production process of the wastewater treatment plant. The No. 1 Wastewater Treatment Plant is mainly responsible for the domestic wastewater treatment in the area north of Tuanjie Canal in Ruili, and makes due contributions to the continuous improvement of the living environment of Ruili residents.

雲南水務瑞麗市第一污水處理廠面向社會「雲開放」，帶領大家「雲參觀」，了解污水處理廠的生產過程。第一污水廠主要承擔著瑞麗團結大溝以北片區的生活污水處理任務，為瑞麗人居環境的不斷提升做著應有的貢獻。

#### Hyflux NewSpring Water Theme Day

##### 凱發新泉水務主題開放日

In the theme day activity held by Hyflux NewSpring Water Co., Ltd.\* (凱發新泉水務有限公司), a subsidiary of Yunnan Water, the organizer invited children from Changshu Southeast Kindergarten to visit the wastewater treatment plant. At the activity, children were provided with opportunities to easily understand every process of wastewater treatment from generation, treatment to final drainage, and different and interesting experiments were conducted. Through this visit, children will understand the preciousness of water resources and will cherish water more in the future.

雲南水務所屬凱發新泉水務有限公司舉辦的主題開放日活動邀請了常熟東南幼兒園的小朋友參觀污水處理廠。是次活動讓小朋友們輕鬆地了解了污水治理從產生、處理到最終排水的每一個過程，並進行不同有趣的實驗。通過此次參觀活動，小朋友們會明白水資源的珍貴，日後更加珍惜用水。

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The combination of “reverence, thankfulness and confidence” has always been the cultural concept advocated by the Group since its inception. The spirit of actively undertaking responsibilities, dedication and caring heart of the Group’s employees fully reflects the centripetal force and cohesion of our corporate culture. Under the guidance of this concept, the Group will continue to strive to perform its social responsibility as well as actively hold and participate in social charity activities.

「敬畏心、感恩心、自信心」三心合一，是本集團成立以來一直倡導的企業文化理念。本集團員工積極承擔、樂於奉獻、關愛他人的精神，充分體現了本集團企業文化的向心力和凝聚力。在這一文化理念的指引下，本集團未來將繼續認真履行社會責任，積極舉辦、參與社會公益慈善活動。

### CONTENT INDEX OF THE “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” OF THE STOCK EXCHANGE OF HONG KONG LIMITED

### 香港聯合交易所有限公司的《環境、社會及管治報告指引》內容索引表

Mandatory Disclosure Requirements 強制披露規定	Chapter/Statement 章節／聲明
Governance Structure 管治架構	Board Statement — ESG Governance Structure 董事會聲明 — ESG治理結構
Reporting Principles 匯報原則	Reporting Framework 報告框架
Reporting Boundary 匯報範圍	Reporting Scope 報告範圍

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Aspect, general disclosure and key performance indicator (KPI) 層面、一般披露及關鍵績效指標	Description 描述	Chapter/Statement 章節／聲明
General disclosure 一般披露	<p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and nonhazardous waste, etc.</p> <p>Note: Air emissions include NO<sub>x</sub>, SO<sub>x</sub>, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.</p> <p>有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。</p> <p>註：廢氣排放包括氮氧化物、硫氧化物及其他受國家法律及規例規管的污染物。溫室氣體包括二氧化碳、甲烷、氧化亞氮、氫氟碳化合物、全氟化碳及六氟化硫。有害廢棄物指國家規例所界定者。</p>	Emissions 排放物
KPI A1.1 關鍵績效指標A1.1	Types of emissions and related emissions data. 排放物種類及相關排放數據。	Emissions — Exhaust gas emissions, GHG emissions 排放物 — 廢氣排放、溫室氣體排放
KPI A1.2 關鍵績效指標A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 直接(範圍1)及能源間接(範圍2)溫室氣體排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions — GHG emissions 排放物 — 溫室氣體排放
KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions — Hazardous waste (Not applicable — Explained) 排放物 — 有害廢棄物(不適用 — 已解釋)
KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions — Nonhazardous waste 排放物 — 無害廢棄物

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KPI A1.5 關鍵績效指標A1.5	Description of emissions target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	Emissions — Exhaust gas emissions, GHG emissions, wastewater discharge and treatment 排放物 — 廢氣排放、溫室氣體排放、污水排放及處理
KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	Emissions — Hazardous waste, non-hazardous waste 排放物 — 有害廢棄物、無害廢棄物
<b>Aspect A2: Use of Resources</b>		
<b>層面A2：資源使用</b>		
General disclosure 一般披露	Policies for effective use of resources (including energy, water and other raw materials).  Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc. 有效使用資源(包括能源、水及其他原材料)的政策。  註：資源可用於生產、儲存、運輸、樓宇、電子設備等。	Use of Resources 資源使用
KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Use of Resources — Energy consumption 資源使用 — 能源消耗
KPI A2.2 關鍵績效指標A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	Use of Resources — Water consumption 資源使用 — 水源消耗
KPI A2.3 關鍵績效指標A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	Use of Resources — Energy consumption 資源使用 — 能源消耗

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KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	Use of Resources — Water consumption 資源使用 — 水源消耗
KPI A2.5 關鍵績效指標A2.5	Total amount (in tons) of packaging materials used in the finished products and, where appropriate, the amount per production unit. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	Use of Resources — Use of packaging materials (Not applicable — Explained) 資源使用 — 包裝材料使用(不適用 — 已解釋)
<b>Aspect A3: Environmental and Natural Resources</b>		
<b>層面A3：環境及天然資源</b>		
General disclosure 一般披露	Policies to reduce the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	Environmental and Natural Resources — Environmental impact management 環境及天然資源 — 環境影響管理
KPI A3.1 關鍵績效指標A3.1	Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage the impact. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Environmental and Natural Resources — Environmental impact management 環境及天然資源 — 環境影響管理
<b>Aspect A4: Climate Change</b>		
<b>層面A4：氣候變化</b>		
General Disclosure 一般披露	Policies on identification and mitigation of significant climate related issues which have impacted, and those which may impact, the issuer 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	Climate Change 氣候變化
KPI A4.1 關鍵績效指標A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。	Climate Change 氣候變化



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<b>Aspect B1: Employment</b>		
<b>層面B1：僱傭</b>		
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	Employment 僱傭
KPI B1.1 關鍵績效指標B1.1	Total number of employees by gender, type of employment (i.e full-time or part-time), age group and region. 按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數。	Employment 僱傭
KPI B1.2 關鍵績效指標B1.2	Employee turnover by gender, age group and region. 按性別、年齡組別及地區劃分的僱員流失比率。	Employment 僱傭
<b>Aspect B2: Health and Safety</b>		
<b>層面B2：健康與安全</b>		
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	Health and Safety 健康與安全
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去三年(包括匯報年度)每年因工亡故的人數及比率。	Health and Safety 健康與安全
KPI B2.2 關鍵績效指標B2.2	Number of working days lost due to work-related injuries. 因工傷損失工作日數。	Health and Safety 健康與安全
KPI B2.3 關鍵績效指標B2.3	Description of the occupational health and safety measures adopted, as well as related implementation and monitoring methods. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Health and Safety 健康與安全

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<b>Aspect B3: Development and Training</b>		
<b>層面B3：發展及培訓</b>		
General disclosure 一般披露	<p>Policies to improve employees' knowledge and skills in performing their duties. Description of the training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p> <p>有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。</p> <p>註：培訓指職業培訓，可包括由僱主付費的內外部課程。</p>	Development and Training 發展及培訓
KPI B3.1 關鍵績效指標B3.1	<p>The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p> <p>按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比。</p>	Development and Training 發展及培訓
KPI B3.2 關鍵績效指標B3.2	<p>Average number of training hours completed by each employee by gender and employment category.</p> <p>按性別及僱員類別劃分，每名僱員完成受訓的平均時數</p>	Development and Training 發展及培訓
<b>Aspect B4: Labour Standards</b>		
<b>層面B4：勞工準則</b>		
General disclosure 一般披露	<p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour.</p> <p>有關防止童工或強制勞工的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。</p>	Labour Standards 勞工準則
KPI B4.1 關鍵績效指標B4.1	<p>Description of the measures to review recruitment practices to avoid child labour and forced labour.</p> <p>描述檢討招聘慣例的措施以避免童工及強制勞工。</p>	Labour Standards 勞工準則
KPI B4.2 關鍵績效指標B4.2	<p>Description of the steps taken to eliminate the situation when a violation is discovered.</p> <p>描述在發現違規情況時消除有關情況所採取的步驟。</p>	Labour Standards 勞工準則

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Aspect, general disclosure and key performance indicator (KPI) 層面、一般披露及關鍵績效指標	Description 描述	Chapter/Statement 章節／聲明
<b>Aspect B5: Supply Chain Management</b>		
<b>層面B5：供應鏈管理</b>		
General disclosure 一般披露	Policies to manage the environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by region. 按地區劃分的供應商數目。	Supply Chain Management 供應鏈管理
KPI B5.2 關鍵績效指標B5.2	Description of the practices for engaging suppliers, the number of suppliers to whom the practices are implemented, and the implementation and monitoring methods of the practices. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理
KPI B5.3 關鍵績效指標B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理
KPI B5.4 關鍵績效指標B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理
<b>Aspect B6: Product Responsibility</b>		
<b>層面B6：產品責任</b>		
General disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任

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### Aspect, general disclosure and key performance indicator (KPI)

層面、一般披露及關鍵績效指標	Description 描述	Chapter/Statement 章節／聲明
KPI B6.1	Percentage of the products sold or delivered that must be recycled for safety and health reasons.	Product Responsibility
關鍵績效指標B6.1	已售或已運送產品總數中因安全與健康理由而須回收的百分比。	產品責任
KPI B6.2	Number of complaints received about products and services and the handling methods.	Product Responsibility
關鍵績效指標B6.2	接獲關於產品及服務的投訴數目以及應對方法。	產品責任
KPI B6.3	Description of the practices related to the maintenance and protection of intellectual property rights.	Product Responsibility
關鍵績效指標B6.3	描述與維護及保障知識產權有關的慣例。	產品責任
KPI B6.4	Description of the quality assurance process and product recycling procedures.	Product Responsibility
關鍵績效指標B6.4	描述質量檢定過程及產品回收程序。	產品責任
KPI B6.5	Description of the consumer data protection and privacy policies, and the related implementation and monitoring methods.	Product Responsibility
關鍵績效指標B6.5	描述消費者資料保障及私隱政策，以及相關執行及監察方法。	產品責任

### Aspect B7: Anticorruption

#### 層面B7：反貪污

General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing from bribery, extortion, fraud and money laundering.	Anti-corruption
一般披露	有關防止賄賂、勒索、欺詐及洗黑錢的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	反貪污
KPI B7.1	Number of concluded lawsuits regarding corruption brought against the issuer or its employees during the reporting period and the results of the lawsuits.	Anti-corruption
關鍵績效指標B7.1	於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	反貪污

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### Aspect, general disclosure and key performance indicator (KPI)

層面、一般披露及關鍵績效指標	Description 描述	Chapter/Statement 章節／聲明
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KPI B7.2	Description of the preventive measures and reporting procedures, as well as the related implementation and monitoring methods.	Anti-corruption
關鍵績效指標B7.2	描述防範措施及舉報程序，以及相關執行及監察方法。	反貪污
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
關鍵績效指標B7.3	描述向董事及員工提供的反貪污培訓。	反貪污

### Aspect B8: Community Investment

#### 層面B8：社區投資

General disclosure	Policies related to community participation to understand the needs of the community in which the issuer operates and to ensure that its business activities will take into account the interests of the community.	Community Investment
一般披露	有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	社區投資
KPI B8.1	Focus areas of contribution (such as education, environmental issues, labour needs, health, culture, sports).	Community Investment
關鍵績效指標B8.1	專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	社區投資
KPI B8.2	Resources (such as money or time) used in the focus field.	Community Investment
關鍵績效指標B8.2	在專注範疇所動用資源(如金錢或時間)。	社區投資



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