



# 瀘州市興瀘水務(集團)股份有限公司

## LUZHOU XINGLU WATER (GROUP) CO., LTD.\*

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

(於中華人民共和國註冊成立的股份有限公司)

(Stock Code 股份代號: 2281)

ANNUAL REPORT  
年度報告

2022



\* For identification purposes only 僅供識別



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### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhang Qi (*Chairman of the Board*)  
Mr. Liao Xingyue  
Ms. Huang Mei

#### Non-executive Directors

Mr. Chen Bing  
Mr. Yu Long  
Ms. Hu Fenfen

#### Independent Non-executive Directors

Ms. Ma Hua  
Mr. Fu Ji  
Mr. Liang Youguo

### BOARD COMMITTEES

#### Strategy Committee

Mr. Zhang Qi (*Chairman*)  
Mr. Chen Bing  
Ms. Hu Fenfen

#### Audit Committee

Mr. Fu Ji (*Chairman*)  
Ms. Ma Hua  
Mr. Liang Youguo

### 董事會

#### 執行董事

張歧先生 (*董事長*)  
廖星樾先生  
黃梅女士

#### 非執行董事

陳兵先生  
喻龍先生  
胡芬芬女士

#### 獨立非執行董事

馬樺女士  
傅驥先生  
梁有國先生

### 董事會轄下委員會

#### 戰略委員會

張歧先生 (*主席*)  
陳兵先生  
胡芬芬女士

#### 審計委員會

傅驥先生 (*主席*)  
馬樺女士  
梁有國先生

# Chapter I Corporate Information (Continued)

## 第一章

## 公司資料(續)

### Nomination and Remuneration Committee

Ms. Ma Hua (*Chairman*)  
Mr. Yu Long  
Mr. Liang Youguo

### 提名薪酬委員會

馬樺女士(主席)  
喻龍先生  
梁有國先生

### SUPERVISORY COMMITTEE

Mr. Yang Zhenqiu (*Chairman of the Supervisory Committee*)  
Mr. Lai Bingyou  
Ms. Xiang Min  
Mr. Luo Chaoping  
Mr. Tang Nanyou  
Mr. Gu Ming'an  
Mr. Xiong Hua

### 監事會

楊震球先生(監事會主席)  
賴柄有先生  
向敏女士  
羅超平先生  
唐南友先生  
辜明安先生  
熊華先生

### SECRETARY TO THE BOARD

Mr. Chen Yongzhong

### 董事會秘書

陳永忠先生

### COMPANY SECRETARY

Mr. Chen Yongzhong

### 公司秘書

陳永忠先生

### AUTHORISED REPRESENTATIVES

Mr. Zhang Qi  
Mr. Chen Yongzhong

### 授權代表

張歧先生  
陳永忠先生

### REGISTERED ADDRESS, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

16 Baizi Road  
Jiangyang District, Luzhou  
Sichuan Province, the PRC

### 註冊地址、總部及 中國主要營業地點

中國四川省  
瀘州市江陽區百子路16號

# Chapter I Corporate Information (Continued)

## 第一章 公司資料(續)

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai, Hong Kong

### 香港主要營業地點

香港灣仔  
皇后大道東248號  
大新金融中心40樓

### DOMESTIC SHARE REGISTRAR

China Securities Depository and Clearing Corporation Limited  
No. 17, Taipingqiao Avenue  
Xicheng District, Beijing, the PRC

### 內資股股份登記處

中國證券登記結算有限責任公司  
中國北京市西城區  
太平橋大街17號

### H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre, 183 Queen's Road East  
Wanchai, Hong Kong

### H股證券過戶登記處

香港中央證券登記有限公司  
香港灣仔皇后大道東183號  
合和中心17樓1712-1716號舖

### LEGAL ADVISER

#### As to Hong Kong law

Morgan, Lewis & Bockius  
Suites 1902-09, 19th Floor  
Edinburgh Tower, The Landmark  
15 Queen's Road Central  
Hong Kong

### 法律顧問

#### 有關香港法律

摩根路易斯律師事務所  
香港  
皇后大道中15號  
置地廣場公爵大廈  
19層1902-09室



# Chapter I Corporate Information (Continued)

## 第一章

## 公司資料(續)

### PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited  
Luzhou Bank Co., Ltd.  
Bank of Communications Co., Ltd

### 主要往來銀行

中國工商銀行股份有限公司  
瀘州銀行股份有限公司  
交通銀行股份有限公司

### AUDITOR

SHINEWING (HK) CPA Limited  
9/F, Block A, Fuhua Mansion,  
No. 8 Chaoyangmen North Street,  
Dongcheng District, Beijing, the PRC

### 核數師

信永中和會計師事務所(特殊普通合伙)  
中國北京市東城區  
朝陽門北大街8號  
富華大廈A座9層

### STOCK CODE

2281

### 股份代號

2281

### COMPANY WEBSITE

[www.lzss.com](http://www.lzss.com)

### 公司網址

[www.lzss.com](http://www.lzss.com)

## Chapter II Definitions

### 第二章 釋義

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，下列詞彙具有以下含義：

|  |  |
|--|--|
| “Annual General Meeting” or “AGM”<br>「股東週年大會」            | the annual general meeting to be convened by the Company on 9 June 2023, or any adjournment thereof<br>本公司將於2023年6月9日召開的股東週年大會或其任何續會   |
| “Articles of Association”<br>「公司章程」                      | the articles of association of the Company, as amended, supplemented or otherwise modified from time to time<br>本公司的公司章程(以不時修訂、補充或以其他方式修改者為準)  |
| “associate(s)”<br>「聯繫人」                                  | has the meaning ascribed to it under the Listing Rules<br>具有上市規則賦予該詞的含義  |
| “Board”<br>「董事會」   | the board of Directors<br>本公司董事會   |
| “Company” or “Group” or “us” or “we”<br>「本公司」或「本集團」或「我們」 | Luzhou Xinglu Water (Group) Co., Ltd.*, converted by Xinglu Water Company Limited (a limited liability company established on 31 July 2002) on 25 December 2015, which includes its predecessor and subsidiaries as required by the context<br>瀘州市興瀘水務(集團)股份有限公司，由興瀘水務有限公司(於2002年7月31日成立的有限責任公司)於2015年12月25日改制而成，如文義所需，包括前身及附屬公司 |
| “connected person(s)”<br>「關連人士」                          | has the meaning ascribed to it under the Listing Rules<br>具有上市規則賦予該詞的涵義  |
| “Controlling Shareholder(s)”<br>「控股股東」                   | has the meaning ascribed to it under the Listing Rules<br>具有上市規則賦予該詞的涵義  |
| “Corporate Governance Code”<br>「企業管治守則」                  | the Corporate Governance Code set out in Appendix 14 to the Listing Rules<br>上市規則附錄十四所載的企業管治守則   |
| “Director(s)”<br>「董事」                                    | the director(s) of the Company<br>本公司董事  |
| “Domestic Share(s)”<br>「內資股」                             | the ordinary share(s) in issue in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB<br>本公司股本中每股面值人民幣1.00元已發行的普通股以人民幣認購或列作繳足   |

## Chapter II Definitions (Continued)

### 第二章 釋義 (續)

|                                       |   |
|---------------------------------------|---|
| “Fanxing Environmental”<br>[繁星環保]     | Luzhou Fanxing Environmental Development Co., Ltd.*, a limited liability company established in the PRC on 18 August 2016 and a non-wholly owned subsidiary of the Company, mainly engaged in wastewater treatment business<br>瀘州市繁星環保發展有限公司，一家於2016年8月18日成立的中國有限責任公司，本公司非全資附屬公司，主要從事污水處理業務                         |
| “Qingbaijiang Water”<br>[青白水務]        | Chengdu Qingbaijiang Xinglu Water Co., Ltd. (成都市青白江興瀘水務有限公司), a company incorporated in the PRC with limited liability on 13 December 2019 and a non-wholly owned subsidiary of the Company, principally engaged in wastewater treatment business<br>成都市青白江興瀘水務有限公司，一家於2019年12月13日成立的中國有限責任公司，本公司非全資附屬公司，主要從事污水處理業務 |
| “H Share(s)”<br>[H股]                  | the ordinary share(s) in issue in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange<br>本公司股本中每股面值人民幣1.00元已發行並在香港聯交所主板上市的普通股  |
| “Hejiang Water”<br>[合江水業]             | Luzhou Xinglu Water (Group) Hejiang Water Co., Ltd.*, a non-wholly owned subsidiary of the Company, mainly engaged in tap water production and sale<br>瀘州市興瀘水務(集團)合江水業有限公司，本公司非全資附屬公司，主要從事自來水生產與銷售  |
| “HK\$” or “HKD”<br>[港元]或[港幣]          | the lawful currency of Hong Kong<br>香港法定貨幣  |
| “Hong Kong”<br>[香港]                   | the Hong Kong Special Administrative Region of the People’s Republic of China<br>中華人民共和國香港特別行政區   |
| “Hong Kong Stock Exchange”<br>[香港聯交所] | The Stock Exchange of Hong Kong Limited<br>香港聯合交易所有限公司  |
| “CASBE”<br>[中國企業會計準則]                 | Chinese Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People’s Republic of China and the Rules as amended from time to time<br>中華人民共和國財政部頒發的《企業會計準則》及經不時修訂的規則  |
| “IPO”<br>[首次公開發售]                     | the initial public offering of the Company’s H Shares on the Main Board of the Hong Kong Stock Exchange on 31 March 2017<br>2017年3月31日本公司H股在香港聯交所主板成功首次公開發售   |



## Chapter II Definitions (Continued)

### 第二章 釋義(續)

|                                   |   |
|-----------------------------------|---|
| “Leshan Xingjia”<br>「樂山興嘉」        | Leshan Xinglu Water Xingjia Environmental Protection Technology Co.,Ltd.* , a limited liability company established in the PRC on 28 December 2018 and a non-wholly owned subsidiary of the Company, mainly engaged in wastewater treatment business<br>樂山市興瀘水務興嘉環保科技有限公司，一家於2018年12月28日成立的中國有限責任公司，本公司非全資附屬公司，主要從事污水處理業務 |
| “Listing Rules”<br>「上市規則」         | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited<br>香港聯合交易所有限公司證券上市規則   |
| “Luzhou Laojiao”<br>「瀘州老窖」        | Luzhou Laojiao Group Co., Ltd.* , one of our Shareholders<br>瀘州老窖集團有限責任公司，我們的股東之一   |
| “Luzhou Infrastructure”<br>「瀘州基建」 | Luzhou City Infrastructure Investment Co., Ltd.* , one of our Shareholders<br>瀘州市基礎建設投資有限公司，我們的股東之一   |
| “Model Code”<br>「標準守則」            | the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules<br>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”<br>「中國」          | the People’s Republic of China, and for the purpose of this report only,excluding Hong Kong, Macau and Taiwan<br>中華人民共和國，就本年報而言，不包括香港、澳門及台灣   |
| “Prospectus”<br>「招股章程」            | the prospectus dated 21 March 2017 in relation to the IPO<br>於首次公開發售H股的招股章程，日期為2017年3月21日   |
| “Reporting Period”<br>「報告期」       | the year ended 31 December 2022<br>截至2022年12月31日止年度   |
| “RMB” or “Yuan”<br>「人民幣」          | the lawful currency of the PRC<br>中國的法定貨幣   |
| “SFO”<br>「證券及期貨條例」                | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)<br>香港法例第571章《證券及期貨條例》   |
| “Share(s)”<br>「股份」                | the ordinary share(s) of RMB1.00 each in the share capital of the Company, including H Shares and Domestic Shares<br>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  |

## Chapter II Definitions (Continued)

### 第二章 釋義 (續)

|  |  |
|--|--|
| <p>“Shareholder(s)”<br/>「股東」</p>                   | <p>the holder(s) of the Share(s)<br/>股份持有人</p>   |
| <p>“Sitong Design”<br/>「四通設計」</p>                  | <p>Luzhou Sitong Water Supply and Drainage Engineering Design Co., Ltd.*, a limited liability company established in the PRC on 6 September 2002 and a non-wholly owned subsidiary of the Company, mainly engaged in the provision of water supply and drainage design service<br/>瀘州市四通給排水工程設計有限公司，一家於2002年9月6日成立的中國有限責任公司，本公司非全資附屬公司，主要從事供水及排水設計服務</p> |
| <p>“Sitong Engineering”<br/>「四通工程」</p>             | <p>Luzhou Sitong Tap Water Engineering Co., Ltd.*, a limited liability company established in the PRC on 2 September 2002 and a wholly-owned subsidiary of the Company, mainly engaged in the provision of engineering construction service<br/>瀘州市四通自來水工程有限公司，一家於2002年9月2日成立的中國有限責任公司，本公司全資附屬公司，主要提供工程建築服務</p>  |
| <p>“subsidiary(ies)”<br/>「附屬公司」</p>                | <p>has the meaning ascribed to it under the Listing Rules<br/>具有上市規則賦予該詞的涵義</p>  |
| <p>“Supervisor(s)”<br/>「監事」</p>                    | <p>the supervisor(s) of the Company<br/>本公司的監事</p>   |
| <p>“Supervisory Committee”<br/>「監事會」</p>           | <p>the supervisory committee of the Company<br/>本公司的監事委員會</p>  |
| <p>“Weiyuan Qingxi Water”<br/>「威遠清溪水務」</p>         | <p>Xinglu Water (Group) Weiyuan Qingxi Water Co., Ltd., a limited liability company established in the PRC on 30 December 2004 and a non-wholly owned subsidiary of the Company, mainly engaged in the provision of water supply service<br/>興瀘水務(集團)威遠清溪水務有限公司，一家於2004年12月30日成立的中國有限責任公司，本公司非全資附屬公司，主要從事供水服務</p>  |
| <p>“Weiyuan Installation Company”<br/>「威遠安裝公司」</p> | <p>Weiyuan City Water Supply and Drainage Installation Engineering Co., Ltd.*, a limited liability company established in the PRC on 5 November 2007 and a non-wholly owned subsidiary, mainly engaged in the provision of engineering construction service<br/>威遠城市供排水安裝工程有限公司，一家於2007年11月5日成立的中國有限責任公司，本公司非全資附屬公司，主要從事工程安裝業務</p>                       |

## Chapter II Definitions (Continued)

### 第二章 釋義(續)

|   |  |
|---|--|
| “Xinglu Investment”<br>「興瀘投資」             | Luzhou City Xinglu Investment Group Co., Ltd.*, a limited liability company established in the PRC on 28 January 2003 and our Controlling Shareholder<br>瀘州市興瀘投資集團有限公司，一家於2003年1月28日成立的中國有限責任公司，我們的控股股東  |
| “Xinglu Wastewater Treatment”<br>「興瀘污水處理」 | Luzhou Xinglu Wastewater Treatment Co., Ltd.*, a limited liability company established in the PRC on 11 December 2000 and a non-wholly owned subsidiary of the Company, mainly engaged in wastewater treatment business<br>瀘州市興瀘污水處理有限公司，一家於2000年12月11日成立的中國有限責任公司，本公司非全資附屬公司，主要從事污水處理業務   |
| “Xinghe Water Governance”<br>「興合水環境」      | Luzhou Xinghe Water Governance Co., Ltd. (瀘州市興合水環境治理有限公司), a company incorporated in the PRC with limited liability on 29 August 2018 and a non-wholly owned subsidiary of the Xinglu Wastewater Treatment, principally engaged in wastewater treatment business<br>瀘州市興合水環境治理有限公司，一家於2018年8月29日成立的中國有限責任公司，興瀘污水處理非全資附屬公司，主要從事污水處理業務 |
| “Xingxu Water”<br>「興敘水業」                  | Luzhou Xinglu Water (Group) Xingxu Water Co., Ltd., a limited liability company established in the PRC on 9 October 2018 and a non-wholly owned subsidiary of the Company, mainly engaged in the provision of water supply service<br>瀘州市興瀘水務(集團)興敘水業有限公司，一家於2018年10月9日成立的中國有限責任公司，本公司的非全資附屬公司，主要從事供水服務                              |
| “%”<br>「%」                                | Percent<br>百分比   |

\* for identification purpose only

\* 僅供識別



## Chapter III Chairman's Statement 第三章 董事長致辭



Pursuing stable growth on a solid foundation; striving for technology-led development



固本榮枝保穩健  
科技引領促發展

Zhang Qi 張歧

Chairman of the Board 董事長



I hereby present the annual report of the Group for the year ended 31 December 2022 on behalf of the Board.

In 2022, supported by all Shareholders and directed by the Board, the Group seized the opportunities arising from Chengdu-Chongqing Economic Circle and South Sichuan Economic Integration, upheld the development philosophy of “steady development of the principal water supply and drainage business, vertical extension of upstream and downstream industries, horizontal expansion of regional business”, and adopted the management strategy of “consolidation, expansion, capital empowerment, technology leading and service improvement”. With sincere cooperation, all staff members overcame difficulties to steadily facilitate the high-quality and sustainable development of the Group despite the adverse impact of COVID-19 and extreme hot weather.

本人謹代表董事會提呈本集團截至2022年12月31日止年度之報告。

2022年，本集團在全體股東的支持和董事會的引領下，以成渝雙城經濟圈建設、川南經濟一體化發展為契機，堅持「供排水主業穩步發展、上下游產業縱向延伸、區域規模橫向拓展」的發展思路，以「固本榮枝、深耕廣拓、資本賦能、科技引領、強化服務」管理策略，全體同仁精誠合作、攻堅克難，面對新冠疫情和極端高溫氣候的不利影響，穩步推進企業高質量，可持續發展。

## Chapter III Chairman's Statement (Continued)

### 第三章 董事長致辭(續)

#### BUSINESS REVIEW

In 2022, the Group recorded a total revenue of approximately RMB1,353.4 million, representing a year-on-year decrease of approximately 1.2%; net profit amounted to approximately RMB223.2 million, representing a year-on-year decrease of approximately 14.5% from the same period of 2021; basic earnings per share amounted to RMB0.24, representing a year-on-year decrease of approximately 14.3% from the same period of 2021. The Board resolved to recommend the distribution of final dividends of RMB0.05 per share (tax inclusive) to the Shareholders for returning their long-term support to the Company.

#### INNOVATION

The Group insisted on independent research and development to build our its core competitiveness. We constantly improved the intelligent water system of "Internet + production management" and implemented the project of "water recycling for real-time detection at water supply plants", which has precisely improved the efficiency of detection. The concept of "Internet + production management" has been promoted and applied in the wastewater treatment and township-based wastewater treatment sectors, so as to reduce energy consumption and shift wastewater treatment operation from automation to intelligence. The Company's self-developed "in-situ capacity expansion technology for wastewater treatment", "an integrated domestic wastewater treatment system" for rural wastewater treatment and "a mechanical membrane grating device" have been granted utility model patents by the China National Intellectual Property Administration. The application for one invention patent is being accepted. MBR integrated wastewater treatment equipment was approved as a key research (high-tech) project by the office of science and technology of Luzhou in 2022, which is leading the way in this type of equipment. The Group's soft power is on the rise and our technological leadership is gradually emerging.

#### 業績回顧

2022年，本集團於報告期內實現收入總額約為人民幣1,353.4百萬元，比上年度同期減少約1.2%；淨利潤約為人民幣223.2百萬元，較2021年同期減少約14.5%；每股基本盈利為人民幣0.24元，較2021年同期減少約14.3%。董事會結合本公司業務發展資金需求，建議向股東派發末期股息，每股人民幣0.05元(含稅)，以回饋股東一直以來給予本公司的支持。

#### 創新引領

本集團堅持自主研發、持續打造核心競爭力。我們持續深度建設「互聯網+生產管理」智慧水務，在供水三實施了「水廠實時檢測用水回收利用」項目，精準化提升了檢測用水效率，並將「互聯網+生產管理」在污水處理和鄉鎮污水處理板塊進行全面推廣和運用，在降能節耗的同時，推進污水處理運營從自動化向智能化推進。本公司自主研發的「污水處理原位擴能技術」及適用於鄉鎮農村污水處理的「一種一體化生活污水處理系統」和「一種機械式膜格柵裝置」已獲國家知識產權局實用新型專利授權，1項發明專利正在受理之中。MBR一體化污水處理設備獲2022年瀘州市科技局重點研究(高新)項目主項在該類設備中處於領先水平，本集團的軟實力不斷提升，技術領先優勢逐漸呈現。

## Chapter III Chairman's Statement (Continued)

### 第三章 董事長致辭(續)

#### BUSINESS EXPANSION

The Group grasped the opportunity of liquor-making wastewater treatment in the liquor industry, a speciality industry in Luzhou, to expand the sub-sector of industrial wastewater. In 2022, the Group completed the entrusted operation of five liquor-making wastewater treatment projects, laying a solid foundation for the market-oriented and scale-based development of the liquor-making wastewater industry. In addition, the Company also actively carried out project expansion, and successfully won the bid for the PPP wastewater treatment project in Litang County, Ganzi Tibetan Autonomous Prefecture and actively solved the difficult problem of meeting the standards for wastewater treatment in extremely cold areas, preparing well for the subsequent expansion of related sub-sectors.

#### FUTURE PROSPECT

In 2023, the Group will fully grasp the development opportunities, implement the development idea for the 14th Five-Year period, and carry out the established management strategy. We will focus on key points, improve quality and benefits to cement our foundation, invest in expanding business, extend the industry to seek breakthroughs, expand the market with technology, and explore intelligent control. The Group will promote the integration of water supply and drainage in townships, expand the industrial wastewater treatment market, and build the "intelligent water" technology brand to enhance our core competitiveness, aiming to promote our sustainable and healthy development.

#### ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere gratitude and best regards to all the Shareholders and partners for their continuous trust and support for the development of the Group, and to all the colleagues of the Group for their hard work and contributions.

**Zhang Qi**  
*Chairman of the Board*  
Luzhou, the PRC  
30 March 2023

#### 業務拓展

本集團緊緊抓住瀘州市特色產業白酒業的酒類廢水處理契機，持續拓展工業廢水細分領域，2022年，本集團已完成5個酒類廢水處理項目的委託運營，為逐步實現酒類廢水市場化規模化打下堅實的基礎。此外，公司還積極開展項目拓展，成功中標甘孜州理塘污水處理PPP項目，積極探索高寒地區污水處理達標難題，為後續拓展相關細分領域作好準備。

#### 未來展望

2023年，本集團將充分把握發展契機，繼續貫徹十四五戰略發展思路，緊緊圍繞既定的管理策略，聚焦關鍵，提質增效強基礎、投資拓展擴規模、產業延伸求突破，科技產業拓市場，持續研發智能化管控，持續推進鄉鎮供排水一體化建設，重點拓展工業廢水處理市場規模化，深入打造「智慧水務」科技品牌，不斷增強企業核心競爭力，推動企業可持續健康發展。

#### 致謝

本人借此機會向一直以來對本集團發展給予信任和支持的全體股東、合作夥伴，以及團結協作、無私奉獻的本集團全體同仁表示衷心感謝和誠摯問候。

**張岐**  
*董事長*  
中國·瀘州  
2023年3月30日



## Chapter IV Financial Highlights

### 第四章 財務概要

Upon approval at the second extraordinary general meeting of the Company for 2021 convened on 28 December 2021, the Group adopted the CASBE to prepare its overseas financial statements from 2021 and restated its consolidated financial statements for 2020 according to CASBE. The consolidated financial statements of the Company for the years 2019 and 2018 were prepared in accordance with the International Financial Reporting Standards and no adjustments were made thereto. Details are showed in the analysis below:

於2021年12月28日，經本公司2021年第二次臨時股東大會批准，本集團自2021年開始按照中國企業會計準則編製其境外財務報表，並對其2020年的合併財務報表根據中國企業會計準則做了重述。本公司2019及2018年的合併財務報表並未做任何調整，仍為根據國際財務報告準則編製。詳見如下分析：

#### 4.1 CONSOLIDATED RESULTS

#### 4.1 合併業績

|   |                         | For the year ended 31 December |           |           |           |           |
|---|-------------------------|--------------------------------|-----------|-----------|-----------|-----------|
|   |                         | 截至12月31日止年度                    |           |           |           |           |
|   |                         | 2022                           | 2021      | 2020      | 2019      | 2018      |
|   |                         | 2022年                          | 2021年     | 2020年     | 2019年     | 2018年     |
|   |                         | RMB'000                        | RMB'000   | RMB'000   | RMB'000   | RMB'000   |
|   |                         | 人民幣千元                          | 人民幣千元     | 人民幣千元     | 人民幣千元     | 人民幣千元     |
| Revenue                                       | 收入                      | <b>1,353,419</b>               | 1,370,098 | 1,205,479 | 2,067,132 | 1,218,206 |
| Profit before tax                             | 除稅前利潤                   | <b>256,756</b>                 | 307,322   | 304,459   | 231,994   | 186,630   |
| Income tax expense                            | 所得稅開支                   | <b>33,516</b>                  | 46,347    | 43,032    | (30,471)  | (19,388)  |
| Net profit for the year                       | 年度淨利潤                   | <b>223,241</b>                 | 260,975   | 261,427   | 201,523   | 167,242   |
| Comprehensive income attributable to: 應佔綜合收益： |                         |                                |           |           |           |           |
| - Shareholders of the Company                 | - 歸屬於本公司股東              | <b>203,225</b>                 | 241,327   | 245,081   | 190,960   | 153,451   |
| - Minority shareholders                       | - 歸屬於少數股東               | <b>20,016</b>                  | 19,048    | 14,205    | 10,932    | 13,177    |
|   |                         | <b>223,241</b>                 | 260,376   | 259,286   | 201,892   | 166,628   |
| Return on average equity <sup>(Note)</sup>    | 平均股本回報率 <sup>註</sup>    | <b>8.0%</b>                    | 9.9%      | 9.9%      | 8.7%      | 8.8%      |
| Basic earnings per share <sup>(RMB)</sup>     | 基本每股盈利 <sup>(人民幣)</sup> | <b>0.24</b>                    | 0.28      | 0.29      | 0.18      | 0.16      |

## Chapter IV Financial Highlights (Continued)

### 第四章 財務概要(續)

Note: Return on average equity equals profit for the year divided by the average balance of total equity at the beginning and end of the period and multiplied by 100%.

附註：平均股本回報率指全年溢利除以期初與期末權益總額的平均餘額再乘以100%。

#### 4.2 CONSOLIDATED ASSETS AND LIABILITIES

#### 4.2 合併資產及負債

|  |           | For the year ended 31 December |           |           |             |             |
|--|-----------|--------------------------------|-----------|-----------|-------------|-------------|
|  |           | 截至12月31日止年度                    |           |           |             |             |
|  |           | 2022                           | 2021      | 2020      | 2019        | 2018        |
|  |           | 2022年                          | 2021年     | 2020年     | 2019年       | 2018年       |
|  |           | RMB'000                        | RMB'000   | RMB'000   | RMB'000     | RMB'000     |
|  |           | 人民幣千元                          | 人民幣千元     | 人民幣千元     | 人民幣千元       | 人民幣千元       |
| Total assets                                       | 總資產       | <b>7,140,568</b>               | 7,073,316 | 6,668,536 | 5,815,603   | 3,811,837   |
| Total liabilities                                  | 總負債       | <b>4,299,548</b>               | 4,412,295 | 4,210,215 | (3,688,125) | (1,854,926) |
| Total equity                                       | 權益總額      | <b>2,841,020</b>               | 2,661,021 | 2,458,321 | 2,127,478   | 1,956,911   |
| Equity attributable to shareholders of the Company | 本公司股東應佔權益 | <b>2,636,130</b>               | 2,476,129 | 2,307,946 | 2,019,412   | 1,880,035   |
| Non-controlling interests                          | 非控股股東權益   | <b>204,890</b>                 | 184,892   | 150,375   | 108,066     | 76,876      |
|  |           | <b>2,841,020</b>               | 2,661,021 | 2,458,321 | 2,127,478   | 1,956,911   |

### 5.1 INDUSTRY OVERVIEW

In recent years, the urban water supply penetration rate in China stood at approximately 99.38%, and the urban wastewater treatment rate was approximately 97.89%. Urban water supply and wastewater treatment have entered a mature stage and the growth of demand has slowed down, and the water supply and wastewater treatment business will gradually penetrate into rural towns in the future. On 30 December 2022, the National Development and Reform Commission, the Ministry of Housing and Urban-Rural Development, the Ministry of Ecology and the Environment jointly released the Implementation Plan for Promoting the Construction and Management of Domestic Wastewater Treatment Facilities in the Established Towns, pointing out that China will significantly improve the domestic wastewater treatment capacity in the built-up areas of the established towns, basically build a sewage pipe network in all the built-up areas of the established towns with a resident population of more than 50,000, and basically achieve full coverage of domestic wastewater treatment service in the built-up areas of the established towns with a resident population of more than 10,000 and the built-up areas of the established towns in the Beijing-Tianjin-Hebei region, the Yangtze River Delta region, and the Guangdong-Hong Kong-Macao Greater Bay Area by 2025. China will basically achieve full coverage of domestic wastewater collection and treatment service and full collection and full treatment of household waste in built-up areas of the established towns by 2035. The support of national policies is not only conducive to the steady growth of the water industry, but also promotes the rapid development of water supply and drainage business in townships, becoming a new revenue and profit growth point for water service providers.

### 5.1 行業概覽

近年來，國內城市供水普及率約為99.38%，城市污水處理率約為97.89%。城市供水及污水處理進入成熟期，需求增長放緩，未來供水及污水處理業務將逐漸向鄉鎮滲透。2022年12月30日，國家發展改革委、住房城鄉建設部、生態環境部聯合發佈《關於推進建制鎮生活污水垃圾處理設施建設和管理的實施方案》指出「到2025年，建制鎮建成區生活污水垃圾處理能力明顯提升，鎮區常住人口5萬以上的建制鎮建成區基本消除收集管網空白區，鎮區常住人口1萬以上的建制鎮建成區和京津冀地區、長三角地區、粵港澳大灣區建制鎮建成區基本實現生活污水處理能力全覆蓋。到2035年，基本實現建制鎮建成區生活污水收集處理能力全覆蓋和生活垃圾全收集、全處理」。國家政策的扶持不僅有利於水務行業保持穩健增長，還將促進鄉鎮供排水業務的快速發展，成為水務企業新的收入和利潤增長點。



## Chapter V Management Discussion and Analysis (Continued)

### 第五章 管理層討論與分析(續)

In addition, with the widespread application of a new generation of information technology such as the Internet, big data, and edge computing, the IT needs of the water industry are evolving in the direction of diversification and complexity. The establishment of an intelligent water system enabled the Group to strengthen the integration, development and utilisation management level of information in the water industry, establish sound unified and coordinated information standards and norms, develop and popularise key generic technologies and products based on information, and promote the sharing of information resources in the water industry, which has become an inevitable trend in the water industry. The ability to provide information-based integrated solutions for water industry has become the key for players to win a competitive advantage. Moreover, the rapid expansion of China's water supply network has led to increased management pressure, higher leakage rate of water supply network, and the continuous increase of sewage discharge. Therefore, the optimisation of the drainage network system, the construction/expansion of the pipe network, the optimisation of the operation and scheduling of the water supply network, the emergency system for flood control and drainage, the intelligent control of the disinfection and chlorination process, and the leakage control of the water supply network, and other respects will also be the growth points of the water industry in the future, of which making the need for computerisation and intelligentisation of water services in China increasingly urgent.

For this purpose, we believe that the water industry will develop in an accelerated pace in the contactless economy, digital economy empowerment, intelligent water services and other aspects, water security and protection will be fully upgraded, quality improvement for urban wastewater pipe network will be rapidly promoted, and penetration rate of water supply and drainage business in townships will further increase. These trends will push the water industry into a period of quality improvement and transformation.

此外，隨著互聯網、大數據、邊緣計算等新一代信息技術的廣泛應用，水務行業的信息化需求正在向多樣化、複雜化方向發展。通過智慧水務系統建設，可以加強水務行業信息資料整合和開發利用管理水平，建立健全統一、協調的信息化標準規範，開發推廣信息化共性關鍵技術和產品，促進水務行業信息資源共享，已經成為水務行業的必然趨勢，能夠提供水務信息化整體解決方案成為行業內企業贏得競爭優勢的關鍵。而且由於當前我國供水管網迅速擴張導致管理壓力加大，供水管網漏損率較高，污水排放量持續上升。所以排水管網系統的優化、管網新建／改擴建等、供水管網運行調度優化、防汛排澇等應急系統、消毒加氯過程的智能控制、給水管網的漏損控制等方面將會是未來水務行業的增長點，也使得我國水務信息化和智慧化建設的需求日益迫切。

為此，我們認為未來水務行業在無接觸經濟、數字經濟賦能，智慧水務等方面將加速發展，水資源安全保護將全面升級，城鎮污水管網提質建設將快速推進，鄉鎮供排水業務普及率將進一步提升，該等趨勢疊加，將會推動水務行業快速進入提質轉型期。

## 5.2 DEVELOPMENT STRATEGY AND OUTLOOK

The Company will fully grasp the development opportunities, implement the development philosophy of “steady development of the principal water supply and drainage business, vertical extension of upstream and downstream industries, horizontal expansion of regional business” put forward for the 14th Five-Year Plan period, adopt the management strategy of “consolidation, expansion, capital empowerment, technology leading and service improvement”. It will focus on strengthening and enhancing its long-term sustainable and healthy development and pay more attention to development quality, with a view to transforming into an intelligent water service provider driven by innovation.

Driven by technology empowerment and capital operation, the Company will concentrate on key points, expand business to improve benefits, promote the integration of water supply and drainage in townships, expand the regional liquor-making wastewater treatment market, establish a replicable control mode for external expansion, and set foot in shale gas wastewater and other industrial wastewater treatment field. Efforts will be made to tap the internal potential, reduce costs and increase profits, optimise the “Internet + production management” system, and promote the intelligent operation of the wastewater treatment sector. It will seek the intelligent control and an intelligent scheduling system for pipe leakage. Led by technologies, the Company will build on momentum in the industry chain, build the “intelligent water” technology brand, and create new revenue and profit growth points through the “software + hardware + promotion” sales model, aiming to promote its sustainable and healthy development.

## 5.2 發展策略及展望

本公司將充分把握發展契機，繼續貫徹十四五戰略提出的「供排水主業穩步發展、上下游產業縱向延伸、區域規模橫向拓展」的發展思路，緊緊圍繞既定的「固本榮枝、深耕廣拓、資本賦能、科技引領、強化服務」管理策略，以強化和提升公司長期可持續健康發展能力為根本著力點，更加注重發展質量，以創新驅動促進轉型為智能管控型水務企業。

本公司將通過「科技賦能、資本運作」雙輪驅動，聚焦關鍵，拓點擴面增效益，持續推進城鄉供排水一體化建設，並重點拓展區域內酒類廢水處理市場規模化，形成可複製的管控模式後向外拓展，並涉足頁岩氣廢水及其他工業廢水處理領域；深挖內潛，降本增利出成效，持續優化「互聯網+生產管理」系統建設，深入研發污水處理板塊的智能化運營；並開展管網漏失智能化管控、智慧調度系統的探索；科技引領，蓄力產業鏈動能，深入打造「智慧水務」科技品牌，通過「軟件+硬件+推廣」三位一體銷售模式，拓展新的收入及利潤增長點，推動企業可持續健康發展。

### 5.3 BUSINESS REVIEW

The Company, an integrated municipal water service provider in Sichuan Province, the PRC, operates through two main segments: tap water supply and wastewater treatment. It adopts project models of build-own-operate (“**BOO**”) and transfer-own-operate (“**TOO**”) in the course of business, where it entered into concession agreements for a normal period of 30 years with local governments. The Company mainly engages business in Luzhou, Weiyuan in Neijiang City, Leshan, Qingbaijiang in Chengdu, Leibo, Dechang District in Liangshan Prefecture, and Litang in Ganzi Tibetan Autonomous Prefecture, the PRC, etc.

As at the end of the Reporting Period, we operated twelve tap water plants, nine urban wastewater treatment plants, two industrial park wastewater treatment plants and seven entrusted wastewater treatment plants. In addition, we operated a number of wastewater treatment facilities in urban and rural areas, and engaged in entrusted operations, with a total treatment capacity is approximately 1.286 million tons per day.

#### 5.3.1 Tap Water Project

As at the end of the Reporting Period, the Group owned twelve tap water plants with a daily supply capacity of approximately 774,000 tons (excluding emergency standby water plants), unchanged compared with the end of 2021. The average utilisation rate of tap water plants is 69.5%.

During the Reporting Period, our total sales volume of water amounted to approximately 161.7 million tons, representing an increase of 4.7% as compared with approximately 154.5 million tons for the same period of 2021. The increase was mainly due to expansion of urban water supply area.

### 5.3 業務回顧

本公司為中國四川省綜合市政水務服務供貨商，主營業務包括自來水供應和污水處理兩個主要分部。業務主要採用建設—擁有一經營(「**BOO**」)及轉讓—擁有一經營(「**TOO**」)項目模式，並與地方政府訂立一般為期30年的特許經營協議。本公司的業務在中國瀘州地區、內江市威遠地區、樂山地區、成都市青白江地區、涼山州雷波及德昌地區、甘孜州理塘地區等區域開展。

於報告期末，我們經營12座自來水廠和9座城市污水處理廠，以及2座工業園區污水處理廠及7座委託運營污水處理廠，我們還經營若干個鄉鎮及農村污水處理設施及委託運營項目，日總處理能力約為128.6萬噸。

#### 5.3.1 自來水項目

於報告期末，本集團擁有12座日供水總量約77.4萬噸的自來水廠(不含應急備用水廠)，較2021年末未發生變化，自來水廠平均利用率為69.5%。

報告期間，我們的售水總量約161.7百萬噸，較2021年度同期的約154.5百萬噸上升4.7%，增加原因主要是城區供水區域擴大。



### 5.3.2 Wastewater Treatment Project

As at the end of the Reporting Period, Xinglu Wastewater Treatment owned 9 urban wastewater treatment plants in operation (excluding emergency back-up wastewater treatment plants), with a daily treatment capacity of approximately 433,500 tons in aggregate and production load rate of 92.0%; two industrial park wastewater treatment plants, with a daily treatment capacity of approximately 30,000 tons; 7 entrusted wastewater treatment plants, with a daily treatment capacity of approximately 32,000 tons; a total of 204 wastewater treatment facilities in urban and rural areas, with a daily treatment capacity of approximately 53,000 tons, representing an increase of 7 wastewater treatment facilities as compared with that by the end of 2021.

During the Reporting Period, our total actual treatment capacity of urban wastewater amounted to approximately 150.2 million tons, representing an increase of 4.09% as compared with that of 144.3 million tons for the same period of 2021. The increase was mainly due to a rise in urban wastewater treatment volume.

### 5.3.2 污水處理項目

於報告期末，興瀘污水處理共有9座營運中的城鎮污水處理廠(不含應急備用污水處理廠)，日處理能力約43.35萬噸，生產負荷率為92.0%；2座工業園區污水處理廠，日處理能力約3萬噸；及7座委託運營污水處理廠，日處理能力3.2萬噸；鄉鎮及農村污水處理設施共204個，日處理能力5.3萬噸，較2021年末新增7個。

報告期間，我們的城市污水實際處理總量約為150.2百萬噸，較2021年度同期的144.3百萬噸上升4.09%。增加原因主要是城鎮污水處理量增加。

## 5.4 FINANCIAL REVIEW

## 5.4 財務回顧

### 5.4.1 Analysis of Key Financial Items

### 5.4.1 財務主要項目分析

#### 5.4.1.1 Operating revenue

#### 5.4.1.1 營業收入

During the Reporting Period, operating revenue of the Group amounted to RMB1,353.4 million, decreased by 1.2% from RMB1,370.1 million for the same period of 2021. The decrease was mainly due to the decrease in total revenue caused by a significant decrease in engineering installation revenue resulted from the impact of real estate market.

報告期內，本集團實現營業收入為人民幣1,353.4百萬元，較2021年同期的人民幣1,370.1百萬元減少1.2%。下降的原因受房地產市場的影響，工程安裝收入大幅減少致總收入減少。

##### 5.4.1.1.1 Tap water supply

##### 5.4.1.1.1 自來水供應

###### Sales of tap water

###### 自來水銷售

During the Reporting Period, revenue of the Group generated from sales of tap water amounted to RMB411.1 million, representing an increase of 6.6% from RMB385.8 million recorded in the same period of 2021. The increase was mainly due to an increase in the amount of water sold. Revenue generated from sales of tap water accounted for 28.2% and 30.4% of our total revenue for 2021 and 2022, respectively.

報告期內，本集團由銷售自來水產生的收入為人民幣411.1百萬元，較2021年同期的人民幣385.8百萬元增加6.6%。增加原因主要是售水量增加。銷售自來水產生的收入分別佔2021年及2022年總收入的28.2%及30.4%。

#### Engineering installation

During the Reporting Period, revenue of the Group generated from installation services amounted to RMB359.5 million, representing a drop of 23.3% from RMB469.0 million recorded in 2021. The drop was mainly due to the overall decline in the real estate market and the resulting decrease in household meter installations. Revenue generated from installation services accounted for 34.2% and 26.6% of our total revenue for 2021 and 2022, respectively.

#### 5.4.1.2 Wastewater treatment

During the Reporting Period, revenue of the Group from operating services of wastewater treatment amounted to RMB524.0 million, representing an increase of 11.7% from RMB469.3 million recorded in 2021. The increase was mainly due to an increase in the treatment volume of wastewater. Revenue generated from wastewater treatment accounted for 34.2% and 38.7% of our total revenue for 2021 and 2022, respectively.

#### 工程安裝

報告期內，本集團由安裝服務產生的收入為人民幣359.5百萬元，較2021年度同期的人民幣469.0百萬元減少23.3%。減少主要原因是房地產市場整體下行，與之密切相關的戶表安裝項目減少。由安裝服務產生的收入分別佔2021年及2022年總收入的34.2%及26.6%。

#### 5.4.1.2 污水處理

報告期內，本集團由污水處理營運服務產生的收入為人民幣524.0百萬元，較2021年同期的人民幣469.3百萬元增加11.7%。增加原因主要是污水處量增加。污水處理收入分別佔2021年及2022年總收入的34.2%及38.7%。

# Chapter V Management Discussion and Analysis (Continued)

## 第五章 管理層討論與分析(續)

### 5.4.1.2 Operating costs

During the Reporting Period, the Group's operating cost amounted to RMB859.4 million, up by 7.2% from RMB801.5 million recorded in 2021. The increase was mainly due to the increase in depreciation and amortisation expenses after the transfer of newly built water plants to fixed assets and the corresponding rise in variable costs due to the increase in water sold and wastewater treatment volume.

#### 5.4.1.2.1 Tap water supply

##### Sales of tap water

During the Reporting Period, the Group's operating cost of tap water amounted to RMB367.5 million, representing an increase of 12.5% from RMB326.7 million recorded in 2021. The increase was mainly due to the increase in depreciation and amortisation expenses after the transfer of Beijiao Second Water Plant and Naxi Water Plant to fixed assets, and the corresponding increase in variable costs as a result of the increase in water sold. Operating cost from tap water supply operations accounted for 39.3% and 42.8% of our total operating cost for 2021 and 2022, respectively.

### 5.4.1.2 營業成本

報告期內，本集團營業成本為人民幣859.4百萬元，較2021年同期的人民幣801.5百萬元增加7.2%。增加原因主要是新建水廠轉固後增加折舊攤銷費用，以及售水量和污水處理量增加致相應的變動成本增加。

#### 5.4.1.2.1 自來水供應

##### 自來水銷售

報告期內，本集團與自來水銷售相關的營業成本為人民幣367.5百萬元，較2021年同期的人民幣326.7百萬元增加12.5%。增加原因主要是北郊二水廠、黃溪水廠轉固後增加折舊攤銷費，以及售水量增加致相應的變動成本增加。來自自來水供應營運的營業成本分別佔2021年及2022年總營業成本的39.3%及42.8%。



#### Engineering installation

During the Reporting Period, the Group's operating cost associated with installation services amounted to RMB146.6 million, representing a decline of 12.4% from RMB167.3 million recorded in 2021. The decline was mainly due to the decrease in engineering installation projects. Operating cost associated with installation services accounted for 21.9% and 17.1% of the total operating cost for 2021 and 2022, respectively.

#### 5.4.1.2.2 Wastewater treatment

During the Reporting Period, the Group's operating cost from wastewater treatment operating services amounted to RMB301.8 million, representing an increase of 6.9% from RMB282.2 million recorded in 2021. The increase was mainly due to the corresponding change in variable cost as a result of the increase in the volume of wastewater treatment. Operating cost from wastewater treatment operating services accounted for 36.9% and 35.1% of the total operating cost for 2021 and 2022, respectively.

#### 5.4.1.3 Gross profit and gross profit margin

As a result of the above, the Group's gross profit amounted to RMB494.0 million during the Reporting Period, decreased by 13.1% from RMB568.6 million for the same period of 2021. Gross profit margin decreased from 41.5% for 2021 to 36.5% during the Reporting Period which was mainly due to adjustment of tariff policy, resulting in the decrease in revenue from meter installation, and the increase in depreciation and amortisation expenses after the transfer of newly built water plants to fixed assets.

#### 工程安裝

報告期內，本集團與安裝服務相關的營業成本為人民幣146.6百萬元，較2021年同期的人民幣167.3百萬元減少12.4%。減少原因主要是工程安裝項目減少。來自安裝服務的營業成本分別佔2021年及2022年總營業成本的21.9%及17.1%。

#### 5.4.1.2.2 污水處理

報告期內，本集團污水處理營運服務的營業成本為人民幣301.8百萬元，較2021年同期的人民幣282.2百萬元增加6.9%。增加原因主要是污水處理量增加致相應的變動成本增加。污水處理營運服務的營業成本分別佔2021年及2022年總營業成本的36.9%及35.1%。

#### 5.4.1.3 毛利和毛利率

由於以上原因，報告期內本集團毛利為人民幣494.0百萬元，較2021年同期的人民幣568.6百萬元減少13.1%。毛利率由2021年度的41.5%減少至報告期間的36.5%，毛利率下降主要是價費政策調整，影響戶表安裝收入下降，及新建水廠轉固後，折舊攤銷費用增加。

## Chapter V Management Discussion and Analysis (Continued)

### 第五章 管理層討論與分析(續)

#### 5.4.1.3.1 Tap water supply

##### Sales of tap water

During the Reporting Period, the gross profit of the Group for sales of tap water under tap water supply operations amounted to RMB43.6 million, decreased by 26.4% from RMB59.2 million for the same period of 2021. The corresponding gross profit margin decreased from 15.3% for 2021 to 10.6% during the Reporting Period, which is mainly due to the increase in depreciation and amortisation expenses after the transfer of newly built water plants to fixed asset.

##### Engineering installation

During the Reporting Period, the gross profit of the Group for installation services amounted to RMB212.9 million, decreased by 29.5% from RMB301.8 million for the same period of 2021. Its corresponding gross profit margin decreased from 64.3% for 2021 to 59.2% during the Reporting Period, which is mainly because the adjustment of tariff policy resulted in a decrease in the gross profit margin of installation services.

#### 5.4.1.3.1 自來水供應

##### 自來水銷售

報告期內，本集團自來水供應營運下的自來水銷售的毛利為人民幣43.6百萬元，較2021年同期的人民幣59.2百萬元減少26.4%。其對應的毛利率由2021年度的15.3%下降至報告期間的10.6%，下降原因主要是新建水廠轉固後，折舊攤銷費用增加。

##### 工程安裝

報告期內，本集團安裝服務的毛利為人民幣212.9百萬元，較2021年度同期的人民幣301.8百萬元減少29.5%。其對應的毛利率由2021年度的64.3%下降至報告期間的59.2%。下降原因主要是由於價費政策調整，導致安裝服務毛利率下降。

*5.4.1.3.2 Wastewater treatment*

During the Reporting Period, the gross profit of the Group for wastewater treatment operating services amounted to RMB222.1 million, increased by 18.7% from RMB187.1 million for the same period of 2021. Its corresponding gross profit margin increased from 39.9% for 2021 to 42.4% during the Reporting Period. The increase was mainly due to lower unit cost as a result of the optimization of our wastewater treatment model.

**5.4.1.4 Other revenue**

During the Reporting Period, the Group's other revenue amounted to RMB63.4 million, increased by 83.7% from RMB34.5 million for the same period of 2021. The increase was mainly due to the receipt of the sludge disposal subsidy fee granted from the government.

**5.4.1.5 Cost of sales**

During the Reporting Period, the Group's cost of sales amounted to RMB24.3 million, decreased by 3.1% from RMB25.1 million for the same period of 2021. The decrease was mainly due to lower office fees and amortization.

**5.4.1.6 Management expenses**

During the Reporting Period, the Group's management expenses amounted to RMB94.4 million, decreased by 7.1% from RMB101.6 million for the same period of 2021. The decrease was mainly due to the decrease in fees for consulting services, and information technology services.

*5.4.1.3.2 污水處理*

報告期內，本集團污水處理營運服務的毛利為人民幣222.1百萬元，較2021年同期的人民幣187.1百萬元增加18.7%。其對應的毛利率由2021年度的39.9%增加至報告期間的42.4%。增加原因主要是我們優化了污水處理模式致相應成本單價降低。

**5.4.1.4 其他收益**

報告期內，本集團其他收益為人民幣63.4百萬元，較2021年同期的人民幣34.5百萬元增加83.7%。增加原因主要是收到政府撥付的污泥處置補助費。

**5.4.1.5 銷售費用**

報告期內，本集團銷售費用為人民幣24.3百萬元，較2021年同期的人民幣25.1百萬元減少3.1%。減少原因主要是辦公費及攤銷的減少。

**5.4.1.6 管理費用**

報告期內，本集團管理費用為人民幣94.4百萬元，較2021年同期的人民幣101.6百萬元減少7.1%。減少原因主要是諮詢中介費、信息化服務費用減少。

## Chapter V Management Discussion and Analysis (Continued)

### 第五章 管理層討論與分析(續)

#### 5.4.1.7 Research and development expenses

During the reporting period, the Group's research and development expenses amounted to RMB0.8 million, which mainly represented the research and development expenses for the "C-MBR integrated wastewater treatment equipment" developed by Fanxing Environmental.

#### 5.4.1.8 Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB125.2 million, increased by 4.4% from RMB120.0 million for the same period of 2021. The increase was mainly due to the interest expensed on the corresponding loan after the transfer of the Hejiang Huangxi Water Plant to fixed assets and the interest on the new loan for Qingbaijiang Water and Xinglu Wastewater Treatment.

#### 5.4.1.9 Income tax expense

During the Reporting Period, the income tax expenses amounted to RMB33.5 million, decreased by 27.7% from RMB46.3 million for the same period of 2021. The decrease was mainly due to increase in deferred income tax assets recognized on accounts receivable, provision for impairment of assets and estimated liabilities at the end of the year, resulting in a decrease in income tax expenses. For the years ended 31 December 2021 and 2022, the effective tax rate of the Group was 15.1% and 13.1%, respectively.

#### 5.4.1.10 Net profit and net profit margin

As a result of the above, the Group's net profit amounted to RMB223.2 million during the Reporting Period, decreased by 14.5% from RMB261.0 million for the same period of 2021. Net profit margin decreased from 19.1% for 2021 to 16.5% for the Reporting Period.

#### 5.4.1.7 研發費用

報告期內，本集團研發費用為人民幣0.8百萬元，主要是繁星環保研發的「C-MBR一體化污水處理設備」的研發費用。

#### 5.4.1.8 財務費用

報告期內，本集團融資成本為人民幣125.2百萬元，較2021年同期的人民幣120.0百萬元增加4.4%。增加原因主要是合江黃溪水廠轉固後相應貸款利息費用化，以及青白江水務、興瀘污水處理新增借款利息。

#### 5.4.1.9 所得稅費用

報告期內，本集團所得稅費用為人民幣33.5百萬元，較2021年同期的人民幣46.3百萬元減少27.7%，減少原因主要是年末應收賬款，資產減值準備及預計負債所確認的遞延所得稅資產增加，影響所得稅費用減少所致。截至2021年及2022年12月31日，本集團的實際稅率分別為15.1%及13.1%。

#### 5.4.1.10 淨利潤和淨利潤率

由於以上原因，報告期內本集團淨利潤為人民幣223.2百萬元，較2021年同期的人民幣261.0元減少14.5%。淨利潤率由2021年的19.1%減少至報告期間的16.5%。



## 5.4.2 Analysis of Key Balance Sheet Items

### 5.4.2.1 Accounts receivable

Accounts receivable of the Group were RMB486.1 million and RMB526.4 million as of 31 December 2021 and 2022, respectively. The increase was mainly due to the increase in water fee receivables, wastewater treatment fees receivables and construction fee receivables.

The table below sets forth the average turnover days of our accounts receivable during indicated periods:

|  |                |
|--|----------------|
| Average turnover days of accounts receivable | 平均應收賬款<br>周轉天數 |
|--|----------------|

Note:

- (1) Average turnover days of accounts receivable:  $360/\text{number of accounts receivable turnover}$ , number of accounts receivable turnover:  $\text{operating revenue}/\text{average balance of accounts receivable}$ .

During the Reporting Period, the average turnover days for accounts receivable grew from 109 days for 2021 to 135 days for the Reporting Period. The increase was mainly due to increase in water fee receivables, wastewater treatment fee receivables and construction fee receivables.

## 5.4.2 資產負債表主要項目分析

### 5.4.2.1 應收賬款

截至2021年及2022年12月31日，本集團應收賬款分別為人民幣486.1百萬元及人民幣526.4百萬元。增加原因主要是應收水費、污水處理費及工程費用增加。

下表載列所示期間我們應收賬款的平均週轉天數：

**For the year ended 31 December**  
**截至12月31日止年度**

|              |       |
|--------------|-------|
| <b>2022</b>  | 2021  |
| <b>2022年</b> | 2021年 |

|            |     |
|------------|-----|
| <b>135</b> | 109 |
|------------|-----|

註：

- (1) 應收賬款週轉天數 =  $360/\text{應收賬款週轉次數}$ ，應收賬款週轉次數 =  $\text{營業收入}/\text{平均應收賬款餘額}$ 。

於報告期，平均應收賬款週轉天數由2021年的109天增加至報告期的135天，增加原因主要是應收水費，污水處理費及工程費用增加。

# Chapter V Management Discussion and Analysis (Continued)

## 第五章 管理層討論與分析(續)

### 5.4.2 Inventories

Our inventories (consisting primarily of raw materials, including water pipes and other gadgets relating to tap water supply and pipeline installation) were approximately RMB53.7 million and RMB89.5 million as of 31 December 2021 and 2022, respectively. The increase was mainly due to an increase in costs of fulfilling contracts.

The increase was mainly due to an increase in the number of uncompleted household meter projects.

Average turnover days of inventories 平均存貨周轉天數

Note:

- (2) Average turnover days of inventories:  $360 / \text{number of inventories turnover}$ , number of inventories turnover:  $\text{operating cost} / \text{average balance of inventories}$ .

During the Reporting Period, the average inventory turnover days decreased from 32 days for 2021 to 30 days for the Reporting Period. The decrease was mainly due to the effect of the increase in costs of contract performance in inventories.

### 5.4.2 存貨

截至2021年及2022年12月31日，我們的存貨(主要由原材料組成，包括與自來水供應及管道安裝有關的水管及其他器具)分別為人民幣53.7百萬元及人民幣89.5百萬元。增加原因主要是合同履約成本的增加。

下表載列所示期間我們存貨的平均週轉天數：

#### For the year ended 31 December 截至12月31日止年度

| 2022<br>2022年 | 2021<br>2021年 |
|---------------|---------------|
| <b>30</b>     | 32            |

註：

- (2) 存貨週轉天數 =  $360 / \text{存貨週轉次數}$ ，存貨週轉次數 =  $\text{營業成本} / \text{平均存貨餘額}$ 。

於報告期，平均存貨週轉天數由2021年的32天減少至報告期的30天，減少原因主要是存貨中合同履約成本增加影響所致。

**5.4.2.3 Other receivables**

As of 31 December 2021 and 2022, the Group's other receivables were RMB148.2 million and RMB135.2 million, respectively. The decrease was mainly due to the recovery of advances and security deposits.

**5.4.2.4 Fixed assets**

As of 31 December 2021 and 2022, the Group's fixed assets were approximately RMB3,324.8 million and RMB3,381.8 million, respectively. The increase mainly came from the transfer of construction work in progress, including Phase III projects of Naxi Wastewater Treatment Plant, Erdaoxi Wastewater Treatment Plant and Hejiang Wastewater Treatment Plant into fixed assets.

**5.4.2.5 Construction in progress**

As of 31 December 2021 and 2022, the balance of construction in progress of the Group were approximately RMB318.0 million and RMB354.6 million, respectively. The increase was mainly due to the new projects, such as Xicao-Wine Industrial Park Water Supply Project (Gaoke Road Section), Beijiao Second Water Plant-Airport Road of water transmission and distribution pipeline installation, Medium and high-pressure water pipeline from Hexi Pump Station to Naxi District, Zhangwan Wastewater Treatment Plant's capacity expansion project, Xuyong Wastewater Treatment Plant's Phase II project, Chengnan Wastewater Treatment Plant's Phase II project and Chengdong Wastewater Treatment Plant's Phase II project.

**5.4.2.3 其他應收款**

截至2021年及2022年12月31日，本集團的其他應收款分別為人民幣148.2百萬元及人民幣135.2百萬元。減少原因主要是收回代墊款項及保證金。

**5.4.2.4 固定資產**

截至2021年及2022年12月31日，本集團固定資產分別為人民幣3,324.8百萬元及人民幣3,381.8百萬元，增加原因主要是納溪污水處理廠三期工程、二道溪污水處理廠三期工程及合江污水處理廠三期在建工程預轉固致固定資產增加。

**5.4.2.5 在建工程**

截至2021年及2022年12月31日，本集團在建工程餘額分別約為人民幣318.0百萬元及人民幣354.6百萬元，增加原因主要是報告期內增加茜草至酒業園區供水工程(高科路段)、北郊二水廠至空港路輸配水管安裝、河西加壓站至納溪城區中高壓輸水管道安裝、張灣污水處理廠增容建設工程、敘永污水處理廠二期、城南污水處理廠二期、城東污水處理廠二期等項目。

## Chapter V Management Discussion and Analysis (Continued)

### 第五章 管理層討論與分析(續)

#### 5.4.2.6 Intangible assets

As of 31 December 2021 and 2022, the Group's intangible assets were approximately RMB1,387.9 million and RMB1,396.7 million respectively. The increase was mainly due to transfer to intangible assets after the final settlement of the Phase III project of Erdoxi Wastewater Treatment Plant, the introduction of the Internet+Production Management System of the Information Center of the Production Department and the optimisation and upgrade of Yongyou products.

#### 5.4.2.7 Long-term deferred expenses

As of 31 December 2021 and 2022, the Group's long-term deferred expenses were approximately RMB238.1 million and RMB210.2 million, respectively. Such decline was mainly due to normal amortisation on schedule.

#### 5.4.2.8 Short-term borrowings

As of 31 December 2021 and 2022, the Group's short-term borrowings were RMB239.3 million and RMB160.1 million, respectively. Such decrease was mainly due to the repayment of short-term bank borrowings.

#### 5.4.2.9 Accounts payable

As of 31 December 2021 and 2022, the Group's accounts payable were RMB539.8 million and RMB376.1 million, respectively. The decrease was mainly due to the payment for construction payables in relation to projects such as Beijiao Second Water Plant's Phase I project, Phase I meter transformation project in the central downtown, Jiangyang-wide water supply project, Xicao No. 2 Water Treatment Plant's Phase I project and Naxi Water Plant's Phase I project.

#### 5.4.2.6 無形資產

截至2021年及2022年12月31日，本集團無形資產分別為人民幣1,387.9百萬元及人民幣1,396.7百萬元，增加原因主要是二道溪三期工程決算後轉增無形資產、引入生產部信息中心互聯網+生產管理系統、用友網絡優化升級。

#### 5.4.2.7 長期待攤費用

截至2021年及2022年12月31日，本集團長期待攤費用分別為人民幣238.1百萬元及人民幣210.2百萬元，減少原因主要是按期正常攤銷所致。

#### 5.4.2.8 短期借款

截至2021年及2022年12月31日，本集團短期借款分別為人民幣239.3百萬元及人民幣160.1百萬元，減少原因主要是歸還銀行短期借款。

#### 5.4.2.9 應付賬款

截至2021年及2022年12月31日，本集團應付賬款分別為人民幣539.8百萬元及人民幣376.1百萬元。減少的原因主要是支付北郊二水廠一期工程款、主城區戶表改造一期工程款、江陽區全域供水工程款、茜草二水廠一期工程款、納溪水廠一期工程款項。



# Chapter V Management Discussion and Analysis (Continued)

## 第五章 管理層討論與分析(續)

The table below sets forth the average turnover days of our trade payables during the indicated periods:

下表載列所示期間我們應付賬款的平均週轉天數：

|   |            | For the year ended 31 December<br>截至12月31日止年度 |               |
|---|------------|---|---------------|
|   |            | 2022<br>2022年                                 | 2021<br>2021年 |
| Average turnover days of accounts payable | 平均應付賬款周數天數 | 192   | 268           |

Note:

(3) Turnover days of accounts payable:  $360 / \text{number of accounts payable turnover}$ , number of accounts payable turnover:  $\text{operating cost} / \text{average balance of accounts payable}$ .

註：

(3) 應付賬款週轉天數 =  $360 / \text{應付賬款週轉次數}$ ，應付賬款週轉次數 =  $\text{營業成本} / \text{平均應付賬款餘額}$ 。

During the Reporting Period, the average turnover days for accounts payable decreased from 268 days for 2021 to 192 days for the Reporting Period. The decrease was mainly due to the impact of a decrease in accounts payable after the settlement for Beijiao Second Water Plant Project (Phase I) construction, the Water Meter Transformation Projects (Phase I) in the Central Downtown construction, the Whole Area Water Supply Project in Jiangyang District construction, Xicao Second Water Plant Project (Phase I) construction, and Naxi Water Plant Project (Phase I) construction in 2022.

於報告期，平均應付賬款週轉天數由2021年的268天減少至報告期的192天，減少原因主要是2022年支付北郊二水廠一期工程款，主城區產表改造一期工程款，江陽區全域供水工程款，茜草二水廠一期工程款，納溪水廠一期工程款後，應付賬款減少影響所致。

### 5.4.2.10 Contract liabilities

As of 31 December 2021 and 2022, the Group's contract liabilities were approximately RMB194.0 million and RMB224.4 million, respectively. Such increase was mainly due to the advance collection of charges for tap water supply, wastewater treatment and engineering.

### 5.4.2.10 合同負債

截至2021年及2022年12月31日，本集團合同負債分別為人民幣194.0百萬元及人民幣224.4百萬元，增加原因主要是預收自來水費、污水處理費及工程款。

#### **5.4.2.11 Other payables**

As of 31 December 2021 and 2022, the Group's other payables were approximately RMB179.4 million and RMB228.9 million, respectively. The increase was mainly due to the financial grants received by Xinghe Water Governance and the subsidies received by Xinglu Wastewater Treatment from the Zhangwan Outfall Project, which will be earmarked for the specified purposes in the subsequent period.

#### **5.4.2.12 Non-current liabilities due within one year**

As of 31 December 2021 and 2022, the Group's non-current liabilities due within one year were approximately RMB927.4 million and RMB216.7 million, respectively. Such decrease is mainly due to the repayment of the non-current liabilities due within one year.

#### **5.4.2.13 Long-term borrowings**

As of 31 December 2021 and 2022, the Group's long-term borrowings were approximately RMB1,390.7 million and RMB1,920.9 million, respectively. Such increase was mainly due to the replacement of the principal of already-issued bonds with the new bank loans, and the new loans for new water plants and wastewater treatment plants.

#### **5.4.2.14 Long-term payables**

As of 31 December 2021 and 2022, the Group's long-term payables were approximately RMB585.3 million and RMB744.4 million, respectively. Such increase was mainly due to the receipt of proceeds from bonds earmarked for wastewater treatment projects and payment for financial leasing.

#### **5.4.2.11 其他應付款**

截至2021年及2022年12月31日，本集團其他應付款分別為人民幣179.4百萬元及人民幣228.9百萬元，增加原因主要是興合水環境收到財政撥款及興瀘污水處理收到張灣排污口工程補助，後期將用於專項支付。

#### **5.4.2.12 一年內到期的非流動負債**

截至2021年及2022年12月31日，本集團一年內到期的非流動負債分別為人民幣927.4百萬元及人民幣216.7百萬元，減少原因主要是歸還了一年內到期的非流動負債。

#### **5.4.2.13 長期借款**

截至2021年及2022年12月31日，本集團長期借款分別為人民幣1,390.7百萬元及人民幣1,920.9百萬元，增加原因主要是新增銀行貸款用於置換已發行債券的本金；以及新增新建水廠、污水處理廠項目貸款。

#### **5.4.2.14 長期應付款**

截至2021年及2022年12月31日，本集團長期應付款分別為人民幣585.3百萬元及人民幣744.4百萬元，增加原因主要是收到污水處理項目專項債券資金及支付融資租賃款項。

#### 5.4.2.15 *Deferred income*

As of 31 December 2021 and 2022, the Group's deferred income were approximately RMB268.6 million and RMB243.1 million, respectively. The decline was mainly due to the normal amortisation of government subsidies.

#### 5.4.2.15 遞延收益

截至2021年及2022年12月31日，本集團遞延收益分別約為人民幣268.6百萬元及人民幣243.1百萬元，減少原因主要是正常攤銷政府補助。

### 5.4.3 Liquidity and Financial Resources

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Shareholders of the Company through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the Reporting Period. The capital structure of the Group consists of net debts (which includes borrowings net of cash and cash equivalents) and total equity (comprising of paid-in capital/share capital, capital reserve, statutory surplus reserve, retained profits and non-controlling interests). The Group is not subject to any externally imposed capital requirements.

As at the end of the Reporting Period, the cash and bank balances of the Group amounted to approximately RMB609.8 million (at the end of 2021: RMB871.7 million).

As at the end of Reporting Period, the total borrowings of the Group amounted to approximately RMB3,098.4 million (at the end of 2021: RMB3,142.6 million), including bank and other borrowings, of which approximately 66.6% of these bank and other borrowings bear interest at floating rates, and short-term borrowings and non-current liabilities due within one year amounted to approximately RMB357.9 million, all of which were domestic RMB borrowings, and fixed-rate borrowings amounted to RMB1,036.1 million.

As at the end of the Reporting Period, the net debt-to-equity ratio of the Group (being calculated by total equity divided by debts (including long-term and short-term loans and bonds payable) less bank balances and cash) was 91.2% (at the end of 2021: 85.3%).

### 5.4.3 流動資金及財務資源

本集團管理其資本以確保本集團的實體將可持續經營，並透過優化債務及權益結餘為本公司股東帶來最大化回報。報告期間，本集團的整體策略維持不變。本集團的資本結構包括淨債務(包括借款淨現金及現金等價物)及總權益(包括實繳資本/股本、資本儲備、法定盈餘公積、留存利潤及非控股權益)。本集團不受任何外部強加的資本要求規限。

於報告期末，本集團之現金及銀行結餘約為人民幣609.8百萬元(2021年末：人民幣871.7百萬元)。

於報告期末，本集團借款總額約為人民幣3,098.4百萬元(2021年末：人民幣3,142.6百萬元)，包括銀行及其他借貸其中約66.6%的銀行及其他借貸按浮動利率計息。其中短期借款及一年內到期的非流動負債約人民幣357.9百萬元，均為國內人民幣借款。固定利率借款的金額為人民幣1,036.1百萬元。

於報告期末，本集團的負債淨值對權益比率(以總權益額除負債(包括長期及短期借款和應付債券)減銀行結餘及現金計算)為91.2%(2021年末：85.3%)。

## **5.5 EMPLOYEES AND REMUNERATION POLICY**      **5.5 僱員及薪酬政策**

As at the end of the Reporting Period, the Group had 933 employees (end of 2021: 1,178). During the Reporting Period, employee salaries and benefits expenses amounted to approximately RMB152.2 million (2021: approximately RMB182.9 million). Due to business integration, the Company has outsourced some of its operations to reduce the number of dispatched employees. The remunerations and benefits, including basic and floating wages, discretionary bonuses and staff benefits, are determined based on their performance and the competence. During the Reporting Period, the Company continued to adjust the new model of salary packing system of its subsidiaries.

During the Reporting Period, the Group did not incur any significant labor disputes that had material impact on the Group's normal business operations.

於報告期末，本公司聘有933名僱員(2021年末：1,178名)。報告期間，僱員工資薪金及福利開支約為人民幣152.2百萬元(2021年：約為人民幣182.9百萬元)。由於公司業務整合，故將部分業務外包，減少勞務派遣員工。薪酬待遇包括基本及浮動薪資、獎金及員工福利，基於彼等的表現及技能等級釐定。報告期間，本公司還持續改進旗下企業薪酬工資掛鉤管控新模式。

報告期間，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。

## **5.6 MAJOR ACQUISITIONS AND DISPOSALS**

During the Reporting Period, the Company has no major acquisitions or disposal of assets.

## **5.6 重大收購及出售**

於報告期間，本集團並無有關重大收購及出售資產。

## **5.7 PLEDGED ASSETS OF THE GROUP**      **5.7 本集團資產抵押**

As at the end of the Reporting Period, the Group had secured bank borrowings secured by the operating concessions for all water supply projects of the Company in Jiangyang District, several buildings and tap water plants of Weiyuan Qingxi Water, and the charging right for wastewater treatment projects of Fanxing Environmental in townships and rural areas in Jiangyang District, Luzhou City.

Save as disclosed above, as at the end of the Reporting Period, the Group had not pledged any other assets.

於報告期末，本集團有抵押銀行借款乃以本公司江陽區全域供水特許經營權、若干污水處理費用的徵收權及威遠清溪水務的若干樓宇及自來水廠及繁星環保的瀘州市江陽區鄉鎮和農村污水處理項目收費權作抵押。

除上文所披露者外，於報告期末，本集團無其他資產抵押。



## 5.8 FOREIGN EXCHANGE RISKS

During the Reporting Period, the Group carried out business in the PRC and received revenue and paid its costs/expenses in RMB. As at the end of the Reporting Period, the Group had unutilised monetary funds in Hong Kong dollar, and confirmed that there was no foreign exchange gains during the Reporting Period. The Group does not currently hedge its exposure to foreign currencies.

## 5.9 CONTINGENT LIABILITIES

During the Reporting Period, Fanxing Environmental and Sichuan Changjiang Engineering Crane Co., Ltd. (“**Changjiang Crane**”) were in dispute over contract price due to the substandard equipment supplied by Changjiang Crane in the course of performance of the Cooperation Agreement for Wastewater Treatment Equipment Supply and Installation in Urban and Rural Areas in Luzhou entered into between the two companies. As Changjiang Crane has entered into bankruptcy proceeding, the bankruptcy administrator of Changjiang Crane has filed a lawsuit on its behalf, seeking payment of the balance of RMB42.82 million and liquidated damages of RMB17.15 million, as well as litigation costs from Fanxing Environmental.

During the Reporting Period, the Company and Zhong Jiao Jian Hongfeng Group Co., Ltd (“**Zhong Jiao Jian Hongfeng**”) were in dispute over balance payment due to Zhong Jiao Jian Hongfeng’s breach of subcontracting requirements during the construction process in the course of performance of the Contract on Civil Engineering Construction of Luzhou Nanjiao No. 2 Water Plant entered into between the two companies. Zhong Jiao Jian Hongfeng has filed a lawsuit against the Company, seeking payment of the balance of RMB11.55 million, interest on capital occupied and litigation costs.

## 5.8 外匯風險

報告期間，本集團在中國進行業務、收取收入並以人民幣支付成本／開支，於報告期末，本集團有尚未使用的以港元計價的貨幣資金，並確認報告期間未產生外匯收益。本集團現時並無對沖其外幣敞口。

## 5.9 或有負債

本報告期間，繁星環保與四川長江工程起重機有限責任公司（「**長起公司**」）就簽訂的《瀘州市鄉鎮和農村污水處理設備供貨及安裝工程合作協議》在履行過程中，因長起公司供應的設備質量不符合合同約定，雙方就合同價款問題產生爭議，由於長起公司已進入破產程序，現長起公司破產管理人代長起公司提起訴訟，要求繁星環保支付所欠貨款人民幣42.82百萬元，及違約金人民幣17.15百萬元及案件訴訟費。

本報告期間，本公司與中交建宏峰集團有限公司（「**中交建宏峰**」）就簽訂的《瀘州南郊二水廠土建工程施工合同》在履行過程中，因中交建宏峰施工進度及過程中的分包不符合合同約定，雙方就工程款尾款問題發生爭議。現中交建宏峰提起訴訟，要求我公司支付工程款尾款人民幣11.55百萬元，及資金佔用利息及案件訴訟費等。

# Chapter V Management Discussion and Analysis (Continued)

## 第五章 管理層討論與分析(續)

### 5.10 SIGNIFICANT INVESTMENT HELD

As at the end of the Reporting Period, the equity investments held by the Group amounted to approximately RMB55.9 million (2021: approximately RMB55.3 million), which mainly represents the Group's equity investment of 12.72% equity interest of Sichuan Xiangjiaba Irrigation Construction and Development Co., Ltd.\* (四川省向家壩灌區建設開發有限責任公司) and other unlisted companies in the PRC.

Information on Sichuan Xiangjiaba Irrigation Construction and Development Co., Ltd. is set out in Note 8 to the consolidated financial statements of this report.

### 5.11 EVENTS AFTER REPORTING PERIOD

Save as disclosed in this annual report, the Group did not have other significant events after the Reporting Period.

### 5.12 OTHER MATTERS

In response to the COVID-19 pandemic, the Chinese Government took mandatory quarantine measures, and the region where the Company is located was identified as a low-risk region. The Company fully implemented the Government's various decisions and arrangements to ensure the safe water supply and wastewater discharge meeting the standards. The Board believes that the COVID-19 pandemic has had no significant impact on the audited annual financial statements of the Group for the Reporting Period.

### 5.10 持有之重大投資

於報告期末，本集團持有之權益工具約為人民幣55.9百萬元(2021年：約為人民幣55.3百萬元)，主要為本集團在四川省向家壩灌區建設開發有限責任公司12.72%的股權及其他中國非上市公司的股權投資。

四川省向家壩灌區建設開發有限責任公司的有關信息載於本報告合併財務報表附註八。

### 5.11 報告期後事項

除本年報所披露者外，本集團並無其他任何重大報告期後事項。

### 5.12 其他

面對新冠肺炎疫情，中國政府採取了強制性檢疫措施，本公司所處地區被定性為低風險區，本公司全面落實政府的各項決策部署，確保安全供水和污水排放達標，董事會認為新冠肺炎疫情對本集團報告期間經審核的年度財務報表整體無重大影響。

# Chapter VI Directors, Supervisors and Senior Management

## 第六章 董事、監事及高級管理層

### 6.1 DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

As of the date of the Report, the biographical details of the Directors, Supervisors and the senior management of the Company are set out below:

#### 6.1.1 Executive Directors

**Mr. Zhang Qi (張岐先生)**, aged 49, joined the Group in 1992. As of the date of this report, Mr. Zhang served as an executive Director, the chairman of the Board, the legal representative, the secretary of the Party committee and the chairman of Strategy Committee of the Company. He is primarily responsible for the overall operation of the Board, strategic development and planning and major decision making of the Group. He has also served as the director of Sichuan Xiangjiaba Irrigation Construction and Development Co., Ltd. since March 2015, and the chairman of the board of directors of Xinglu Wastewater Treatment since March 2022.

Mr. Zhang has more than 30 years of experience in the wastewater treatment and tap water supply services industries. He joined Luzhou City Tap Water Co., Ltd.\* (瀘州市自來水總公司) (“**Luzhou Tap Water**”) as a worker in January 1992, then he served as a section chief assistant of business section from May 1998 to July 1999, as a vice section chief of business section from July 1999 to March 2001, and as a deputy general manager from March 2001 to July 2002. He served as the vice chairman of the Board and the general manager of Xinglu Water Company Limited from July 2002 to December 2005, the chairman of the Board and the general manager of Xinglu Water Company Limited from December 2005 to December 2006 and the general manager of the Company from December 2006 to March 2016, and a member of the Party Committee of Xinglu Investment from August 2009 to June 2017. He also served as the general manager and the executive director of

### 6.1 董事、監事及高級管理人員

截至本報告日期，本公司的董事、監事及高級管理人員的簡歷如下：

#### 6.1.1 執行董事

**張岐先生**，49歲，於1992年加入本集團。截至本報告日期，張先生現擔任本公司執行董事、董事長、法定代表人、黨委書記及戰略委員會主席。彼主要負責董事會的整體運作、本集團的戰略發展規劃及重大決策制定。彼亦自2015年3月起擔任四川省向家壩灌區建設開發有限責任公司的董事，及自2022年3月起擔任興瀘污水處理董事長。

張先生擁有逾30年污水處理及自來水供應服務行業經驗。彼於1992年1月加入瀘州市自來水總公司(「**瀘州自來水**」)擔任職工，其後自1998年5月至1999年7月擔任業務科長助理，並自1999年7月至2001年3月擔任業務科副科長，以及自2001年3月至2002年7月擔任副總經理。彼自2002年7月至2005年12月擔任瀘州市水務(集團)有限公司的副董事長及總經理，自2005年12月至2006年12月擔任瀘州市水務(集團)有限公司的董事長及總經理，以及自2006年12月至2016年3月曾擔任本公司總經理，並同時自2009年8月至2017年6月兼任興瀘投資的黨委委員。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

Luzhou Jiangyang Wastewater Treatment Co., Ltd.\* (瀘州市江陽污水處理有限公司), which is currently known as Luzhou Xinglu Wastewater Treatment Co., Ltd.\* (瀘州市興瀘污水處理有限公司) from December 2003 to May 2005, as the chairman of the board of directors of Luzhou Xinglu Water (Group) Beijiao Water Co., Ltd.\* (瀘州市興瀘水務(集團)北郊水業有限公司) (“**Beijiao Water**”) from August 2004 to May 2015, and as director of Xinglu Investment from March 2008 to January 2022. He was re-appointed as the chairman of the board of directors and the legal representative of Xinglu Wastewater Treatment from September 2015 to March 2016, and a director of Sichuan Xinhuoju Chemical Co., Ltd.\* (四川新火炬化工責任有限公司) from November 2017 to March 2022.

Mr. Zhang graduated from Sichuan University of Construction Workers\* (四川省建築職工大學) in Chengdu, the PRC in July 1994, majoring in industrial and civil construction and then obtained a master's degree majoring in business administration from Southwestern University of Finance and Economics\* (西南財經大學) in Chengdu, the PRC, in July 2007. From September 1998 to December 2000, he studied in the correspondence college of the Party School of Sichuan Provincial Committee of the Communist Party of China\* (中共四川省委黨校函授學院) majoring in law. Mr. Zhang was certified as senior engineer by Personnel Department of Sichuan Province\* (四川省人事廳) in September 2009.

彼亦自2003年12月至2005年5月擔任瀘州市江陽污水處理有限公司(現稱瀘州市興瀘污水處理有限公司)的總經理及執行董事，以及自2004年8月至2015年5月擔任瀘州市興瀘水務(集團)北郊水業有限公司(「**北郊水業**」)的董事長，自2008年3月起至2022年1月擔任興瀘投資的董事。彼自2015年9月至2016年3月獲重新委任為興瀘污水處理的董事長及法定代表人，自2017年11月至2022年3月擔任四川新火炬化工有限責任公司董事。

張先生於1994年7月畢業於中國成都市的四川省建築職工大學，主修工業與民用建築，其後於2007年7月畢業於中國成都市西南財經大學，獲得工商管理專業碩士學位。彼自1998年9月至2000年12月於中共四川省委黨校函授學院學習，主修法律。張先生於2009年9月獲四川省人事廳授予高級工程師資格。



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Mr. Liao Xingyue (廖星樾先生)**, aged 41, joined the Group in December 2015. During the Reporting Period, Mr. Liao served as an executive Director, deputy secretary of Party committee and the general manager of the Company, mainly responsible for the Group's daily operation matters.

Mr. Liao has nearly 13 years of experience in municipal infrastructure planning, investment, construction and management. Before joining the Group, Mr. Liao served as a clerk in Lu County Construction Bureau\* (瀘縣建設局) from September 2009 to May 2010, and served in Lu County Housing and Urban-rural Planning and Construction Bureau\* (瀘縣住房和城鄉規劃建設局) as the deputy director of general office from May 2010 to August 2013 and as the chief of personnel department from July 2011 to August 2013. He then served as an officer and the vice chief of inspection section, successively, in Luzhou Municipal Urban Planning Administration Bureau\* (瀘州市城市規劃管理局) from August 2013 to December 2014 and served as the chief of urban planning and construction section in Luzhou Municipal Housing and Urban and Rural Construction Bureau\* (瀘州市住房和城鄉建設局) from December 2014 to December 2015.

Mr. Liao graduated from Tongji University in Shanghai, the PRC, with a bachelor's degree, a master's degree and a doctor's degree majoring in geological engineering in July 2003, May 2006 and May 2009, respectively.

**廖星樾先生**，41歲，於2015年12月加入本集團。廖先生於報告期內擔任本公司執行董事、黨委副書記及總經理，主要負責本集團日常營運事宜。

廖先生擁有逾13年市政基礎設施規劃、投資、建設和管理經驗。加入本集團前，廖先生自2009年9月至2010年5月於瀘縣建設局擔任辦事員，自2010年5月至2013年8月於瀘縣住房和城鄉規劃建設局擔任總辦事處副主任，以及自2011年7月至2013年8月擔任人事部主管。彼其後自2013年8月至2014年12月相繼出任瀘州市城市規劃管理局科員和監督科副科長，並自2014年12月至2015年12月擔任瀘州市住房和城鄉建設局城市建設科科長。

廖先生畢業於中國上海市同濟大學，分別於2003年7月、2006年5月及2009年5月獲得地質工程專業學士、碩士及博士學位。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Ms. Huang Mei (黃梅女士)**, aged 54, joined the Group in December 1987. During the Reporting Period, Ms. Huang served as an executive Director (employee representative Director) of the Company, as well as the chairman of the Company's labour union since 2002, the secretary of the Company's Disciplinary Committee since 2016, the supervisor of Sichuan Xiangjiaba Irrigation District Construction and Development Company Limited since March 2015, and the secretary of the General Party Branch of Xinglu Wastewater Treatment since March 2022.

Ms. Huang worked in Luzhou Tap Water Nanjiao Plant from December 1987 to February 1991. She served as a labour union assistant and deputy secretary of Communist Youth League branch from March 1991 to March 1998, the secretary of Communist Youth League branch from January 1997 to June 2002, a member of the Party committee from November 1998 to June 2002, and the vice chairwoman of the labour union from April 1998 to June 2002. From July 2002 to March 2016, she served as deputy secretary of Party committee of the Company and concurrently served as a deputy general manager of the Company from March 2008 to November 2009, the head of the material supply department from December 2014 to September 2015 and a Supervisor of the Company from March 2016 to March 2022. She was a supervisor of Beijiao Water from April 2008 to February 2018 and the chairwoman of the board of directors of Naxi Water from April 2013 to February 2018. She served as the chairwoman of the Supervisory Committee from September 2014 to November 2018 and a supervisor of Xinglu Wastewater Treatment from November 2018 to March 2022.

Ms. Huang graduated from correspondence college of the Party School of Sichuan Provincial Committee of the Communist Party of China\* (中共四川省委黨校函授學院) majoring in law in December 1999. She qualified as a senior administration engineer granted by professional evaluation leading group for enterprise ideological and political personnel in Sichuan Province\* (四川省企業思想政治工作人員專業職務評定工作領導小組) in November 2009.

**黃梅女士**，54歲，於1987年12月加入本集團，報告期內，黃女士於報告期內擔任本公司執行董事(職工代表董事)，同時自2002年起擔任本公司工會主席，自2016年起擔任本公司紀委書記，自2015年3月起擔任四川省向家壩灌區建設開發有限責任公司監事，及自2022年3月起擔任興瀘污水處理黨總支書記。

黃女士自1987年12月至1991年2月於瀘州自來水總公司南郊水廠任職工人。彼自1991年3月至1998年3月擔任工會助理及共青團支部副書記，自1997年1月至2002年6月擔任共青團支部書記，自1998年11月至2002年6月擔任黨委委員，自1998年4月至2002年6月擔任工會副主席。自2002年7月至2016年3月擔任本公司黨委副書記，同時自2008年3月至2009年11月擔任本公司副總經理及自2014年12月至2015年9月兼任本公司物資供應部部長及自2016年3月至2022年3月擔任監事。自2008年4月至2018年2月擔任北郊水業監事，並自2013年4月至2018年2月擔任納溪水業董事長。彼自2014年9月至2018年11月擔任興瀘污水處理監事會主席及自2018年11月至2022年3月擔任監事。

黃女士於1999年12月畢業於中共四川省委黨校函授學院，主修法律。彼於2009年11月獲四川省企業思想政治工作人員專業職務評定工作領導小組授予高級政工師資格。

# Chapter VI Directors, Supervisors and Senior Management (Continued)

## 第六章 董事、監事及高級管理層(續)

### 6.1.2 Non-Executive Directors

**Mr. Chen Bing (陳兵先生)**, aged 52. During the Reporting Period, Mr. Chen served as a non-executive Director and the chairman of the Strategy Committee of the Company. He concurrently acted as deputy general manager of Xinglu Investment, the chairman of the board of Xinglu Investment Fund Management Co., Ltd.\* (瀘州市興瀘投資基金管理有限公司), the executive director and general manager of Luzhou Xinglu Financial Leases Co., Ltd.\* (瀘州市興瀘融資租賃有限公司), the chairman of the board of directors and legal representative of Luzhou Rural Development, Investment and Construction Co., Ltd.\* (瀘州市農村開發投資建設有限公司), a director of Luzhou City Chengnan Construction Investment Co., Ltd.\* (瀘州市城南建設投資有限公司), Luzhou China Resources Xinglu Gas Co., Ltd.\* (瀘州華潤興瀘燃氣有限公司), and Chuantie (Luzhou) Railway Co., Ltd.\* (川鐵(瀘州)鐵路有限責任公司). He also serves as a director and the general manager of Luzhou Traffic Investment Group Co., Ltd.\* (瀘州市交通投資集團有限責任公司).

Mr. Chen has over 27 years of experience of corporate management. Before joining the Group, Mr. Chen served in Sichuan Luzhou Investment Co., Ltd.\* (四川省瀘州投資公司) as the deputy manager and the manager of securities department from October 1995 to May 1997 and from May 1997 to July 2001 respectively. He served as the manager of investment department of Luzhou City Infrastructure Investment Co., Ltd.\* (瀘州市基礎建設投資有限公司) from July 2001 to July 2004. He then served positions in Xinglu Investment as the manager of investment department from August 2004 to December 2006, as an assistant general manager from December 2006 to July 2010, as the manager of engineering department from November 2008 to July 2009, and was promoted as the deputy general manager in July 2010. He also served as the general manager and chairman of board of directors of Xinglu Wastewater Treatment

### 6.1.2 非執行董事

**陳兵先生**，52歲，陳先生於報告期內擔任本公司非執行董事及戰略委員會委員。彼同時兼任興瀘投資副總經理、瀘州市興瀘股權投資基金管理有限公司董事長、瀘州市興瀘融資租賃有限公司執行董事及總經理、瀘州市農村開發投資建設有限公司董事長及法定代表人、瀘州市城南建設投資有限公司董事、瀘州華潤興瀘燃氣有限公司董事以及川鐵(瀘州)鐵路有限責任公司董事。彼亦為瀘州市交通投資集團有限責任公司董事及總經理。

陳先生擁有逾27年企業管理經驗。加入本集團前，陳先生自1995年10月至1997年5月及自1997年5月至2001年7月分別擔任四川省瀘州投資公司的副經理及證券部經理。彼自2001年7月至2004年7月擔任瀘州市基礎建設投資有限公司投資部經理。彼其後於興瀘投資擔任多個職位，自2004年8月至2006年12月擔任投資部經理，自2006年12月至2010年7月擔任總經理助理，自2008年11月至2009年7月擔任工程部經理，並於2010年7月獲晉陞為副總經理。彼亦自2005年5

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

from May 2005 to December 2007 and from June 2005 to September 2015 respectively. He served as a supervisor of South Sichuan Interurban Railway Co., Ltd.\* (川南城際鐵路有限責任公司) from July 2014 to January 2019, a director of Luzhou Port Bonded Logistics Co., Ltd.\* (瀘州臨港保稅物流有限公司) from September 2013 to February 2018, the chairman of the supervisory committee of Sichuan Xuda Railway Limited\* (四川敘大鐵路有限責任公司) from April 2013 to October 2019 and of Longma Xingda Petty Loan Co., Ltd.\* (龍馬興達小額貸款股份有限公司) from December 2011 to September 2019, and a director of Luzhou City Infrastructure Investment Co., Ltd.\* (瀘州市基礎建設投資有限公司) from December 2013 to February 2021.

Mr. Chen graduated from Zhengzhou Institute of Aeronautical Industry Management\* (鄭州航空工業管理學院) in Zhengzhou, the PRC in July 1992, majoring in operation management, then graduated from Party College of Sichuan Province\* (中共四川省委黨校) in Chengdu, the PRC, in June 2004, and then obtained an executive master of business administration from Southwestern University of Finance and Economics\* (西南財經大學) in Chengdu, the PRC, in January 2011. Mr. Chen has been accredited as an assistant economist by Planning Committee of Luzhou City\* (瀘州市計劃委員會) in April 1994 and obtained the certificate as a drainage engineer granted by Personnel Department of Sichuan Province\* (四川省人事廳) in July 2010.

月至2007年12月及自2005年6月至2015年9月分別擔任興瀘污水處理的總經理及董事長。彼自2014年7月至2019年1月擔任川南城際鐵路有限責任公司的監事，自2013年9月至2018年2月擔任瀘州臨港保稅物流有限公司的董事，自2013年4月至2019年10月擔任四川敘大鐵路有限責任公司的監事會主席及自2011年12月至2019年9月擔任龍馬興達小額貸款股份有限公司的監事會主席，自2013年12月至2021年2月擔任瀘州市基礎建設投資有限公司董事。

陳先生於1992年7月畢業於中國鄭州市鄭州航空工業管理學院經營管理專業，其後於2004年6月畢業於中國成都市中共四川省委黨校，並於2011年1月自中國成都市西南財經大學獲得高級工商管理碩士學位。陳先生於1994年4月獲瀘州市計劃委員會評為助理經濟師，並於2010年7月獲四川省人事廳頒發排水工程師證書。



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Mr. Yu Long (喻龍先生)**, aged 45, was a non-executive Director and a member of the Nomination and Remuneration Committee of the Company during the Reporting Period. He is also a director of Luzhou High-Tech Investment Group Co., Ltd., a director of Sichuan Chuanjiu Group Industry Development Co., Ltd., a director of Luzhou City Investment Group and a director of Sichuan Tianhua Co., Ltd. He is currently the deputy general manager of Luzhou State-owned Capital Operation and Management Co., Ltd.

Mr. Yu has over 21 years of experience in dealing with state-owned enterprises. He served as a staff member of the Economy and Information Technology Committee of Luzhou from August 1999 to April 2002, and a staff member of the Economic and Trade Committee of Luzhou from April 2002 to March 2005. He was a staff member, deputy director of the office, director of the supervisory committee's work office and head of the development and reform department of the State-owned Assets Supervision and Administration Commission of Luzhou from March 2005 to June 2018. Mr. Yu served as the deputy secretary of the Party committee of Maling Town, Xuyong County from August 2009 to November 2011. He was a director of Luzhou Cultural Tourism Group from June 2018 to January 2021, and a director of Luzhou Laojiao Group Co., Ltd., Lutianhua Group Inc., Luzhou High-Tech Investment Group Co., Ltd. and Southwestern Healthcare Investment Group, respectively, from June 2018 to January 2022.

Mr. Yu graduated from Xi'an Jiaotong University in Xi'an, the PRC, in July 1999, majoring in thermal energy and power engineering, and later graduated from Beijing Normal University in Beijing, the PRC, in January 2008 with a Master's degree in Public Administration.

**喻龍先生**，45歲，於報告期內擔任本公司非執行董事及提名薪酬委員會委員。彼同時兼任瀘州市高新投資集團有限公司董事、四川省川酒集團產業發展有限公司董事、瀘州市城市建設投資集團有限公司董事、四川天華股份有限公司董事，彼現任職於瀘州市國有資本運營管理有限責任公司副總經理。

喻先生擁有逾21年處理國有企業事務的經驗。彼自1999年8月至2002年4月擔任瀘州市經濟委員會擔任科員，並自2002年4月至2005年3月擔任瀘州市經濟貿易委員會擔任科員。彼自2005年3月至2018年6月歷任瀘州市國有資產監督管理委員會的科員、辦公室副主任、監事會工作辦公室主任及發改科科長。彼自2009年8月至2011年11月亦擔任敘永縣馬嶺鎮黨委副書記。彼自2018年6月至2021年1月擔任瀘州市文化旅遊發展投資集團有限公司的董事，自2018年6月至2022年1月擔任瀘州老窖集團有限責任公司、瀘天化(集團)有限責任公司、瀘州市高新投資集團有限公司及西南醫療健康產業投資集團有限公司的董事。

喻先生於1999年7月畢業於中國西安市西安交通大學熱能與動力工程專業，其後於2008年1月畢業於中國北京市北京師範大學獲得公共管理專業碩士學位。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Ms. Hu Fenfen (胡芬芬女士)**, aged 38, was a non-executive Director and a member of the Strategy Committee of the Company during the Reporting Period. She has been the deputy general manager of the Strategic Development Center of Beijing Enterprises Water Group Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, Stock Code: 0371) since May 2017. She was a director of Huai'an Water Conservancy Survey and Design Institute Co., Ltd., Beijing BEWG Industrial Environmental Protection Technology Co., Ltd., Beijing Beishui Rongzhi Education Technology Co., Ltd., Beijing Beihua Qingchuang Environmental Engineering Co., Ltd., Beijing BEWG GreenTech Seawater Desalination Technology Co., Ltd., Hunan BG Well-point Environmental Science & Technology Co., Ltd., Shanghai SIPAI Intelligent Systems Co., Ltd., Beijing Beichuang Green Private Equity Fund Management Co., Ltd., and Jiangsu Gaozhi Project Management Co., Ltd. She also served as a supervisor of Guangdong BEWG Environmental Protection Equipment Co., Ltd.

Ms. Hu has over 16 years of accounting and financial management experience. Ms. Hu was an auditor and an audit manager of Deloitte Touche Tohmatsu (Special General Partnership) from July 2006 to July 2011 and from July 2011 to December 2012, respectively. She was the finance manager, senior finance manager and deputy general manager of the Finance and Resources Center of Beijing Enterprises Water Group Limited from December 2012 to January 2014, from January 2014 to March 2016 and from March 2016 to May 2017, respectively.

**胡芬芬女士**，38歲，於報告期內擔任本公司非執行董事及戰略委員會委員。彼自2017年5月起擔任北控水務集團有限公司（一家於香港聯交所主板上市的公司，股份代號：0371）戰略發展中心副總經理。彼現時擔任淮安市水利勘測設計研究院有限公司、北京北控工業環保科技有限公司、北京北水融智教育科技有限公司、北京北華清創環境工程有限公司、北京北控金科海淡科技有限公司、湖南北控威保特環境科技股份有限公司、上海西派埃智能化系統有限公司、北京北創綠色私募基金管理有限公司及江蘇高智項目管理有限公司董事。彼現時亦擔任廣東北控環保裝備有限公司的監事。

胡女士擁有逾16年會計及財務管理經驗。胡女士自2006年7月至2011年7月及自2011年7月至2012年12月分別擔任德勤華永會計師事務所（特殊普通合夥）審計員及審計經理。彼自2012年12月至2014年1月、自2014年1月至2016年3月及自2016年3月至2017年5月曆任北控水務集團有限公司財金資源中心的財務經理、高級財務經理及副總經理。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

#### 6.1.3 Independent Non-Executive Directors

**Ms. Ma Hua (馬樺女士)**, aged 51, was an independent non-executive Director, the chairwoman of the Nomination and Remuneration Committee and a member of the Audit Committee of the Company during the Reporting Period. She has been an associate professor of Southwest University of Finance and Economics since 2000, an arbitrator of the Chengdu Arbitration Commission since 2010 and the director of the Arbitration Law Research Center of Southwest University of Finance and Economics since 2018. He has also been an independent director of Troy Information Technology Co., Ltd. (a company listed on the Shenzhen Stock Exchange, Stock Code: 300366) since January 2022 and an independent director of Chengdu Hi-Tech Development Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 000628) since July 2022.

Ms. Ma has over 31 years of experience in financial and legal affairs. She was a staff member of the Sichuan Provincial Finance Department from 1991 to 2000. She was an independent director of Sichuan Troy Information Technology Co., Ltd. (now known as Troy Information Technology Co., Ltd.) from 2008 to 2014, an independent director of Sichuan Guangyun Group Co., Ltd. from 2009 to 2015, an independent director of Chengdu West Petroleum Equipment Co., Ltd. from 2014 to 2017, and an independent director of Sunway Co., Ltd. (a company listed on the Shenzhen Stock Exchange, Stock Code: 603333) from 2014 to 2020. She served as a member of the Institute of Securities Law of CLS from 2011 to 2016.

Ms. Ma graduated from Shandong University in Jinan, the PRC in 1991, majoring in economics, and received her Master's and Doctor's degrees in law from Renmin University of China, Beijing, the PRC in 1999 and 2009 respectively.

#### 6.1.3 獨立非執行董事

**馬樺女士**，51歲，於報告期內擔任本公司獨立非執行董事、提名薪酬委員會主席及審計委員會委員。彼自2000年起擔任西南財經大學副教授，自2010年起擔任成都仲裁委員會仲裁員，自2018年至今擔任西南財經大學仲裁法研究中心主任，彼亦自2022年1月起擔任創意信息技術股份有限公司（一家於深圳證券交易所上市的公司，股份代號：300366）的獨立董事。自2022年7月起至今擔任成都高新發展股份有限公司（一家於深圳證券交易所上市的公司，股份代號：000628）的獨立董事。

馬女士擁有逾31年財務及法律事務的經驗。彼自1991年至2000年於四川省財政廳擔任科員。彼自2008年至2014年擔任四川創意信息技術股份有限公司（現稱創意信息技術股份有限公司）的獨立董事，自2009年至2015年擔任四川廣運集團股份有限公司的獨立董事，自2014年至2017年擔任成都西部石油裝備股份有限公司的獨立董事，並自2014年至2020年擔任尚緯股份有限公司（一家於上海證券交易所上市的公司，股份代號：603333）的獨立董事。彼亦自2011年至2016年擔任中國證券法研究會的理事。

馬女士於1991年畢業於中國濟南市山東大學經濟學專業，並先後於1999年及2009年自中國北京市中國人民大學獲得法學碩士及博士學位。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Mr. Fu Ji (傅驥先生)**, aged 56, was an independent non-executive Director and the chairman of the Audit Committee of the Company during the Reporting Period. He has been the general manager and legal representative of Chongqing Xinrui Certified Public Accountants Co., Ltd. since February 2000 and the general manager and legal representative of Chongqing Jiachuan Construction Engineering Consulting Co., Ltd. since October 2011.

Mr. Fu has over 38 years of experience in teaching, accounting and financial management. He taught at Lishi Primary School, Jiangjin District, Chongqing from July 1984 to August 1989 and at Chongqing Technology and Business School from September 1989 to January 2000.

Mr. Fu graduated from correspondence college of the Party School of CPC Central Committee in December 1999, majoring in economic management. Mr. Fu qualified as a certified public accountant in April 1995, a certified public valuer in December 1997, a certified real estate appraiser in August 2000, a certified land valuer in April 2001, a certified price appraiser in September 2001, a certified tax agent in October 2001, a certified Class-1 cost engineer (construction) in March 2004, a certified constructor in April 2007, a senior engineer in January 2015, as well as a certified Class-1 cost engineer (traffic engineering) in October 2020.

**傅驥先生**，56歲，於報告期內擔任本公司獨立非執行董事及審計委員會主席。彼自2000年2月起擔任重慶新瑞會計師事務所有限責任公司的總經理及法定代表人，自2011年10月起擔任重慶嘉川建設工程諮詢有限公司的總經理及法定代表人。

傅先生擁有逾38年教學、會計及財務管理經驗。彼自1984年7月至1989年8月於重慶市江津區李市小學任教，並自1989年9月至2000年1月於重慶工商學校任教。

傅先生於1999年12月畢業於中共中央黨校函授學院，主修經濟管理專業。傅先生於1995年4月取得註冊會計師資格，於1997年12月取得註冊資產評估師資格，於2000年8月取得註冊房地產估價師資格，於2001年4月取得註冊土地估價師資格，於2001年9月取得價格鑒證師資格，於2001年10月取得註冊稅務師資格，於2004年3月取得註冊一級造價工程師(建築專業)資格，於2007年4月取得註冊一級建造師資格，於2015年1月取得高級工程師資格，並於2020年10月取得註冊一級造價工程師(交通工程專業)資格。



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Mr. Liang Youguo (梁有國先生)**, aged 62, was an independent non-executive Director and a member of the Nomination and Remuneration Committee and the Audit Committee of the Company during the Reporting Period. He is also secretary general of the Sichuan Urban Water Association.

Mr. Liang has over 40 years of experience in corporate management. He worked in the Department of Transportation of Sichuan Province from August 1982 to October 1988. He was an engineer, deputy director of the office of Sichuan Provincial Investment Group, a director, deputy general manager and general manager of a subsidiary, and chairman of a subsidiary from November 1988 to July 2006. Mr. Liang served as chairman of the supervisory committee and deputy chairman of the board of directors of Dazhou-Chengdu Railway Co., Ltd. from October 1997 to December 2007, and general manager, chairman of the board of directors and Party secretary of Sichuan Chuantou Water Group Corporation Limited from August 2006 to June 2020.

Mr. Liang graduated from Chongqing Jianzhu College in Chongqing, the PRC in August 1982, majoring in marine engineering. Mr. Liang was certified as senior engineer by the leading group for professional title evaluation of Sichuan Province in September 1997.

**梁有國先生**，62歲，於報告期內擔任本公司獨立非執行董事、提名薪酬委員會委員及審計委員會委員。彼同時擔任四川省城鎮供水排水協會秘書長。

梁先生擁有逾40年企業管理經驗。彼自1982年8月至1988年10月任職於四川省交通運輸廳。彼自1988年11月至2006年7月曆任四川省投資集團工程師、辦公室副主任、一家附屬公司的董事、副總經理、總經理及一家附屬公司的董事長。彼亦自1997年10月至2007年12月擔任達成鐵路有限公司的監事會主席及副董事長，並自2006年8月至2020年6月擔任四川川投水務集團股份有限公司的總經理、董事長及黨委書記。

梁先生於1982年8月畢業於中國重慶市重慶建築工程學院，主修水港專業。梁先生於1997年9月獲四川省職稱評定工作領導小組評為高級工程師。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

#### 6.1.4 Supervisors

**Mr. Yang Zhenqiu (楊震球先生)**, aged 48, served as the shareholder representative Supervisor and chairman of the Supervisory Committee of the Company during the Reporting Period. He also works in Luzhou State-owned Capital Operation and Management Co., Ltd.

Mr. Yang has over 26 years of experience in finance and management. From August 1996 to May 2009, he was the chief accountant and secretary of the Communist Youth League branch of the housing management office under the Xiangtan Real Estate Administration System in Hunan and the accountant (statistician and auditor), deputy director (senior accountant) and deputy general manager of Xiangtan Xinjing Group Co., Ltd. (湘潭新景集團有限公司). He served as the deputy director of Management Committee of Danzhou Binhai New Area in Hainan and the deputy general manager of Danzhou Binhai New Area Construction Investment Co., Ltd. from May 2009 to October 2012. He served as the chairman and general manager of Xishuangbanna Water Conservancy Investment Co., Ltd. in Yunnan from October 2012 to January 2015. From January 2015 to August 2016, Mr. Yang was the deputy general manager of Jiangxi Dacheng State-owned Property Operation Management Co., Ltd. (江西大成國有資產經營管理有限責任公司) and the standing director of Jiangxi Private Construction Entrepreneurs' Association (江西省民建企業家協會). From August 2016 to July 2017, he was the executive director and CEO of Anhui Lanpeng Micro Electric Technology Co., Ltd., the co-advisor (marketing director) of Shenzhen Clou Electronics Co., Ltd. (a company listed on the Main Board of the Shenzhen Stock Exchange, stock code: 002121) and the co-advisor (marketing director in Jiangxi) of the intelligent network technology research and development center of the CASIC Second Academy. He served as assistant to the chief executive officer, marketing director and a member

#### 6.1.4 監事

**楊震球先生**，48歲，於報告期內擔任本公司股東代表監事兼監事會主席。彼同時任職於瀘州市國有資本運營管理有限責任公司。

楊先生擁有逾26年財務及管理經驗。彼自1996年8月至2009年5月曆任湖南省湘潭市房地產管理局系統所屬房管所主管會計兼共青團支部書記及湘潭新景集團有限公司的會計師(統計師、審計師)、副部長(高級會計師)及副總經理。彼自2009年5月至2012年10月曆任海南省儋州濱海新區管理委員會的副主任及儋州濱海新區建設投資有限公司的副總經理。彼自2012年10月至2015年1月擔任雲南省西雙版納水利投資有限公司的董事長及總經理。彼自2015年1月至2016年8月擔任江西大成國有資產經營管理有限責任公司的副總經理及江西省民建企業家協會的常務理事。彼自2016年8月至2017年7月擔任安徽藍鵬微電科技股份有限公司的執行董事兼行政總裁，並擔任深圳市科陸電子科技股份有限公司(一家於深圳證券交易所主板上市的公司，股份代號：002121)的合作顧問(市場總監)及中國航天科工集團第二研究院智慧管網技術研究與發展中心的合作顧問(江西市場總監)。彼自2017年7月至2018年5月擔任泰富重裝集團有限公司的行政總裁助理、市場總監及公司管理委員會成員。彼

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

of the management committee of TIDFORE Heavy Equipment Group Co., Ltd. from July 2017 to May 2018. He was a senior advisor and external director of TIDFORE Heavy Equipment Group Co., Ltd., HNAC Technology Co., Ltd. (a company listed on the GEM of the Shenzhen Stock Exchange, stock code: 300490) and Hunan Gelaite New Energy Development Co., Ltd. from May 2018 to October 2020. From October 2020 to January 2022, he was the assistant general manager and head of the fourth marketing department of Hubei Hongtai Mason Technology Co., Ltd., an external director (business partner) of HNAC Technology Co., Ltd. and Hunan Gelaite New Energy Development Co., Ltd., and special advisor to the chairman of Zhonghuilv Smart Scenic Management Ltd. (a company listed on the New Third Board, stock code: 834260).

Mr. Yang graduated from Xiangtan University in Hunan, the PRC, in June 1996, majoring in accounting and taxation, and from September 2000 to July 2002, majored in accounting at Southwest Minzu University in Sichuan, the PRC. He received his master's degree in law from Xiangtan University in Hunan, the PRC, in December 2007. Mr. Yang qualified as a certified intermediate accountant by the Ministry of Finance in May 2001, an intermediate statistician by the State Bureau of Statistics in October 2002, an auditor by the National Audit Office of the PRC in October 2003, and a senior accountant by the Department of Personnel and the Department of Finance of Hunan Province in December 2007. He joined the China National Democratic Construction Association in September 2008.

自2018年5月至2020年10月擔任泰富重裝集團有限公司、華自科技股份有限公司(一家於深圳證券交易所GEM上市的公司，股份代號：300490)及湖南格萊特新能源發展有限公司的高級顧問及外部董事。自2020年10月至2022年1月擔任湖北宏泰萬潤科技有限公司的總經理助理兼市場四部部長、華自科技股份有限公司及湖南格萊特新能源發展有限公司的外部董事(事業合夥人)及中惠旅智慧景區管理股份有限公司(一家於新三板上市的公司，股份代號：834260)的董事長特聘顧問。

楊先生於1996年6月畢業於中國湖南省湘潭大學財會與稅務專業，自2000年9月至2002年7月於中國四川省西南民族學院主修會計學專業。並於2007年12月自中國湖南省湘潭大學獲得法律專業碩士學位。楊先生於2001年5月獲得財政部認證的註冊中級會計師資格，於2002年10月獲得中國國家統計局認證的中級統計師資格，於2003年10月獲得中華人民共和國國家審計署認證的審計師資格，於2007年12月獲得湖南省人事廳及湖南省財政廳認證的高級會計師資格。彼於2008年9月加入中國民主建國會。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Mr. Lai Bingyou (賴炳有先生)**, aged 32, was a shareholder representative Supervisor of the Company during the Reporting Period. He has been working in Luzhou State-owned Capital Operation and Management Co., Ltd. since November 2021. He is also an external supervisor of Sichuan Lutianhua Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 000912), Luzhou Industrial Development Investment Group and Luzhou Baijiu Industrial Development Investment Group Co., Ltd. He is also a member of the 11th CPPCC of Naxi District, Luzhou.

Mr. Lai has over 8 years of experience in dealing with affairs of state-owned enterprises. He acted as an audit assistant of Sichuan Changjiang Certified Public Accountants from September 2014 to December 2017. He worked in the supervision and audit department, Party-masses work department, discipline inspection office and united front work department of Lutianhua Group Inc. from December 2017 to November 2021. He was a supervisor of Luzhou Lutianhua Chemical Design Co., Ltd. from December 2018 to November 2021. He served as the secretary general the sodality of non-Party intellectuals of Lutianhua Group Inc. from November 2019 to November 2021.

Mr. Lai graduated from Jincheng College of Sichuan University in Sichuan, the PRC in July 2014, majoring in business administration. Mr. Lai qualified as a junior accountant by the Department of Human Resources and Social Security of Sichuan Province in May 2016 and an intermediate auditor by the Ministry of Human Resources and Social Security of the People's Republic of China and the National Audit Office of the People's Republic of China in October 2018.

**賴炳有先生**，32歲，於報告期內擔任本公司股東代表監事。彼自2021年11月起任職於瀘州市國有資本運營管理有限責任公司。彼同時擔任四川瀘天化股份有限公司（一家於深圳證券交易所上市的公司，股份代號：000912）、瀘州產業發展投資集團有限公司及瀘州白酒產業發展投資集團有限公司的外部監事。彼亦為瀘州市納溪區第十一屆政協委員。

賴先生擁有逾8年會計及處理國有企業事務的經驗。彼自2014年9月至2017年12月擔任四川長江會計師事務所的審計助理。彼自2017年12月至2021年11月任職於瀘天化（集團）有限責任公司的監察審計部、黨群工作部、紀委辦、統戰工作部。彼自2018年12月至2021年11月擔任瀘州瀘天化化工設計有限公司的監事。彼自2019年11月至2021年11月擔任瀘天化（集團）有限責任公司的黨外知識分子聯誼會秘書長。

賴先生於2014年7月畢業於中國四川省四川大學錦城學院，主修工商管理專業。賴先生於2016年5月取得四川省人力資源和社會保障廳認證的初級會計師資格，並於2018年10月取得中華人民共和國人力資源和社會保障部及中華人民共和國國家審計署認證的中級審計師資格。



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Ms. Xiang Min (向敏女士)**, aged 51, joined the Group in September 1989. She served as an employee representative Supervisor during the Reporting Period. She concurrently served as a Director of the Board office of the Company and a director of Xinglu Wastewater Treatment.

Ms. Xiang has 26 years of experience in human resources management. Ms. Xiang served as a meter reader and a toll collector at the business department of Luzhou City Tap Water Company\* (瀘州市自來水公司) from September 1989 to April 1996, as an operator and a chief officer\* (主辦) at the labour and capital department of Luzhou Tap Water from May 1996 to May 2002. She then acted as the head of Human Resources Department of the Company from July 2002 to March 2015, as a Director of the Company from December 2009 to June 2016, as the general manager assistant of the Company from January 2013 to July 2015, and as the head of Political and Labour Department of the Company from July 2013 to December 2013. She served as a supervisor of Luzhou Industrial Development Investment Group Co., Ltd.\* (瀘州產業發展投資集團有限公司, formerly Luzhou Industrial Investment Group Co., Ltd.\* (瀘州工業投資集團有限公司)) from March 2015 to January 2022, the chairwoman of the board of directors and Party branch secretary of Sitong Engineering from May 2015 to February 2018 and from May 2015 to December 2017 respectively, the director of the office of the Company from July 2015 to October 2017, the head of the office of the Board of the Company from November 2017 to June 2019, the manager of the Party-masses Work Department of the Company from June 2019 to June 2021, as well as chairwoman of Xingxu Water Co., Ltd. from June 2021 to April 2022.

**向敏女士**，51歲，於1989年9月加入本集團。於報告期內擔任本公司職工代表監事。彼同時擔任本公司董事會辦公室主任，兼任興瀘污水處理董事。

向女士擁有26年人力資源管理經驗。向女士自1989年9月至1996年4月擔任瀘州自來水業務科抄表員及收費員，自1996年5月至2002年5月擔任勞資科的業務員及主辦。彼其後自2002年7月至2015年3月擔任本公司人力資源部部長，自2009年12月至2016年6月擔任本公司董事，自2013年1月至2015年7月擔任本公司總經理助理，及自2013年7月至2013年12月擔任本公司政工部部長。彼自2015年3月起至2022年1月擔任瀘州產業發展投資集團有限公司(原瀘州工業投資集團有限公司)監事。自2015年5月起至2018年2月及自2015年5月至2017年12月擔任四通工程董事長及黨支部書記，自2015年7月起至2017年10月擔任本公司辦公室主任，自2017年11月至2019年6月擔任本公司董事會辦公室主任及自2019年6月至2021年6月擔任本公司黨群工作部經理，以及自2021年6月起至2022年4月擔任興敘水業有限公司董事長。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

Ms. Xiang graduated from the correspondence college of the Party School of Sichuan Provincial Committee of the Communist Party of China\* (中共四川省委黨校函授學院) in December 1999 with a degree in economic management and from Southwest Jiaotong University\* (西南交通大學) in June 2006, majoring in business administration. She qualified as an intermediate human resources economist conferred by Ministry of Personnel (中華人民共和國人事部) in November 2000 and a Class-1 human resources manager conferred by Ministry of Labour and Social Security (中華人民共和國勞動和社會保障部) in February 2009.

**Mr. Luo Chaoping (羅超平先生)**, aged 48, served as an employee representative Supervisor during the Reporting Period. He also serves as the manager of the General Management Department of the Company.

Mr. Luo has over 24 years of experience in the water industry. He served as a technician of the laboratory centre under the Company's production planning section from July 1998 to July 2002 and as the head of the laboratory centre from August 2002 to March 2008. He was the deputy director of the Production Safety Department of the Company from March 2008 to June 2014, the head and technical person-in-charge of the water supply and drainage quality monitoring station of the Company from December 2009 to December 2013, and the head and technical person-in-charge of the Luzhou monitoring station of the urban water supply and drainage quality monitoring network of Sichuan Province from June 2010 to December 2013. He served as the manager and assistant manager of Naxi Water from June 2014 to November 2016, the assistant manager of the Company's Safety and Environmental Protection Department from October 2017 to February 2020, assistant manager of the Company's Production

向女士於1999年12月畢業於中共四川省委黨校函授學院，主修經濟管理專業，並於2006年6月畢業於西南交通大學，主修商業管理。彼於2000年11月獲中華人民共和國人事部授予的中級人力資源經濟師資格，並於2009年2月獲中華人民共和國勞動和社會保障部授予的一級人力資源管理師資格。

**羅超平先生**，48歲，於報告期內擔任本公司職工代表監事。彼同時擔任本公司綜合管理部經理。

羅先生擁有逾24年水務行業經驗。彼自1998年7月至2002年7月擔任本公司生產計劃科化驗中心化驗員，自2002年8月至2008年3月擔任本公司化驗中心主任。彼自2008年3月至2014年6月擔任本公司生產安全全部副部長，自2009年12月至2013年12月擔任本公司供水排水水質監測站站長及技術負責人，並自2010年6月至2013年12月擔任四川省城市供水排水水質監測網瀘州監測站站長及技術負責人。彼其後自2014年6月至2016年11月歷任納溪水業的經理及副經理，自2017年10月至2020年2月擔任本公司安全環保部副經理，自2017年10月至2018年7月兼本公司生產管理部副經理，及

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

Management Department from October 2017 to July 2018, and manager of the Company's Safety and Environmental Protection Department from February 2020 to June 2021. He was the general manager of Hejiang Water from June 2021 to December 2022 and the chairman of the board of directors of Hejiang Water from December 2021 to December 2022.

Mr. Luo graduated from Hunan University in June 1998, majoring in chemical analysis. In January 2013, Mr. Luo was certified as a senior engineer in chemical analysis by the leading group for professional title reform of Sichuan Province.

**Mr. Tang Nanyou (唐南友先生)**, aged 48, served as an employee representative Supervisor during the Reporting Period. He was also the general manager of the Longmatan Water Supply Branch.

Mr. Tang has over 24 years of experience in production management. From July 1998 to February 2001, he worked as a saccharification and fermentation operator in the brewing department of the second beer factory of Huoju chemical plant. From February 2001 to August 2013, he served as a technician, assistant director of brewing department and director of quality control department of Tsingtao Brewery (Luzhou) Co., Ltd. He was the assistant director of the Production Safety Department of the Company from August 2013 to January 2014 and the assistant director of the Production Safety Department and the head of the water quality monitoring station of the Company from January 2014 to October 2017. He served as the deputy manager of Naxi Water from October 2017 to February 2020 and the general manager of the Company's Jiangyang Water Supply Branch from March 2020 to May 2021. He was the manager of the Safety and Environmental Protection Department of the Company from June 2021 to March 2022 and the general manager of the Company's Lu County Branch from March to December 2022.

自2020年2月至2021年6月擔任本公司安全及環保部經理。彼自2021年6月起至2022年12月擔任合江水業公司總經理，並於2021年12月起至2022年12月擔任合江水業公司董事長。

羅先生於1998年6月畢業於湖南大學，主修化學分析專業。羅先生於2013年1月獲四川省職稱改革工作領導小組認證為註冊化學分析高級工程師。

**唐南友先生**，48歲，於報告期內擔任本公司職工代表監事。彼同時擔任龍馬潭供水分公司總經理。

唐先生擁有逾24年生產管理經驗。彼自1998年7月至2001年2月擔任火炬化工廠啤酒二分廠任職釀造部糖化、發酵操作人員。彼自2001年2月至2013年8月歷任青島啤酒(瀘州)有限公司技術員、釀造部部長助理、釀造部部長、品管部部長。彼自2013年8月至2014年1月任本公司生產安全部部長助理，自2014年1月至2017年10月擔任本公司生產安全部副部長兼水質監測站站長。自2017年10月至2020年2月任納溪水業副經理，自2020年3月至2021年5月擔任本公司江陽區供水分公司總經理。自2021年6月至2022年3月擔任本公司安全環保部經理，自2022年3月起至12月擔任本公司瀘縣分公司總經理。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

Mr. Tang graduated from Sichuan University of Science & Engineering in July 1998, majoring in fermentation. He got certified as (Level II) winemaker in May 2001.

**Mr. Gu Ming'an (辜明安先生)**, aged 57, was an external Supervisor of the Company during the Reporting Period. He concurrently acted as a professor in Southwestern University of Finance and Economics\* (西南財經大學). Mr. Gu has also served as independent non-executive director of Chengdu Hi-Tech Development Co., Ltd.\* (成都高新發展股份有限公司) (stock code: 000628) since August 2015. He currently also serves as an independent non-executive director of Luzhou Bank Co., Ltd. (瀘州市銀行股份有限公司) (stock code: 1983). He has been serving as an independent non-executive director of Sunway Co., Ltd. (尚緯股份有限公司) (stock code: 603333) since December 2020, and an independent supervisor of Sichuan Wangcang Rural Commercial Bank Co., Ltd. (四川旺倉農村商業銀行股份有限公司) since December 2020.

Mr. Gu has 33 years of experience in teaching and research. Mr. Gu worked in Chengguang Chemical Research Institute of Chemical Industry Ministry\* (化工部成光化工研究院) from July 1989 to July 1993, and then he worked at Sichuan Institute of Chemical Industry\* (四川輕化工學院) (currently known as Sichuan University of Science and Engineering\* (四川理工學院)) from July 1993 to July 1999. Mr. Gu started to serve positions in Southwestern University of Finance and Economics\* (西南財經大學) from July 1999, and was engaged as an associate professor and a professor in 2002 and 2008, respectively. He also served as an independent non-executive director of Sichuan Renzhi Oilfield Technology Services Co., Ltd. (四川仁智油田技術服務股份有限公司) (currently known as Zhejiang Renzhi Co., Ltd., stock code: 002629) from August 2014 to September 2016. He

唐先生於1998年7月畢業於四川輕化工學院，主修發酵專業。本人於2001年5月取得釀酒師(二級)證書。

**辜明安先生**，57歲，於報告期內擔任本公司外部監事。彼同時於西南財經大學兼任教授，亦自2015年8月起於成都高新發展股份有限公司(股份代號：000628)擔任獨立非執行董事。彼現時擔任瀘州市銀行股份有限公司(股份代號：1983.HK)的獨立非執行董事。彼自2020年12月起擔任尚緯股份有限公司(股份代號：603333)獨立非執行董事，並自2020年12月起擔任四川旺倉農村商業銀行股份有限公司的獨立監事。

辜先生擁有33年的教學和研究經驗。辜先生自1989年7月至1993年7月於化工部成光化工研究院工作，其後自1993年7月至1999年7月於四川輕化工學院(現稱四川理工學院)工作。辜先生自1999年7月起於西南財經大學工作，並於2002年及2008年分別擔任副教授及教授。彼亦自2014年8月至2016年9月擔任四川仁智油田技術服務股份有限公司(現稱浙江仁智股份有限公司，股份代號：



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

served as an independent non-executive director of Sichuan Troy Information Technology Co., Ltd. (四川創意技術信息股份有限公司) (currently known as Troy Information Technology Co., Ltd., stock code: 300366) from December 2015 to January 2022.

Mr. Gu graduated from Southwest China Normal University\* (西南師範大學) in Chongqing, the PRC, with a bachelor's degree majoring in law in July 1989, and graduated from Southwestern University of Political Science and Law\* (西南政法大學) in Chongqing, the PRC, with a master's degree majoring in law in July 1999. Then Mr. Gu graduated from Southwestern University of Finance and Economics\* (西南財經大學) in Chengdu, the PRC, with a doctor's degree in 2008.

**Mr. Xiong Hua (熊華先生)**, aged 39, served as an external Supervisor of the Company during the Reporting Period. Mr. Xiong concurrently has served as the director of Sichuan Changxin Accounting Firm Co., Ltd.\* (四川長信會計師事務所有限公司) since January 2008.

Mr. Xiong has 14 years of experience of accounting. He served as a cashier and an accountant in finance department of Luzhou Huitong Department Store Co., Ltd.\* (瀘州匯通百貨股份有限公司) from April 2007 to January 2008.

Mr. Xiong graduated from Sichuan Management College\* (四川管理職業學院) in Chengdu, the PRC, majoring in accounting computerisation in December 2005, and graduated from Xichang University (西昌學院), majoring in engineering management in June 2016. Mr. Xiong obtained the certificate of certified public accountant granted by the MoF in October 2008, the qualification of semi-senior accountant granted by Personnel Department of Sichuan Province\* (四川省人事廳) in October 2009, the qualification of registered tax agent granted by Sichuan Provincial Human Resources and Social Security Department\* (四川省人力資源和社會保障廳) in October 2011, and the certificate of certified public valuer granted by the MoF in December 2011.

002629)的獨立非執行董事。彼自2015年12月至2022年1月擔任四川創意技術信息股份有限公司(現稱創意信息技術股份有限公司, 股份代號: 300366)獨立非執行董事。

辜先生於1989年7月畢業於中國重慶市西南師範大學, 獲得法學學士學位, 並於1999年7月畢業於中國重慶市西南政法大學, 獲得法律碩士學位。辜先生其後於2008年畢業於中國成都市西南財經大學, 獲得博士學位。

**熊華先生**, 39歲, 於報告期內擔任本公司外部監事。熊先生同時自2008年1月於四川長信會計師事務所有限公司擔任所長。

熊先生擁有逾14年會計經驗。彼自2007年4月至2008年1月於瀘州匯通百貨股份有限公司財務部擔任出納及會計師。

熊先生於2005年12月畢業於中國成都市四川管理職業學院, 主修會計電算化, 並於2016年6月畢業於西昌學院, 主修工程管理。熊先生於2008年10月獲財政部授予註冊會計師證書, 於2009年10月獲四川省人事廳授予中級會計師資格, 於2011年10月取得四川省人力資源和社會保障廳授予的註冊稅務師資格, 並於2011年12月獲財政部授予註冊資產評估師證書。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

#### 6.1.5 Secretary of the Board

**Mr. Chen Yongzhong (陳永忠先生)**, aged 49, joined the Group in December 2012 and serves as our secretary to the Board and company secretary, as well as a director of Xinglu Wastewater Treatment. Mr. Chen is primarily responsible for assisting the chairman of the Board to deal with daily operations of the Board and legal auditing.

Mr. Chen has over 25 years of experience in accounting and financing. Before joining the Group, Mr. Chen served in teaching position in Luzhou Finance and Economic School\* (瀘州市財經學校) from August 1997 to May 2009. Mr. Chen served as a deputy manager of financial department of Xinglu Investment from August 2009 to December 2014. Mr. Chen subsequently joined the Group and served as the chief financial officer of the Company from December 2012 to December 2017. He also served as the chief financial officer of Xinglu Wastewater Treatment from August 2012 to September 2016 and the chairman of Weiyuan Qingxi Water and Weiyuan Installation Company from September 2018 to October 2019.

Mr. Chen graduated from Chengdu Meteorological Institute\* (成都氣象學院) in Chengdu, the PRC, with a bachelor's degree majoring in accounting in June 1997. Mr. Chen was accredited as a midlevel accountant by MoF in May 2002, has passed the All Required Subjects of The National Uniform CPA Examination of the PRC in December 2007, obtained the qualification for registered tax agent granted by Sichuan Province Professional Title Reforming Leading Group\* (四川省職稱改革工作領導小組) in September 2009 and was registered as a member of Chartered Accountant Association of Sichuan Province\* (四川省註冊稅務師協會) in November 2011, and accredited as senior accountant by Human Resources and Social Security of Sichuan Province\* (四川省人力資源和社會保障廳) in June 2012, successively. Mr. Chen obtained the qualification as senior international finance manager granted by International Financial Management Association in February 2013.

#### 6.1.5 董事會秘書

**陳永忠先生**，49歲，於2012年12月加入本集團，現擔任本公司董事會秘書及公司秘書及興瀘污水處理董事。彼主要協助本公司董事長處理董事會日常運營事務，並負責法律審計工作。

陳先生擁有逾25年會計與財務經驗。加入本集團前，陳先生曾於1997年8月至2009年5月在瀘州市財經學校任教；於2009年8月至2014年12月，擔任興瀘投資財務部副經理。隨後，陳先生加入本集團，並於2012年12月至2017年12月擔任本公司財務總監。彼亦自2012年8月至2016年9月兼任興瀘污水處理財務總監。自2018年9月至2019年10月兼任威遠清溪水務、威遠安裝公司董事長。

陳先生於1997年6月畢業於中國成都市成都氣象學院，取得會計專業學士學位，並先後於2002年5月獲財政部認可為中級會計師，並於2007年12月通過中國註冊會計師全國統一考試所有必修科目，於2009年9月獲四川省職稱改革工作領導小組授予註冊稅務師資格，於2011年11月獲四川省註冊稅務師協會授予註冊會員，於2012年6月獲四川省人力資源和社會保障廳認可為高級會計師。陳先生於2013年2月獲國際財務管理協會授予高級國際財務管理師資格。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

#### 6.1.6 Senior Management

**Mr. Liao Xingyue (廖星樾先生)**, aged 41, joined the Group as general manager in December 2015. For more details, please refer to “Mr. Liao Xingyue, Executive Director” in this chapter.

**Mr. Xiao Tao (肖陶先生)**, aged 39, currently serves as the deputy general manager of the Company, responsible for safety and environmental protection, production technology management and network security and assisting the general manager in external investment.

Mr. Xiao served as officer of the urban management and supervision team of Luzhou City from July 2004 to July 2007. He worked as assistant director of the Urban Management Bureau of Naxi District, Luzhou City (瀘州市納溪區城管局) for on-the-job training from August 2006 to July 2007, and then served as deputy director of the Office of Personnel Bureau of Jiangyang District, Luzhou City (瀘州市江陽區人事局辦公室) from July 2007 to June 2008. From June 2008 to November 2009, he served as a member of the Party Working Committee and head of the Armed Forces Department of Qiancao Street Office in Jiangyang District, Luzhou (瀘州市江陽區茜草街道辦事處黨工委), and deputy secretary of the Communist Youth League, Jiangyang District, Luzhou (共青團瀘州市江陽區委副書記) (in charge of relevant work) from November 2009 to November 2010. From November 2010 to November 2012, he served as secretary of the Communist Youth League, Jiangyang District, Luzhou; and deputy secretary of the party work committee and director of the Office of Linyu Street, Jiangyang District, Luzhou (瀘州市江陽區鄰玉街道黨工委) from November 2012 to May 2016. From May 2016 to March 2017, he served as secretary of the Party Committee and director of Judicial Bureau of Jiangyang District, Luzhou City (瀘州市江陽區司法局). He served as secretary of the Party Working Committee of Zhangba Street Office, Jiangyang

#### 6.1.6 高級管理人員

**廖星樾先生**，41歲，於2015年12月加入本集團擔任總經理，相關詳情參見本章「執行董事之廖星樾先生」。

**肖陶先生**，39歲，現擔任本公司副總經理，負責安全環保、生產技術管理及網絡安全工作，並協助總經理開展對外投資工作。

肖先生自2004年7月至2007年7月擔任瀘州市城市管理監察支隊工作科員，期間自2006年8月至2007年7月在瀘州市納溪區城管局掛職鍛煉任局長助理；隨後自2007年7月至2008年6月擔任瀘州市江陽區人事局辦公室副主任，自2008年6月至2009年11月擔任瀘州市江陽區茜草街道辦事處黨工委委員、武裝部部長，自2009年11月至2010年11月擔任共青團瀘州市江陽區委副書記(主持工作)，自2010年11月至2012年11月擔任共青團瀘州市江陽區委書記，自2012年11月至2016年5月擔任瀘州市江陽區鄰玉街道黨工委副書記及辦事處主任，自2016年5月至2017年3月擔任瀘州市江陽區司法局黨組書記及局長，自2017年3月至2018年1月



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

District, Luzhou City from March 2017 to January 2018 and head of the Party Affairs Department of Xinglu Investment from January 2018 to September 2020.

Mr. Xiao graduated from Sichuan Police College (四川警察學院) in July 2004, majoring in traffic road management, and obtained a master's degree in agricultural promotion from Sichuan Agricultural University (四川農業大學) in 2016.

**Mr. Yang Xudong (楊旭東先生)**, aged 54, has been the deputy general manager of the Company since January 2023, who is responsible for project construction management.

Mr. Yang worked as a staff member at the Luzhou Changjiang Crane Factory School in Sichuan from July 1990 to July 1994, the Bureau of Agriculture and Animal Husbandry of Luzhou from July 1994 to July 2001, construction bureau of Luzhou from July 2001 to January 2003, and Xinglu Investment from January 2003 to November 2008, respectively. He was deputy manager of the engineering department of Xinglu Investment from November 2008 to August 2012, and concurrently deputy general manager of Luzhou Xinglu Jutai Real Estate Co., Ltd. ("**Xinglu Jutai**") from December 2011 to August 2012. He served as deputy manager of the assets department of Xinglu Investment cum deputy general manager of Xinglu Jutai from August 2012 to April 2014, deputy general manager of Xinglu Jutai from April 2014 to December 2014, manager of the engineering department of Xinglu Investment cum deputy general manager of Xinglu Jutai from December 2014 to July 2015, deputy general manager of Xinglu Jutai from July 2015 to April 2021, as well as manager of the engineering department of Xinglu Investment from April 2021 to December 2022.

Mr. Yang graduated from Sichuan Agricultural University majoring in Agronomy in June 2000.

擔任瀘州市江陽區張壩街道辦事處黨工委書記；自2018年1月至2020年9月擔任興瀘投資黨務部部長。

肖先生於2004年7月畢業於四川警察學院交通道路管理專業，並於2016年獲得四川農業大學農業推廣專業碩士學位。

**楊旭東先生**，54歲，自2023年1月起擔任本公司副總經理，負責工程建設管理工作。

楊先生自1990年7月起至1994年7月在四川瀘州長江起重機廠子弟校擔任職員；自1994年7月起至2001年7月在瀘州市農牧局擔任職員；自2001年7月起至2003年1月在瀘州市級處建設擔任職員；自2003年1月起至2008年11月在興瀘投資擔任職員；自2008年11月起至2012年8月擔任興瀘投資工程部副經理(其間自2011年12月起至2012年8月兼任瀘州市興瀘居泰房地產有限公司(「興瀘居泰」)副總經理)；自2012年8月起至2014年4月擔任興瀘投資資產部副經理並兼任興瀘居泰副總經理；自2014年4月起至2014年12月擔任興瀘居泰副總經理；自2014年12月起至2015年7月擔任興瀘投資工程部經理並兼任興瀘居泰副總經理；自2015年7月起至2021年4月擔任興瀘居泰副總經理；自2021年4月起至2022年12月擔任興瀘投資工程部經理。

楊先生於2000年6月畢業於四川農業大學農學專業。



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

**Mr. Chen Xuejie (陳學傑先生)**, aged 58, has served as deputy general manager of the Company since August 2017 and was responsible for marketing services, general affairs and quality system work.

Mr. Chen served as several positions such as reporter and editor of Luzhou Radio Station\* (瀘州廣播電台) from March 1986 to January 1995, successively as reporter, editor, director, deputy editor-in-chief, editor-in-chief, president and secretary of Luzhou Radio and TV News\* (瀘州廣播電視報社) from January 1995 to September 2008. Then he served as general manager assistant and manager of the safety management department of Luzhou Guohua Asset Management Co., Ltd.\* (瀘州市國華資產經營管理有限公司), and served as deputy general manager from July 2009 to August 2013. Mr. Chen served as executive director, general manager and other positions of Luzhou Hongyang Guangsha Real Estate Development Co., Ltd.\* (瀘州市鴻陽廣廈房地產開發有限公司) (renamed as “Luzhou Industrial Investment Huarui Real Estate Development Co., Ltd.”) from August 2013 to April 2016, as executive director and general manager of Chengdu Luzhou Hotel Co., Ltd.\* (成都瀘川酒店有限責任公司) from October 2014 to August 2017, as executive director and general manager of Luzhou State-owned Assets Management Co., Ltd. from April 2016 to August 2017 and as executive director and general manager of Luzhou Industrial Investment International Tendering Co., Ltd.\* (瀘州工投國際招標有限責任公司) from May 2017 to August 2017.

Mr. Chen graduated from the Department of Economics and Management of the Central Party School of the Communist Party of China in December 1998, and was qualified as intermediate news editor by the leading group for professional title reform of Luzhou\* (瀘州市職稱改革工作領導小組) in April 1999.

**Mr. Ouyang Peng (歐陽鵬先生)**, aged 48, joined the Group in September 2013 and serves as the chief financial officer of the Company since November 2017, mainly responsible for financial management and material supply management of the Company. He also concurrently serves as a supervisor of Luzhou Xingxin Water Environmental Governance Co., Ltd.

**陳學傑先生**，58歲，自2017年8月起擔任本公司副總經理，負責營銷服務、綜合事務、質量體系工作。

陳先生自1986年3月至1995年1月於瀘州廣播電台擔任記者、編輯等職務；自1995年1月至2008年9月在瀘州廣播電視報社工作，歷任記者、編輯、主任、副總編輯、總編輯、社長、書記等職務；其後，陳先生擔任瀘州市國華資產經營管理有限公司總經理助理兼安全管理部經理、自2009年7月至2013年8月擔任副總經理。自2013年8月至2016年4月擔任瀘州市鴻陽廣廈房地產開發有限公司(後更名為瀘州工投華瑞房地產開發有限公司)執行董事、總經理等職務，其間自2014年10月至2017年8月兼任成都瀘川酒店有限責任公司執行董事、總經理；自2016年4月至2017年8月擔任瀘州國有資產經營有限公司執行董事、總經理，其間自2017年5月至2017年8月兼任瀘州工投國際招標有限責任公司執行董事、總經理。

陳先生於1998年12月畢業於中共中央黨校本科班經濟管理專業，並於1999年4月獲瀘州市職稱改革工作領導小組認可為中級新聞編輯資格。

**歐陽鵬先生**，48歲，於2013年9月加入本公司，自2017年11月起擔任本公司財務總監，主要負責本公司財務管理、物資供應管理工作。彼同時兼任瀘州市興新水環境治理有限公司監事。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

Before joining the Group, Mr. Ouyang worked in the integrated management section of the finance department of Lutianhua Group Inc.\* (瀘天化(集團)有限責任公司) from July 1998 to February 2002. Then he served as deputy chief of the finance section of Lutianhua Huajian Company\* (瀘天化化建公司) from February 2002 to January 2007, as deputy director of the finance department of Sichuan Lutianhua Hongxu Engineering Construction Co., Ltd.\* (四川瀘天化弘旭工程建設有限公司) from February 2007 to September 2013 (during this period, he served as director of the finance department of Sichuan Lutianhua Jingzheng Technology Detection Co., Ltd.\* (四川瀘天化精正技術檢測有限公司) from April 2009 to March 2012 concurrently and as deputy director of the finance department of Sichuan Chemical Holdings (Group) Chengdu Engineering Branch\* (四川化工控股(集團)成都工程分公司) from February 2012 to August 2013). Thereafter, he served as assistant director of the finance department of Luzhou Xinglu Water Co., Ltd. from November 2013 to March 2014, as deputy director of the finance department of Luzhou Xinglu Water Co., Ltd. from March 2014 to July 2016. From July 2016 to February 2023, he concurrently served as finance manager. He also served as the chief of the finance section of Sitong Engineering from September 2013 to December 2017 and as deputy general manager of Sitong Engineering from April 2014 to January 2018 concurrently. He served as chairman of Sitong Engineering from February 2018 to January 2019. He served as executive director of Sitong Engineering from 30 January 2019 to June 2022. He served as executive director of Naxi Water since from February 2019 to April 2022.

Mr. Ouyang graduated from Sichuan Union University (now Sichuan University), majoring in economics in July 1998. He was qualified as senior accountant by Sichuan Provincial Human Resources and Social Security Department\* (四川省人力資源和社會保障廳) in June 2011.

加入本集團前，歐陽先生曾於1998年7月至2002年2月在瀘天化(集團)有限責任公司財務部綜合管理科工作；其後自2002年2月至2007年1月擔任瀘天化化建公司財務科副科長；自2007年2月至2013年9月擔任四川瀘天化弘旭工程建設有限公司財務部副部長(其間，自2009年4月至2012年3月兼任四川瀘天化精正技術檢測有限公司財務部部長；自2012年2月至2013年8月兼任四川化工控股(集團)成都工程分公司財務部副部長)。其後，彼自2013年11月至2014年3月擔任興瀘水務有限公司財務部部長助理，自2014年3月至2016年7月，擔任興瀘水務有限公司財務部副部長，2016年7月至2023年2月兼任財務部經理。自2013年9月至2017年12月擔任四通工程財務科科長，自2014年4月至2018年1月兼任四通工程副經理。2018年2月至2019年1月擔任四通工程董事長。2019年1月30日起至2022年6月擔任四通工程執行董事。2019年2月起至2022年4月擔任納溪水業執行董事。

歐陽先生於1998年7月畢業於四川聯合大學(現四川大學)，主修經濟學，並於2011年6月獲四川省人力資源和社會保障廳授予高級會計師資格。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

#### 6.1.7 Company Secretary

**Mr. Chen Yongzhong (陳永忠先生)**, aged 49, has served as the company secretary since August 2016. He concurrently served as the secretary to the Board. For his biographical details, please refer to “Secretary of the Board” in this section.

#### 6.2.1 Changes in Directors

On 4 March 2022, as approved at the first extraordinary general meeting of 2022, Mr. Zhang Qi and Mr. Liao Xingyue were re-elected as executive Directors of the second session of the Board, Mr. Chen Bing was re-elected as a non-executive Director of the second session of the Board, Mr. Yu Long and Ms. Hu Fenfen were appointed as non-executive Directors of the second session of the Board, and Ms. Ma Hua, Mr. Fu Ji and Mr. Liang Youguo were appointed as independent non-executive Directors of the second session of the Board. On the same day, as considered by the employee representative congress of the Company, Ms. Huang Mei was appointed an employee representative Director and an executive Director of the second session of the Board. Their respective terms of office will commence on 4 March 2022 and expire at the end of the second session of the Board.

Since 4 March 2022, with the exception of Mr. Zhang Qi, Mr. Liao Xingyue and Mr. Chen Bing, who were re-elected as Directors of the second session of the Board, the other Directors of the first session of the Board will no longer serve as Directors, of which, Ms. Xu Yan and Mr. Xie Xin will cease to be non-executive directors and Mr. Gu Ming'an, Mr. Lin Bing and Mr. Cheng Hok Kai, Frederick will cease to be independent non-executive directors.

#### 6.1.7 公司秘書

**陳永忠先生**，49歲，自2016年8月起擔任本公司的公司秘書，彼兼任董事會秘書。就其簡歷詳情，請參閱本章「董事會秘書」。

#### 6.2.1 董事變動情況

2022年3月4日，經2022年首次臨時股東大會批准，重選張歧先生及廖星樾先生為第二屆董事會執行董事、陳兵先生為第二屆董事會非執行董事，委任喻龍先生及胡芬芬女士為第二屆董事會非執行董事，以及委任馬樺女士、傅驥先生及梁有國先生為第二屆董事會獨立非執行董事。同日，黃梅女士經本公司職工代表大會審議並委任為第二屆董事會職工代表董事並擔任執行董事。其各自的任期自2022年3月4日起至第二屆董事會任期屆滿為止。

自2022年3月4日起，除張歧先生、廖星樾先生及陳兵先生獲重選為第二屆董事會董事外，其餘第一屆董事會董事不再擔任董事職務。其中徐燕女士及謝欣先生不再擔任非執行董事，辜明安先生、林兵先生及鄭學啟先生不再擔任獨立非執行董事。

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

As approved at the first meeting of the second session of the Board, Mr. Zhang Qi, an executive Director, was appointed as the Chairman of the second session of the Board for a term commencing from 4 March 2022 until the expiry of the second session of the Board.

#### 6.2.2 Changes in Supervisors

On 4 March 2022, as approved at the first extraordinary general meeting of 2022, Mr. Yang Zhenqiu and Mr. Lai Bingyou were appointed as shareholder representative Supervisors of the second session of the Supervisory Committee, Mr. Xiong Hua was re-elected as an external Supervisor of the second session of the Supervisory Committee, and Mr. Gu Ming'an was appointed as an external Supervisor of the second session of the Supervisory Committee. On the same day, as considered by the employee representative congress of the Company, Ms. Xiang Min was re-elected as an employee representative Supervisor of the second session of the Supervisory Committee, Mr. Luo Chaoping and Mr. Tang Nanyou were appointed as employee representative Supervisors of the second session of the Supervisory Committee. Their respective terms of office will commence on 4 March 2022 and expire at the end of the second session of the Supervisory Committee.

Since 4 March 2022, with the exception of Ms. Xiang Min and Mr. Xiong Hua, who were re-elected as Supervisors of the second session of the Supervisory Committee, the other Supervisors of the first session of the Supervisory Committee will no longer serve as Supervisors. Ms. Qu Mei and Mr. Xu Ke will cease to be shareholder representative Supervisors, Ms. Huang Mei and Mr. Zhu Yuchuan will cease to be employee representative Supervisors, and Mr. Xuan Ming will cease to be external Supervisor.

經第二屆董事會第一次會議審議通過，執行董事張歧先生獲委任為第二屆董事長，其任期自2022年3月4日起至第二屆董事會任期屆滿為止。

#### 6.2.2 監事變動情況

2022年3月4日，經2022年首次臨時股東大會審議批准，委任楊震球先生及賴柄有先生為第二屆監事會股東代表監事，重選熊華先生為第二屆監事會外部監事，以及委任辜明安先生為第二屆監事會外部監事。同日，向敏女士經本公司職工代表大會審議並重選為第二屆監事會職工代表監事、羅超平先生及唐南友先生獲委任為第二屆監事會職工代表監事。其各自的任期自2022年3月4日起至第二屆監事會任期屆滿為止。

自2022年3月4日起，除向敏女士及熊華先生獲重選為第二屆監事會監事外，其餘第一屆監事會監事不再擔任監事職務。其中屈梅女士及徐可先生不再擔任股東代表監事、黃梅女士及朱玉川先生不再擔任職工代表監事以及宣明先生不再擔任外部監事。



## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

#### 6.2.3 Changes in Senior Management

On 18 January 2023, Mr. Yang Xudong was appointed as the deputy general manager of the Company, as approved at the ninth meeting of the second session of the Board of Directors.

#### 6.2.3 高級管理人員變動情況

2023年1月18日經第二屆董事會第九次會議審議通過，楊旭東先生獲聘任為公司副總經理。

#### 6.2.4 Basic Information on Directors, Supervisors and Senior Management

As of the date of this report, the basic information on the Directors, Supervisors and senior management of the Company are as follows:

#### 6.2.4 董事、監事及高級管理人員基本情況

截至本報告日期，本公司董事、監事及高級管理人員基本情況如下：

| Name<br>姓名          | Gender<br>性別 | Age<br>年齡 | Position<br>職務   |
|---------------------|--------------|-----------|--|
| Zhang Qi<br>張歧      | Male<br>男    | 49        | Executive Director and chairman of the Board<br>執行董事兼董事長   |
| Liao Xingyue<br>廖星樾 | Male<br>男    | 41        | Executive Director and general manager<br>執行董事兼總經理   |
| Huang Mei<br>黃梅     | Female<br>女  | 54        | Executive Director (employee representative<br>Director)<br>執行董事(職工代表董事)                               |
| Yu Long<br>喻龍       | Male<br>男    | 45        | Non-executive Director<br>非執行董事  |
| Chen Bing<br>陳兵     | Male<br>男    | 52        | Non-executive Director<br>非執行董事  |
| Hu Fenfen<br>胡芬芬    | Female<br>女  | 37        | Non-executive Director<br>非執行董事  |
| Ma Hua<br>馬樺        | Female<br>女  | 51        | Independent non-executive Director<br>獨立非執行董事  |
| Fu Ji<br>傅驥         | Male<br>男    | 56        | Independent non-executive Director<br>獨立非執行董事  |
| Liang Youguo<br>梁有國 | Male<br>男    | 61        | Independent non-executive Director<br>獨立非執行董事  |
| Yang Zhenqiu<br>楊震球 | Male<br>男    | 47        | Shareholder representative Supervisor and the<br>chairman of the Supervisory Committee<br>股東代表監事兼監事會主席 |
| Lai Bingyou<br>賴柄有  | Male<br>男    | 31        | Shareholder representative Supervisor<br>股東代表監事  |

## Chapter VI Directors, Supervisors and Senior Management (Continued)

### 第六章 董事、監事及高級管理層(續)

| Name<br>姓名            | Gender<br>性別 | Age<br>年齡 | Position<br>職務   |
|-----------------------|--------------|-----------|--|
| Xiang Min<br>向敏       | Female<br>女  | 51        | Employee representative Supervisor<br>職工代表監事               |
| Luo Chaoping<br>羅超平   | Male<br>男    | 48        | Employee representative Supervisor<br>職工代表監事               |
| Tang Nanyou<br>唐南友    | Male<br>男    | 48        | Employee representative Supervisor<br>職工代表監事               |
| Gu Ming'an<br>辜明安     | Male<br>男    | 56        | External Supervisor<br>外部監事                                |
| Xiong Hua<br>熊華       | Male<br>男    | 39        | External Supervisor<br>外部監事                                |
| Chen Yongzhong<br>陳永忠 | Male<br>男    | 49        | Secretary to the Board and company secretary<br>董事會秘書兼公司秘書 |
| Xiao Tao<br>肖陶        | Male<br>男    | 39        | Deputy general manager<br>副總經理                             |
| Yang Xudong<br>楊旭東    | Male<br>男    | 55        | Deputy general manager<br>副總經理                             |
| Chen Xuejie<br>陳學傑    | Male<br>男    | 58        | Deputy general manager<br>副總經理                             |
| Ouyang Peng<br>歐陽鵬    | Male<br>男    | 48        | Chief financial officer<br>財務總監                            |

# Chapter VII Directors' Report

## 第七章 董事會報告

### 7.1 PRINCIPAL BUSINESSES

The Group is an integrated operator primarily engaged in municipal water supply and wastewater treatment service. As at the end of the Reporting Period, the Group is a tap water supplier serving three districts and three counties of Luzhou, Weiyuan District of Neijiang and Leibo County and some townships of Liangshanzhou. It is also the only county-level domestic wastewater treatment service provider based in Luzhou serving cities and towns in three districts and four counties of the region, with domestic wastewater treatment services operating in Shizhong District of Leshan, European Industrial City in Qingbaijiang District, Chengdu, the industrial cluster of Dechang County in Liangshan Yi Autonomous Prefecture, and Litang County in Ganzi Tibetan Autonomous Prefecture. We have secured from the relevant governments the exclusive concession rights to operate tap water supply service and wastewater treatment services covering the above areas.

### 7.2 RESULTS

The audited results of the Group during the Reporting Period are set out in consolidated income statement. The financial position of the Group at the end of the Reporting Period is set out in the consolidated balance sheet. The consolidated cash flows of the Group during the Reporting Period are set out in the consolidated statement of cash flows.

### 7.1 主要業務

本集團是一家主要從事市政供水及污水處理服務的綜合運營商。於報告期末，本集團為瀘州市三區三縣、內江市威遠地區、涼山州雷波縣縣城及部分鄉鎮的自來水供應商，是瀘州地區縣級唯一的城市和三區四縣鄉鎮生活污水處理服務供應商，並運營了樂山市市中區、成都市青白江區歐洲產業城、涼山州德昌縣工業集中區及甘孜州理塘縣的生活污水處理服務。我們已從有關政府部門獲授權在以上區域的獨家特許經營自來水供應服務及污水處理服務。

### 7.2 業績

本集團報告期間的經審計經營業績載於合併利潤表。本集團於報告期末的財務狀況載於合併資產負債表。本集團報告期間的合併現金流量載於合併現金流量表。

### 7.3 DIVIDEND POLICY AND FINAL DIVIDENDS

The Board approved and adopted the following dividend policy. The dividend policy is targeted at providing a stable and sustainable return to the Shareholders and the Company will consider the following factors, among others, when deciding whether to recommend the payment of dividends and in determining the amount of dividends:

1. the operation conditions of the Group and market environment;
2. the general financial position of the Group;
3. the actual and future operation and liquidity status of the Group;
4. the profit after tax and distributable profits of the Company and the Group;
5. the development plan and expected working capital requirements of the Group;
6. the expectations of the Shareholders and investors of the Company and the industry practice;
7. the continuity and stability of the dividend distribution policy; and
8. any other factors that the Board considers appropriate.

### 7.3 股息政策及末期股息

董事會已批准及採納以下股息政策。股息政策以提供穩定及可持續回報予股東為目標，本公司在決定是否建議派發股息及在釐定股息金額時，將考慮以下因素(其中包括)：

1. 本集團的經營情況和市場環境；
2. 本集團的一般財務狀況；
3. 本集團實際和未來營運及流動資金狀況；
4. 本公司及本集團的稅後利潤及可供分配利潤；
5. 本集團發展計劃及預期營運資金需求；
6. 股東及本公司投資者的期望及行業的常規；
7. 股息分配政策的連續性和穩定性；及
8. 董事會認為適當的任何其他因素。



## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

The payment of the dividend by the Company is also subject to the Company Law of the People's Republic of China (the "**Company Law**"), the Listing Rules, the articles of association of the Company and any restrictions under any other applicable laws, rules and regulations. The Company shall seek opinions of the Shareholders, in particular, the minority Shareholders, and independent non-executive directors as sufficiently as possible, prioritise a reasonable return to the investors while giving full consideration to the sustainable development of the Company. The Board will review and examine the Dividend Policy as appropriate from time to time and there can be no assurance that a dividend will be proposed or declared in any specific periods.

The Board proposed to distribute final dividends of RMB0.05 per Share (tax inclusive) for the year ended 31 December 2022 (2021: RMB0.05 per Share (tax inclusive)) to Shareholders whose names appeared on the register of members of the Company on Tuesday, 11 July 2023 (the "**Record Date**") (subject to the approval of Shareholders on the AGM to be held on Friday, 9 June 2023), with the total amount being approximately RMB42.99 million. Once approved, the final dividends will be paid on or before Friday, 28 July 2023.

Such proposed dividends will be dominated in RMB. Dividends for domestic shares will be paid in RMB, while dividend for H shares will be paid in Hong Kong dollars. The relevant exchange rate for conversion shall be calculated by the average central parity rate of the relevant foreign exchange posted by China Foreign Exchange Trading Centre for one calendar week immediately preceding the date of declaration of such dividend at the AGM.

During the Reporting Period, the Company is not aware of any shareholders who have waived or agreed to waive any dividend arrangements.

本公司宣派股息亦須遵守《中華人民共和國公司法》(「《**公司法**》」)、上市規則、公司章程及任何其他適用法律、規則及規例下的任何限制，並充分聽取並考慮股東特別是中小股東和獨立非執行董事的意見，重視投資者的合理回報，並兼顧本公司的可持續發展。董事會將不時對股息政策作出審閱及檢討，且不能保證將在任何既定期間建議或宣派股息。

董事會建議派發截至2022年12月31日止年度之末期股息為每股人民幣0.05元(含稅)(2021年：每股人民幣0.05元(含稅))予於2023年7月11日(星期二)(「**記錄日**」)名列本公司股東名冊的股東(唯須待股東於2023年6月9日(星期五)舉行的股東週年大會上批准)，總金額約人民幣42.99百萬元。經批准後，末期股息預期將於2023年7月28日(星期五)或之前派發。

該等建議股息將以人民幣計值。內資股股息將以人民幣派付，而H股股息將以港元派付。相關兌換匯率應採用股東週年大會上宣派該股息當日之前一個公曆星期中國外匯交易中心公佈的有關外匯中間價的平均值。

報告期內，本公司並不知悉任何股東已放棄或同意放棄任何股息安排。

## 7.4 TAX RELIEF

Under the relevant tax rules and regulations of the PRC (collectively, the “**PRC Tax Law**”), the Company is required to withhold and pay enterprise income tax at the rate of 10% when distributing final dividends to non-resident enterprises (such term shall have the meaning as defined under the PRC Tax Law) whose names appear on the H Shares register of members of the Company.

In accordance with the PRC Tax Law, the Company is also required to withhold and pay individual income tax when distributing final dividends to individual Shareholders whose names appeared on the H Shares register of members of the Company on behalf of them. The Company will determine the country of domicile of the individual H Shareholders based on the registered addresses as recorded in the H Shares register of members of the Company on the Record Date with details as follows:

For individual H shareholders who are Hong Kong and Macau residents and those whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of them.

For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of them. If such individual H Shareholders would like to apply for a refund of the additional amount of tax withheld and paid, the Company would make applications on their behalf to seek entitlement of the relevant agreed preferential treatments pursuant to the tax treaties.

## 7.4 稅項減免

根據中國相關稅務規則及法規（統稱「**中國稅法**」），本公司向名列本公司H股股東名冊的非居民企業（按中國稅法的涵義）派發末期股息，須代扣代繳10%的企業所得稅。

遵照中國稅法，本公司向名列本公司H股股東名冊的個人股東派發末期股息，須代扣代繳個人所得稅。本公司將根據記錄日本公司H股股東名冊所記錄登記地址，確定個人H股股東的居住國，詳情如下：

對於身為香港、澳門地區居民及居住國已和中國訂立稅務協議規定股息稅率為10%的個人H股股東，本公司將按10%稅率代扣代繳個人所得稅。

對於居住國已和中國訂立稅務協議規定股息稅率低於10%的個人H股股東，本公司將按10%稅率代扣代繳個人所得稅。如相關H股股東欲申請退還多繳的稅款，本公司可根據稅收協議代為提出享有稅收協議待遇的申請。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of higher than 10% but lower than 20%, the Company will withhold and pay the individual income tax at the agreed-upon effective tax rate on behalf of them.

For individual H Shareholders who are residents of those countries without any tax treaties with the PRC or having tax treaties with the PRC stipulating a dividend tax rate of 20% or more and other situations, the Company will withhold and pay the individual income tax at a tax rate of 20% on behalf of them.

Should H Shareholders have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax implications in Mainland China, Hong Kong and other countries (regions) on the possession and disposal of the H Shares of the Company.

對於居住國已和中國訂立稅務協議規定股息稅率高於10%但低於20%的個人H股股東，本公司將按已協議的實際稅率代扣代繳個人所得稅。

對於居住國並無與中國訂立任何稅務協議，或與中國訂立稅務協議規定股息稅率為20%或以上及其他情況，本公司將按20%稅率代扣代繳個人所得稅。

如H股個人股東對上述安排有任何疑問，可向彼等的稅務顧問諮詢有關擁有及處置H股所涉及之中國、香港及其他國家(地區)稅務影響的意見。

### 7.5 ANNUAL GENERAL MEETING

We will convene the Annual General Meeting on Friday, 9 June 2023.

### 7.6 CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 31 May 2023 to Friday, 9 June 2023 (both days inclusive), during which period no transfer of Shares will be effected. The record date for entitlement to attend and vote at the AGM is Wednesday, 31 May 2023. In order to be qualified to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shareholders), or to the Company's registered office in the PRC at 16 Baizi Road, Jiangyang District, Luzhou, Sichuan Province, the PRC (in respect of Domestic Shareholders) no later than 4:30 p.m. on Tuesday, 30 May 2023.

### 7.5 股東週年大會

我們將於2023年6月9日(星期五)召開股東週年大會。

### 7.6 暫停辦理過戶登記

為釐定出席股東週年大會並於會上投票的資格，本公司將於2023年5月31日(星期三)至2023年6月9日(星期五)期間(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會登記任何本公司股份轉讓。有權出席股東週年大會並於會上投票的股權登記日為2023年5月31日(星期三)。為符合資格出席股東週年大會並於會上投票，所有過戶文件連同有關股票須在不遲於2023年5月30日(星期二)下午四時三十分前遞交至本公司的H股股份過戶登記處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖)(就H股股東而言)，或本公司於中國的註冊辦事處(地址為中國四川省瀘州市江陽區百子路16號)(就內資股股東而言)。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

In order to determine the list of Domestic Shareholders and H Shareholders who shall be entitled to obtain final dividends, subject to the approval of the Shareholders at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 6 July 2023 to Tuesday, 11 July 2023 (both days inclusive), during which period no transfer of Shares of the Company will be effected. The Company will distribute final dividends to Domestic Shareholders and H Shareholders which are on the register of members of the Company on Tuesday, 11 July 2023. In order to be qualified to obtain final dividends, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, namely Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shareholders), or to the Company's registered office in the PRC at 16 Baizi Road, Jiangyang District, Luzhou, Sichuan Province, the PRC (in respect of Domestic Shareholders) no later than 4:30 p.m. on Wednesday, 5 July 2023.

### 7.7 BUSINESS REVIEW

The Company's business review during the Reporting Period is set out in the sections of "Business Review" and "Financial Review" to the chapter headed "Management Discussion and Analysis" in this annual report. The "Financial Review" section also includes the analysis of the performance of relevant key financial indicators during the Reporting Period. The potential development of the Company's businesses is set out in the section "Future Prospect" to the chapter headed "Chairman's Statement" and the section "Development Strategy and Outlook" to the chapter headed "Management Discussion and Analysis" in this annual report.

### 7.8 FINANCIAL SUMMARY

Consolidated results and consolidated assets and liabilities of the Group for the last five financial years are set out in the section headed "Financial Highlights" in this annual report.

為釐定有權獲派發末期股息的內資股股東及H股股東名單，惟須股東於股東週年大會上批准，本公司將於2023年7月6日(星期四)至2023年7月11日(星期二)期間(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會登記任何本公司股份轉讓。本公司將向於2023年7月11日(星期二)名列本公司股東名冊的內資股股東及H股股東派發末期股息。為符合獲得末期股息，所有過戶文件連同有關股票須在不遲於2023年7月5日(星期三)下午四時三十分前遞交至本公司的H股股份過戶登記處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712–1716號舖)(就H股股東而言)，或本公司於中國的註冊辦事處(地址為中國四川省瀘州市江陽區百子路16號)(就內資股股東而言)。

### 7.7 業務回顧

本公司於報告期內的業務回顧載於本年報「管理層討論與分析」的「業務回顧」和「財務回顧」內，「財務回顧」亦包括本公司於本年度期間有關關鍵財務績效指標表現的分析。本公司業務的未來可能發展載於本年報「董事長致辭」的「未來展望」及「管理層討論與分析」的「發展策略及展望」內。

### 7.8 財務概要

本公司於過往五個財政年度的合併業績及合併資產及負債載於本年報「財務概要」內。



## 7.9 ENVIRONMENT POLICY AND PERFORMANCE

The Company complies with various national and local environmental protection laws in China, including the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China, the Water Law of the People's Republic of China, the Law on the Prevention and Control of Water Pollution of the People's Republic of China, the Law on the Prevention and Control of Environmental Noise Pollution of the People's Republic of China, the Law on the Prevention and Control of Atmospheric Pollution of the People's Republic of China, the Cleaner Production Promotion Law of the People's Republic of China, the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the People's Republic of China, and the Law on Soil and Water Conservation of the People's Republic of China.

These laws and regulations are the those that we must strictly abide by and execute in the course of operation, and have a significant normative effect on our operations and management, otherwise it will have a significant impact on the Company's operations.

The Company has taken relevant measures in its business operations to comply with the regulatory and industry standards of relevant central and local government departments and industry associations. Due to the raise of environmental protection requirements, the Company has increased the capital investment in compliance measures.

During the Reporting Period, the Company did not encounter any claims arising from the failure to comply with the relevant permit and environmental requirements. The Company's production was safe and environmentally-friendly, with no non-compliance records.

## 7.9 環境政策及表現

本公司遵守中國的各项全國性及地方性環境保護法規，包括《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》《中華人民共和國水法》及《中華人民共和國水污染防治法》《中華人民共和國環境噪聲污染防治法》《中華人民共和國大氣污染防治法》《中華人民共和國清潔生產促進法》《中華人民共和國固體廢物污染環境防治法》以及《中華人民共和國水土保持法》等。

這些法律法規是我們在運營過程中須嚴格遵守及執行的規定，對運營及管理有重大的規範性作用。如有不當，會對本公司運營造成重大影響。

本公司在業務運營中已採取相關措施，旨在遵循相關中央及地方政府部門及行業協會的監管及行業標準。因環保要求的提高，本公司增加了合規性措施方面的資金投入。

於報告期內，本公司並無遭遇因未能遵守有關許可證及環保要求發出的任何索賠。本公司生產達到安全且環保，無不合規記錄。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.10 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 all applicable laws and regulations in the PRC in all material respects, and has also complied with the Listing Rules and the SFO.

#### 7.11 MAJOR RISK FACTORS

The major risks the Company is faced with are as follows:

##### 7.11.1 Market Expansion and Investment Risks

With respect to the business expansion in new regions, due to the strong barriers region wise of water supply market, local governments usually favor large-scale water enterprise outside the region under service with advantages in technology, capital and management to serve as the operators of municipal water supply plants. If business expansion cannot be carried out effectively, it will have a negative effect on the Company's revenue.

We will take the following countermeasures: enhance our capabilities in technology, capital and management through technical reform and enhanced management, enable the Company to expand its business into regions where cooperation and assistance intentions have been shown by the local government, and ensure the external business expansion of the Company through multiple cooperation modes.

#### 7.10 遵守法律法規

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。據董事會所深知，於報告期間，本公司已於所有重大方面遵守中國適用法律法規，且亦遵守上市規則和證券及期貨條例約束。

#### 7.11 主要風險因素

本公司業務面臨的主要風險如下：

##### 7.11.1 市場擴張及投資風險

在供區業務拓展方面，因供水市場區域壁壘較強，地方政府通常更青睞供區外技術、資金、管理方面具有優勢的大型水務企業為市政供水廠的營運商，如我們不能有效進行業務拓展，則會對本公司的營收情況造成不利影響。

我們將採取如下應對措施：通過技術改造和加強管理，期望在技術、資金、管理方面進一步提升，使得本公司可以將業務拓展到已經有合作意向的地區，得到當地政府的支持，採取多種合作模式，以確保本公司對外業務的拓展。

### 7.11.2 Operation and Management Risks

Our operating results and financial position rely on local economic and social conditions. Failure to obtain sufficient funds or refinancing existing debt may adversely affect our operation management and financial conditions.

We will take the following countermeasures: we will ensure that there are sufficient management operations, human and financial resources to maintain our sustainable development and improve our competitiveness and profitability. Meanwhile, we will enhance risk awareness, establish an effective risk prevention mechanism, implement dynamic management of the entire financing process, and innovate financing methods to minimize financing costs.

### 7.11.3 Cost Control Risks

In recent years, the standards of energy, labour, raw materials and environmental quality have improved. In particular, according to the requirements of environmental protection, the increase in standard and capacity of wastewater treatment facilities will lead to a certain increase in the direct operating costs, which may adversely affect the financial condition of the Company.

We will take the following countermeasures: combine the construction of internal supervision system, further improve the operation management system and business processes; strengthen the management and construction of subordinate enterprises and continue to promote our refined management system; pay attention to employee training and improve their professional skills; and continue to explore core technologies through automation improvement and promotion of smart water meters for energy conservation and consumption reduction.

### 7.11.2 經營管理風險

我們的經營業績及財務狀況依賴於地區的經濟社會情況，如未能取得充足資金或為現有債務再融資，可能對我們的經營管理及財務狀況造成不利影響。

我們將採取如下應對措施：確保有足夠的管理、營運、人力及財務資源維護我們的可持續發展，提高自身的競爭力、營利能力。同時增強風險意識，建立有效的風險防範機制，對融資全過程實行動態管理，並創新融資方式，盡力降低融資成本。

### 7.11.3 成本控制風險

近年來，能源、人工、原材料、環境標準質量提升。特別是根據環保要求，污水處理設施的提標擴能，將導致運行直接成本有一定增加，可能會對本公司的財務狀況造成不利影響。

我們將採取如下應對措施：結合內部監管制度建設工作，進一步完善運營管理體系和業務流程；加強對下屬企業的管理和建設，繼續推進我們的精細化管理體系；注重員工培訓，提高其專業技能；繼續探索核心技術，通過自動化改進及智能水表的推廣，節能降耗。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.11.4 Safety and Environmental Protection Risks

Due to the defects of our water supply and drainage operation facilities and related engineering construction machinery and equipment, or human negligence, operation errors and other factors, it may lead to casualties, property losses and environmental pollution damage events, which may have a certain adverse impact on the Company's operation.

We will take the following countermeasures: the Company will deeply study the changes of laws and regulations and national safety and environmental protection policies, improve the safety and environmental protection system, strengthen the safety and environmental protection training of operating personnel, improve the emergency response capacity of safety and environmental protection accidents, strengthen tracking and supervision, implement responsibilities at all levels, and put an end to potential safety hazards.

During the Reporting Period, there were no safety and environmental protection incidents.

#### 7.11.5 Network Security Risks

If the network and information systems are attacked and causes the interruption of the information system, the network interruptions and the data corruption, changes, leakage, and loss may adversely affect the Company's operations.

We will take the following countermeasures: improve the internal management system, improve the operation and maintenance management supervision system; strengthen the comprehensive technical prevention and emergency protection measures; enhance the technical staff's network security risk awareness and compliance operation level.

#### 7.11.4 安全環保風險

由於我們的供排水運營設施及相關工程建設機具、設備的缺陷、亦或人為的疏忽、操作錯誤等因素，可能會導致人員傷亡、財產損失及環境污染破壞事件，對本公司的運營造成一定的不利影響。

我們將採取如下應對措施：本公司將深入研究法律法規及國家安全環保政策的變化，健全安全環保制度，加強運行操作人員安全環保培訓，提升安全環保事故應急處置能力，強化跟蹤監督，層層落實責任，杜絕安全隱患。

於報告期內，本公司未發生安全環保事件。

#### 7.11.5 網絡安全風險

網絡和信息系統受到攻擊而導致信息系統停運，網絡的中斷和數據的破壞、更改、洩漏、丟失可能會對本公司的運營造成不利影響。

我們將採取如下應對措施：健全內部管理制度，完善運維管理監管體系；強化綜合技術防範和應急保障措施；提升技術人員網絡安全風險意識和合規操作水平。



## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

During the Reporting Period, there were no cybersecurity risk incidents in the Company's network and information systems.

#### 7.11.6 Data Fraud and Theft

With the deepening application of information systems, various information may be scammed and stolen, and the leakage and loss of data may adversely affect the Company's reputation.

We will take the following countermeasures: strengthen business system management and control; improve network system security; strengthen security risk awareness education, and control the safe and compliant use of various business data of the Company through systems, business training and technical protection measures.

During the Reporting Period, the Company did not have any data fraud and theft.

#### 7.11.7 Policy Risks

Adjustments to meter installation and charges in relevant laws and policies will result in a decrease in the Company's business revenue, which will in turn affect the Company's operating income.

We will take the following countermeasures: strive for water price policy adjustment, accelerate the expansion of external investment, extend the upstream and downstream industry chain and seek new profit growth to offset the adverse impact caused by the adjustment of laws and policies.

During the Reporting Period, the revenue from engineering business of the Company decreased by RMB109.5 million due to price policy adjustments.

於報告期內，本公司網絡和信息系統未發生網絡安全風險事件。

#### 7.11.6 資料詐騙及盜竊

隨著信息系統的深入應用，各種資料有被詐騙及盜竊的可能，數據的洩漏和丟失會對本公司的聲譽造成不利影響。

我們將採取如下應對措施：加強業務系統管控；提升網絡系統安全；加強安全風險意識教育，通過制度、業務培訓和技術防護措施來管控公司各種業務數據的安全合規使用。

於報告期內，本公司未發生資料詐騙及盜竊事件。

#### 7.11.7 政策風險

相關法律政策對戶表安裝收費的調整，將導致本公司業務收入的減少，進而影響本公司的經營收益。

我們將採取如下應對措施：爭取水價調整政策加快對外投資拓展；延伸上下游產業鏈尋求新的利潤增長彌補法律政策調整造成的不利影響。

於報告期內，本公司由於價費政策的調整，工程業務收入減少109.5百萬元。

## Chapter VII Directors' Report (Continued) 第七章 董事會報告(續)

### 7.12 KEY RELATIONSHIPS

#### 7.12.1 Relationship with Employees

As at the end of the Reporting Period, the Company had 933 employees in total. We believe that employees are valuable resources for our success, so the Group attaches great importance to the development of career paths of its staff and provides more comprehensive career training and development plan for all employees. During the Reporting Period, the staff skill rating was carried out and linked to the salary, which fully encouraged employees to upgrade their skills. We will provide new employees with training corresponding to their expected duties.

The details of the employee remuneration are set out in the section headed "Management Discussion and Analysis" of this annual report.

Pursuant to the Labour Law of the PRC, the Labour Contract Law of the PRC, the Social Insurance Law of the PRC and relevant national and local government regulations, we maintain a number of social security funds for our employees, including funds for basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, maternity leave insurance and housing provident fund.

Our union represents our employees' interests and closely communicate with our management on labour matters. As of the end of the Reporting Period, we did not experience disruptions in operations due to major labour disputes. None of the employees and third -party suppliers has submitted major claims to us and there are no penalties imposed by the relevant government authorities.

### 7.12 重要關係

#### 7.12.1 與員工的關係

於報告期末，本公司共有933名僱員。我們認為僱員是我們獲得成功的寶貴資源，本集團十分重視員工職業生涯的發展，向所有員工提供更全面的職業培訓及發展規劃，本公司開展了員工技能等級評定工作，並與其薪酬掛鉤，充分鼓勵員工提升技能。新進的員工會接受與預期職責相對應的培訓。

僱員薪酬之詳情載於本年報之「管理層討論與分析」內。

我們亦根據《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》和相關國家及地方政府規定，為僱員設有多個社會保障基金，包括基本養老保險、基本醫療保險、失業保險、工傷保險、生育保險和住房公積金。

我們的工會代表僱員利益，就有關勞工事宜與我們的管理層密切溝通。於報告期內，我們並無因重大勞動糾紛引致的運營中斷，概無僱員及第三方向我們提出重大索賠，亦無有關政府當局施加的處罰。

### 7.12.2 Relationship with Customers

In tap water supply, our customers are mainly urban and rural residents, industrial and commercial users and other institutions in three districts and three counties of Luzhou, Weiyuan County and Leibo County. In wastewater treatment service, our customers are mainly local governments in three districts and four counties in Luzhou, towns in Shizhong District of Leshan, Qingbaijiang District of Chengdu, Dechang County of Liangshan Yi Autonomous Prefecture, and Litang County of Ganzi Tibetan Autonomous Prefecture.

The Group adheres to the service philosophy of “Refreshing the customer experience with true feelings and interpreting the harmony between human and water with actions” and maintaining a good relationship with its customers is very important to the long-term development of the Group.

During the Reporting Period, the total sales to the five largest customers of the Group was RMB415.05 million, accounting for less than 30% of the total revenue, and the total sales to the largest customer was RMB279.12 million, accounting for 19.69% of the total revenue for the Reporting Period.

Our top five customers are independent third-party suppliers. During the Reporting Period, none of the Directors and the Supervisors, and their respective close associates, or any Shareholder (which to the knowledge of the Directors and Supervisors own more than 5% of the issued Shares of the Company as of the end of the Reporting Period) held any interest in our top five customers. There is no such situation in the Company that our major customers are our suppliers at the same time.

### 7.12.2 與客戶的關係

我們的自來水供應的客戶主要是瀘州三區三縣及威遠縣、雷波縣的城鄉居民、工商業用戶及其他機構。我們的污水處理服務的客戶主要是瀘州地區三區四縣及樂山市市中區鄉鎮、成都市青白江區、涼山州德昌縣、甘孜州理塘縣的地方政府。

本集團秉承「真情刷新客戶體驗，行動詮釋人水和諧」的服務理念，與客戶維持良好的關係對於本集團的長遠發展十分重要，因此，本集團一直致力於向客戶提供高質量的服務。

於報告期內本集團向前五大客戶的銷售總額為人民幣415.05百萬元，佔報告期間收入總額的低於30%；而向最大客戶的銷售總額為人民幣279.12百萬元，佔報告期間收入總額的19.69%。

我們的前五大客戶均為獨立第三方，且於報告期內，概無董事、監事及其緊密聯繫人或任何股東（就董事及監事所知，持有本公司5%或以上股權者）持有我們的前五大客戶的權益，我們並無主要客戶同時為我們的供應商的情況。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.12.3 Relationship with Suppliers

Our main suppliers are power suppliers (providing power for our facilities), construction contractors (designing and building our facilities) and raw material suppliers (supplying chemicals for tap water production and wastewater treatment, and other equipment maintenance consumables).

In addition to the public service providers, we have developed a centralized procurement policy for our suppliers. According to this policy, the Group needs to bid to different suppliers and select suppliers based on the price, quality and timeliness of their products. All supply contracts are subject to review and approval by the headquarters and are regularly tested by the headquarters to check the quality of the delivered product.

During the Reporting Period, the total amount of procurement from the five largest suppliers of the Group was RMB316.49 million, accounting for 95.07% of the total amount of procurement for the Reporting Period. The purchase from the largest supplier was RMB155.19 million, accounting for 46.62% of the total amount of procurement for the Reporting Period. Our top five suppliers are independent third-party suppliers. During the Reporting Period, none of the Directors and the Supervisors, and their respective close associates, or any Shareholder (which to the knowledge of the Directors and Supervisors own more than 5% of the issued Shares of the Company) held any interest in our top five suppliers.

#### 7.13 SHARE CAPITAL

As at the end of the Reporting Period, the total number of the Company's Shares was 859.71 million shares and the total share capital was RMB859.71 million, with RMB1.00 per share, of which, RMB644.77 million for Domestic Shares and RMB214.94 million for H Shares.

#### 7.12.3 與供貨商的關係

我們的主要供貨商為電力供貨商(為我們的設施供電)、工程承包商(設計並建造我們的設施)及原材料供貨商(供應包括自來水生產及污水處理化學品, 以及其他設備維護消耗物品)。

除公共服務供貨商以外, 我們對已合作的供貨商制定集中採購政策。根據該政策, 本集團需向不同的供貨商招標, 並基於其產品的價格、質量及交貨及時性選擇供貨商。所有供應合約需經總部審查及批准, 總部會對其進行定期測試以檢查交付產品的質量。

於報告期內, 本集團向前五大供貨商的採購總額為人民幣316.49百萬元, 佔報告期間採購總額的95.07%; 而向最大供貨商的採購總額為人民幣155.19百萬元, 佔報告期間採購總額的46.62%。前五大供貨商均為獨立第三方, 且報告期內, 概無董事、監事及其緊密聯繫人或任何股東(就董事及監事所知, 持有本公司5%或以上股權者)持有我們前五大供貨商的權益。

#### 7.13 股本

於報告期末, 本公司總股數為859.71百萬股, 每股人民幣1.00元, 總股本為人民幣859.71百萬元, 其中內資股股本為人民幣644.77百萬元, H股股本為人民幣214.94百萬元。



## 7.14 BOND ISSUANCE

Pursuant to the special resolutions passed at the 2018 first extraordinary general meeting of the Company held on 3 December 2018 in relation to to issue corporate bonds and authorise the Board or its authorised persons to deal with the matters in relation to the issue of the corporate bonds and the proposed public offering of corporate bonds to qualified investors. The Company received an approval issued by the China Securities Regulatory Commission (Zheng Jian Xu Ke [2019] No. 272) dated 28 February 2019, approving the public offering of corporate bonds with an aggregate nominal value of not more than RMB700.00 million, to be issued by the Company in phases according to actual circumstances. For details, please refer to the announcements of the Company dated 12 October 2018, 3 December 2018, 28 December 2018 and 7 March 2019, and the circular of the Company dated 19 October 2018.

The Company successfully issued the first tranche of corporate bonds in the principal amount of RMB500 million with a coupon rate of 5.99% per annum and a maturity of 5 years on 26 April 2019, which were listed on the Shanghai Stock Exchange on 8 May 2019. The Company published announcements of excise of bond put options and adjustment of coupon rate on 23 and 24 March 2022. For details, please refer to the announcements of the Company dated 29 April 2019, 7 May 2019, 23 March 2022, 24 March 2022 and 6 April 2022.

The Company successfully issued the second tranche of corporate bonds in the principal amount of RMB200 million with a coupon rate of 5% per annum and a maturity of 5 years on 23 September 2019, which were listed on the Shanghai Stock Exchange on 10 October 2019. The Company published announcements of excise of bond put options and adjustment of coupon rate on 22 and 24 August 2022 and 20 September 2022. As the corporate bonds were put back in full, delisting from the Shanghai Stock Exchange was brought forward to 11 October 2022. For details, please refer to the announcements of the Company dated 24 September 2019, 9 October 2019, 22 August 2022, 24 August 2022, 20 September 2022 and 11 October 2022.

## 7.14 債券發行

2018年12月3日，本公司召開2018年首次臨時股東大會通過發行公司債券及授權董事會或其授權人士處理有關發行公司債券事宜的特別決議，擬向合格投資者公開發行公司債券。本公司接獲中國證監會下發的日期為2019年2月28日的批覆(證監許可[2019]272號)，核准本公司可公開發行面值總額不超過人民幣700.00百萬元的公司債券，公司根據實際情況擇期分期發行，有關詳情請參見本公司2018年10月12日、2018年12月3日、2018年12月28日及2019年3月7日發佈的公告，以及本公司日期為2018年10月19日的通函。

本公司已於2019年4月26日成功發行第一期公司債券，本金為人民幣500百萬元，票面利率為每年5.99%，債券期限為5年，並已與2019年5月8日在上海證券交易所上市，2022年3月23日及24日公告實施回售及調整票面利率。有關詳情請參見本公司2019年4月29日、2019年5月7日、2022年3月23日、2022年3月24日及2022年4月6日的公告。

本公司已於2019年9月23日成功發行第二期公司債券，本金為人民幣200百萬元，票面利率為每年5%，債券期限為5年並已於2019年10月10日在上海證券交易所上市，2022年8月22日及24日、2022年9月20日公告實施回售及票面利率調整，由於在本次回售過程中已全額回售，故於2022年10月11日在上海證券交易所提前摘牌。有關詳情請參見本公司日期為2019年9月24日、2019年10月9日、2022年8月22日、2022年8月24日、2022年9月20日及2022年10月11日的公告。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

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

The Company repurchased RMB595.5 million of its already-issued bonds during the Reporting Period. For further details, please refer to the announcements of the Company dated 6 April 2022 and 20 September 2022.

Save as disclosed above, none of the Company or any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

#### 7.16 PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the PRC laws, the Company is not subject to any requirement on pre-emptive rights.

#### 7.17 DISTRIBUTABLE RESERVES OF THE COMPANY

Details of the changes in the Company's reserves during the Reporting Period are set out in the consolidated statement of changes in shareholders' equity, of which the reserves distributable to the Shareholders are also set out in the consolidated statement of changes in shareholders' equity.

#### 7.18 PROPERTY, PLANT AND EQUIPMENT

Details of changes in property, plant and equipment of the Group during the Reporting Period are set out in Note 6.12 to the consolidated financial statements in this annual report.

#### 7.19 BANK BORROWINGS AND OTHER BORROWINGS

Details of the Group's bank borrowings and other borrowings as at the end of the Reporting Period are set out in Note 6.28 to the consolidated financial statements in this annual report.

#### 7.15 購買、出售或贖回本公司的上市證券

於報告期內，本公司回購已發行債券人民幣595.5百萬元，有關詳情請參見本公司2022年4月6日及2022年9月20日的公告。

除上述披露者外，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

#### 7.16 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。

#### 7.17 可供分配予股東的儲備

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

#### 7.18 物業、廠房及設備

於報告期內，本集團物業、廠房及設備變動的詳情載於本年度報告中合併財務報表附註六.12。

#### 7.19 銀行借款及其他借款

本集團於報告期末的銀行借款及其他借款的詳情載於本年度報告中合併財務報表附註六.28。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.20 DONATIONS

During the Reporting Period, the Group donated approximately RMB52,800 in cash and materials to the Luzhou Branch of Sichuan Province Foundation for Poverty Alleviation and its affiliated companies, which were mainly used for the infrastructure construction of donees.

#### 7.21 DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

##### 7.21.1 Directors

During the Reporting Period, the Board of the Company comprised nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. Save for employee representative Directors, Directors are appointed by Shareholders of the Company, with a term of three years or until the installment of a new Board (whichever is later) and eligible for re-election.

The details of status of Directors are set out in "Directors, Supervisors and Senior Management" in this annual report.

##### 7.21.2 Supervisors

During the Reporting Period, the Supervisory Committee of the Company comprises seven Supervisors, including two shareholder representative Supervisors, three employee representative Supervisors and two external Supervisors. Save for employee representative Supervisors, other Supervisors are appointed by Shareholders of the Company, with a term of three years or until the installment of a Supervisory Committee (whichever is later) and eligible for re-election.

The details of status of Supervisors are set out in "Directors, Supervisors and Senior Management" in this annual report.

#### 7.20 捐贈

於報告期內，本集團向四川省扶貧基金會瀘州市分會、附屬公司所在地機構捐贈錢款及物資共計約人民幣52,800元，主要用於受贈單位基礎設施建設等。

#### 7.21 董事、監事及高級管理層

##### 7.21.1 董事

於報告期間，本公司董事會由9名董事組成，其中包括3名執行董事、3名非執行董事以及3名獨立非執行董事。除職工代表董事外，董事由本公司股東委任，任期三年或直至新一屆董事會履職(以較晚者為準)，此後可連選連任。

本公司董事情況的詳情載於本年報的「董事、監事及高級管理層」內。

##### 7.21.2 監事

於報告期間，本公司監事會由7名監事組成，其中包括2名股東代表監事、3名職工代表監事以及2名外部監事。除職工代表監事以外，其餘監事由本公司股東委任，任期三年或直至新一屆監事會履職(較晚者為準)，此後可連選連任。

本公司監事情況的詳情載於本年報的「董事、監事及高級管理層」內。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.21.3 Senior Management

The Company has one general manager, several deputy general managers, one chief financial officer and one secretary to the Board, all appointed or dismissed by the Board. They have a term of three years and are eligible for re-election.

The details of status of senior management of the Company during the Reporting Period and as of the date of this report are set out in "Directors, Supervisors and Senior Management" in this annual report.

#### 7.21.4 Changes in the Information of Directors, Supervisors and Chief Executives

Save as disclosed in the section of "Directors, Supervisors and Senior Management" in this annual report, there has been no change in the information of the Directors, Supervisors and chief executives of the Company.

#### 7.21.5 Biographies of the Directors, Supervisors and Senior Management

The biographical details of Directors, Supervisors and senior management of the Company are set out in the section headed "Directors, Supervisors and Senior Management" of this annual report.

#### 7.21.6 Service Contract of the Directors and Supervisors

The Company has entered into a service contract with each of the Directors, Supervisors and senior management 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 its terms, the Articles of Association and applicable rules.

#### 7.21.3 高級管理層

本公司設總經理一名，副總經理若干名，財務總監一名，董事會秘書一名，均由董事會聘任或解聘。任期三年，此後可連聘連任。

本公司報告期內及截至本報告日期高級管理人員情況的詳情載於本年報的「董事、監事及高級管理層」內。

#### 7.21.4 董事、監事及最高行政人員資料變動

除載於本年報的「董事、監事及高級管理層」一節中披露外，本公司董事、監事或最高行政人員資料並無變化。

#### 7.21.5 董事、監事及高級管理層簡歷

本公司董事、監事及高級管理層簡歷的詳情載於本年報的「董事、監事及高級管理層」章節內。

#### 7.21.6 董事及監事服務合約

本公司已與各位董事、監事及高級管理層訂立服務合約，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。



## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

During the Reporting Period, none of the Directors or Supervisors has entered into any service contract with the Company which does not expire or is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

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

#### 7.21.7 Remuneration of Directors and Supervisors

The details of the remuneration of Directors and Supervisors of the Company are set out in Note 11(2).6 to the consolidated financial statements of this report.

#### 7.21.7 董事、監事薪酬

本公司董事、監事的薪酬詳情載於本報告合併財務報表附註十一(二).6。

#### 7.21.8 Determination of and Basis for Determination of Remuneration of Directors, Supervisors and Senior Management

The Company offers executive Directors, employee representative Supervisors and senior management members, who are also employees of the Company, emolument in the form of basic salary, performance-based bonus and other benefits. We adopt a market and incentive based employee emolument structure and implement a multi-layered evaluation system which focuses on performance and management goals. Independent non-executive Directors and external Supervisors are entitled to emolument offered by the Company. Non-executive Directors and shareholder representative Supervisors who do not assume any management positions in the Company will not receive any emolument from the Company.

#### 7.21.8 董事、監事及高級管理層薪酬釐定及釐定標準

本公司以其薪金、績效薪金和其他福利的形式向執行董事、職工代表董事、監事及高級管理層成員(亦為本公司僱員)支付薪酬，採用市場化的激勵式薪酬架構，實施以業績和管理層目標為核心的多層次考核體系。我們的獨立非執行董事及外部監事在本公司領取酬金。未在公司擔任管理職務的非執行董事及股東代表監事，不在本公司領取薪酬。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.21.9 Directors' and Supervisors' Rights to Acquire Shares or Bonds

During the Reporting Period, the Company did not grant any rights to acquire benefits by means of the acquisition of Shares or bonds of the Company to any Directors or Supervisors or their respective spouses or minor children under 18, and none of them has exercised such rights.

#### 7.21.10 Directors' and Supervisors' Interests in Transactions, Agreements or Contracts

During the Reporting Period, none of Directors or Supervisors or entities connected with any of them directly or indirectly held material interest in subsisting and significant transactions, arrangements or contracts of the Group.

#### 7.21.11 Directors' and Supervisors' Interests in Competing Business

During the Reporting Period, to the knowledge of the Board, none of the Directors or Supervisors or their respective associates has any business or interest that competes or may compete with the business of the Group or has or may have any other conflict of interest with the Group.

#### 7.21.9 董事及監事購買股份或債券之權利

於報告期內，概無任何董事、監事或彼等各自的配偶或十八歲以下的子女獲本公司授予任何權利以認購本公司或其他任何附屬公司的股份或債券，彼等亦無行使任何該等權利。

#### 7.21.10 董事及監事於交易、安排或合約中的權益

於報告期內，概無任何董事、監事或與其有關的實體在本集團仍然存續且屬重大的重要交易、安排或合約中直接或間接擁有重大權益。

#### 7.21.11 董事及監事於競爭性業務中的權益

於報告期內，董事會概不知悉董事、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。

**7.21.12 Interests and Short Positions of Directors, Supervisors and Chief Executives in the Shares, Underlying Shares and Debentures**

As at the end of the Reporting Period, none of the Directors, Supervisors or chief executives had any interests and/or short positions in the Shares, and (in respect of positions held pursuant to equity derivatives) underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which should be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or was required, pursuant to the Model Code to be notified to the Company and Hong Kong Stock Exchange.

**7.22 INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES**

To the best knowledge of the Company, as at the end of the Reporting Period, the following persons (other than the Directors, Supervisors and chief executive of the Company) had interests or short positions in the Shares or underlying Shares and/or debentures of the Company which were required to be notified to the Company or the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required by Section 336 of the SFO to be recorded in the register specified in the section, or owned interest and short positions in more than 5% of any class of issued shares of the Company.

**7.21.12 董事、監事和最高行政人員於股份、相關股份及債權證的權益及淡倉**

於報告期末，本公司董事、監事及最高行政人員概無與本公司或其任何相聯法團(定義《證券及期貨條例》第XV部)的股份、相關股份(屬資本衍生工具)或債權證中，擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及香港聯交所的任何權益及／或淡倉，或根據《證券及期貨條例》第352條將須載於本公司登記名冊的任何權益及／或淡倉，或根據標準守則須另行知會本公司及香港聯交所的任何權益及／或淡倉。

**7.22 主要股東於股份中的權益及淡倉**

據本公司所深知，於報告期末，下列人士(本公司的董事、監事及最高行政人員除外)於本公司股份、相關股份及債權證中擁有根據《證券及期貨條例》第XV部第2及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%以上的權益及淡倉。

# Chapter VII Directors' Report (Continued)

## 第七章 董事會報告(續)

| Name of Shareholder  | Shareholding capacity                          | Class of Shares        | Number of Shares <sup>(1)</sup> | Approximate percentage in class of Shares issued | Approximate percentage in total Shares issued |
|--|--|------------------------|---------------------------------|--|---|
| 股東名稱   | 持股份  | 股份類別                   | 股份數目 <sup>(1)</sup>             | 佔已發行類別股份的概約百分比                                   | 佔已發行總股份的概約百分比                                 |
| Xinglu Investment <sup>(2)</sup><br>興瀘投資 <sup>(2)</sup>  | Beneficial owner<br>實益擁有人                      | Domestic Shares<br>內資股 | 511,654,127(L)                  | 79.35%   | 59.51%  |
|  | Interest in a controlled corporation<br>受控法團權益 | Domestic Shares<br>內資股 | 62,709,563(L)                   | 9.73%  | 7.29%   |
| Luzhou Laojiao<br>瀘州老窖   | Beneficial owner<br>實益擁有人                      | Domestic Shares<br>內資股 | 70,406,310(L)                   | 10.92%   | 8.19%   |
| Luzhou Infrastructure <sup>(2)</sup><br>瀘州基建 <sup>(2)</sup>  | Beneficial owner<br>實益擁有人                      | Domestic Shares<br>內資股 | 62,709,563(L)                   | 9.73%  | 7.29%   |
| Beijing Enterprises Water Group Limited <sup>(3)</sup><br>北控水務集團有限公司 <sup>(3)</sup>                | Beneficial owner<br>實益擁有人                      | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |
| Beijing Enterprises Environmental Construction Limited <sup>(3)</sup><br>北控環境建設有限公司 <sup>(3)</sup> | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |
| Beijing Enterprises Holdings Limited <sup>(3)</sup><br>北京控股有限公司 <sup>(3)</sup>                     | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |
| Beijing Enterprises Group (BVI) Company Limited <sup>(3)</sup><br>北京控股集團(BVI)有限公司 <sup>(3)</sup>   | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |
| Beijing Enterprises Group Company Limited <sup>(3)</sup><br>北京控股集團有限公司 <sup>(3)</sup>              | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |
| Beijing Enterprises Investments Limited  | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |
| Modern Orient Limited  | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股         | 71,150,000(L)                   | 33.10%   | 8.28%   |



# Chapter VII Directors' Report (Continued)

## 第七章 董事會報告(續)

| Name of Shareholder   | Shareholding capacity                          | Class of Shares | Number of Shares <sup>(1)</sup> | Approximate percentage in class of Shares issued | Approximate percentage in total Shares issued |
|---|--|-----------------|---------------------------------|--|---|
| 股東名稱  | 持股身份   | 股份類別            | 股份數目 <sup>(1)</sup>             | 佔已發行類別股份的概約百分比                                   | 佔已發行總股份的概約百分比                                 |
| Sichuan Sans Venture Capital Co., Ltd. <sup>(4)(7)</sup><br>四川三新創業投資有限責任公司 <sup>(4)(7)</sup>            | Beneficial owner<br>實益擁有人                      | H Shares<br>H股  | 19,247,000(L)                   | 8.95%  | 2.24%   |
| Sichuan Development Holding Co., Ltd. <sup>(4)</sup><br>四川發展(控股)有限責任公司 <sup>(4)</sup>                   | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股  | 19,247,000(L)                   | 8.95%  | 2.24%   |
| Suntront Intelligence (Hong Kong) Co., Ltd. <sup>(5)</sup><br>新天智能(香港)有限公司 <sup>(5)</sup>               | Beneficial owner<br>實益擁有人                      | H<br>H          | 16,884,000(L)                   | 7.86%  | 1.96%   |
| Suntront Tech Co., Ltd. <sup>(5)</sup><br>新天科技股份有限公司 <sup>(5)</sup>                                     | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股  | 16,884,000(L)                   | 7.86%  | 1.96%   |
| Fei Zhanbo <sup>(5)</sup><br>費戰波 <sup>(5)</sup>   | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股  | 16,884,000(L)                   | 7.86%  | 1.96%   |
| Luzhou Xiangyang Real Estate Development Co., Ltd. <sup>(6)(7)</sup><br>瀘州向陽房地產開發有限公司 <sup>(6)(7)</sup> | Beneficial owner<br>實益擁有人                      | H Shares<br>H股  | 14,635,000(L)                   | 6.81%  | 1.70%   |
| Luzhou Xiangyang Enterprise Group Co., Ltd. <sup>(6)</sup><br>瀘州向陽企業集團有限公司 <sup>(6)</sup>               | Interest in a controlled corporation<br>受控法團權益 | H Shares<br>H股  | 14,635,000(L)                   | 6.81%  | 1.70%   |
| Yang Lunfen <sup>(7)</sup><br>楊倫芬 <sup>(7)</sup>  | Beneficial owner<br>實益擁有人                      | H Shares<br>H股  | 14,635,000(L)                   | 6.81%  | 1.70%   |
| Wang Xiumei <sup>(7)</sup><br>王秀梅 <sup>(7)</sup>  | Beneficial owner<br>實益擁有人                      | H Shares<br>H股  | 14,635,000(L)                   | 6.81%  | 1.70%   |
| Yang Bin <sup>(7)</sup><br>楊彬 <sup>(7)</sup>  | Beneficial owner<br>實益擁有人                      | H Shares<br>H股  | 14,635,000(L)                   | 6.81%  | 1.70%   |
| Hwabao Trust Co., Ltd. <sup>(7)</sup><br>華寶信託有限責任公司 <sup>(7)</sup>                                      | Trustee<br>信託受托人                               | H Shares<br>H股  | 77,787,000(L)                   | 36.19%   | 9.05%   |

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

| Name of Shareholder  | Shareholding capacity | Class of Shares | Number of Shares <sup>(1)</sup> | Approximate percentage in class of Shares issued | Approximate percentage in total Shares issued |
|--|-----------------------|-----------------|---------------------------------|--|---|
| 股東名稱   | 持股身份                  | 股份類別            | 股份數目 <sup>(1)</sup>             | 佔已發行類別股份的概約百分比                                   | 佔已發行總股份的概約百分比                                 |
| Hwabao • Overseas Market Investment II (37-1 QDII Single Fund Trust) <sup>(7)</sup>  | Trustee               | H Shares        | 19,247,000(L)                   | 8.95%  | 2.24%   |
| 華寶•境外市場投資2號系列37-1期 QDII單一資金信託 <sup>(7)</sup>   | 信託受托人                 | H股              |                                 |  |   |
| Hwabao • Overseas Market Investment II (20-14 QDII Single Fund Trust) <sup>(7)</sup> | Trustee               | H Shares        | 14,635,000(L)                   | 6.81%  | 1.70%   |
| 華寶•境外市場投資2號系列20-14期 QDII單一資金信託 <sup>(7)</sup>  | 信託受托人                 | H股              |                                 |  |   |
| Hwabao • Overseas Market Investment II (37-3 QDII Single Fund Trust) <sup>(7)</sup>  | Trustee               | H Shares        | 14,635,000(L)                   | 6.81%  | 1.70%   |
| 華寶•境外市場投資2號系列37-3期 QDII單一資金信託 <sup>(7)</sup>   | 信託受托人                 | H股              |                                 |  |   |
| Hwabao • Overseas Market Investment II (37-4 QDII Single Fund Trust) <sup>(7)</sup>  | Trustee               | H Shares        | 14,635,000(L)                   | 6.81%  | 1.70%   |
| 華寶•境外市場投資2號系列37-4期 QDII單一資金信託 <sup>(7)</sup>   | 信託受托人                 | H股              |                                 |  |   |
| Hwabao • Overseas Market Investment II (20-15 QDII Single Fund Trust) <sup>(7)</sup> | Trustee               | H Shares        | 14,635,000(L)                   | 6.81%  | 1.70%   |
| 華寶•境外市場投資2號系列20-15期 QDII單一資金信託 <sup>(7)</sup>  | 信託受托人                 | H股              |                                 |  |   |

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

- (1) As at the end of the Reporting Period, the Company had issued totally 859,710,000 Shares, including 644,770,000 Domestic Shares and 214,940,000 H Shares. (L) represents long position.
  - (2) Xinglu Investment has 61.70% interests in Luzhou Infrastructure. Therefore, pursuant to the SFO, Xinglu Investment is deemed to be interested in the Domestic Shares held by Luzhou Infrastructure.
  - (3) Beijing Enterprises Water Group Limited is held by Beijing Enterprises Environmental Construction Limited as to 40.66%, which is in turn wholly-owned by Beijing Enterprises Holdings Limited, which is held as to 41.09% by Beijing Enterprises Group (BVI) Company Limited, which is held as to 100% by Beijing Enterprises Group Company Limited. Therefore, pursuant to the SFO, all of Beijing Enterprises Environmental Construction Limited, Beijing Enterprises Holdings Limited, Beijing Enterprises Group (BVI) Company Limited and Beijing Enterprises Group Company Limited are deemed to be interested in H Shares held by Beijing Enterprises Water Group Limited.
  - (4) Sichuan Development Holding Co., Ltd. has 100% interests in Sichuan Development Asset Management Investment Management Co., Ltd., and Sichuan Development Asset Management Investment Management Co., Ltd. has 100% interests in Sichuan Sans Venture Capital Co., Ltd.. Therefore, pursuant to the SFO, Sichuan Development Holding Co., Ltd. is deemed to be interested in H Shares held by Sichuan Sans Venture Capital Co., Ltd..
  - (5) Suntront Tech Co., Ltd. has 100% interests in Suntront Intelligence (Hong Kong) Co., Ltd.. Fei Zhanbo has 35.86% interests in Suntront Tech Co., Ltd.. Therefore, pursuant to the SFO, Suntront Tech Co., Ltd. and Fei Zhanbo are deemed to be interested in H Shares held by Suntront Intelligence (Hong Kong) Co., Ltd..
  - (6) Luzhou Xiangyang Enterprises Group Limited has 55% interests in Luzhou Xiangyang Real Estate Development Co., Ltd.. Therefore, pursuant to the SFO, Luzhou Xiangyang Enterprises Group Limited is deemed to be interested in H Shares held by Luzhou Xiangyang Real Estate Development Co., Ltd..
- (1) 於報告期末，本公司已發行股份共859,710,000股，其中包括644,770,000股內資股及214,940,000股H股。(L)代表好倉。
  - (2) 興瀘投資持有瀘州基建61.70%的權益。因此，根據《證券及期貨條例》，興瀘投資被視為於瀘州基建持有的內資股中擁有權益。
  - (3) 北控環境建設有限公司持有北控水務集團有限公司40.66%權益，北京控股有限公司持有北控環境建設有限公司100%的權益，北京控股集團(BVI)有限公司持有北京控股有限公司41.09%的權益，北京控股集團有限公司持有北京控股集團(BVI)有限公司100%的權益。因此，根據《證券及期貨條例》，北控環境建設有限公司、北京控股有限公司、北京控股集團(BVI)有限公司及北京控股集團有限公司均被視為於北控水務集團有限公司持有的H股中擁有權益。
  - (4) 四川發展(控股)有限責任公司持有四川發展資產經營投資管理有限公司100%的權益，四川發展資產經營投資管理有限公司持有四川三新創業投資有限責任公司100%的權益。因此，根據《證券及期貨條例》，四川發展(控股)有限責任公司被視為於四川三新創業投資有限責任公司持有的H股中擁有權益。
  - (5) 新天科技股份有限公司持有新天智能(香港)有限公司100%的權益。費戰波持有新天科技股份有限公司35.86%的權益。因此，根據《證券及期貨條例》，新天科技股份有限公司及費戰波被視為於新天智能(香港)有限公司持有的H股中擁有權益。
  - (6) 瀘州向陽企業集團有限公司持有瀘州向陽房地產開發有限公司55%的權益。因此，根據《證券及期貨條例》，瀘州向陽企業集團有限公司被視為於瀘州向陽房地產開發有限公司持有的H股中擁有權益。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

- (7) Sichuan Sans Venture Capital Co., Ltd. holds a total of 19,247,000 H Shares through a trust named "Hwabao • Overseas Market Investment II (37-1 QDII Single Fund Trust)" managed by Hwabao Trust Co., Ltd.; Luzhou Xiangyang Real Estate Development Co., Ltd. holds a total of 14,635,000 H Shares through a trust named "Hwabao • Overseas Market Investment II (20-14 QDII Single Fund Trust)" managed by Hwabao Trust Co., Ltd.; Yang Lunfen holds a total of 14,635,000 H Shares through a trust named "Hwabao • Overseas Market Investment II (37-3 QDII Single Fund Trust)" managed by Hwabao Trust Co., Ltd.; Wang Xiumei holds a total of 14,635,000 H Shares through a trust named "Hwabao • Overseas Market Investment II (37-4 QDII Single Fund Trust)" managed by Hwabao Trust Co., Ltd.; and Yang Bin holds a total of 14,635,000 H Shares through a trust named "Hwabao • Overseas Market Investment II (20-15 QDII Single Fund Trust)" managed by Hwabao Trust Co., Ltd.. Pursuant to the SFO, Hwabao Trust Co., Ltd., acting as the trustee for the above-mentioned trusts, is deemed to be interested in the aggregate 77,787,000 H Shares with interests owned by such trusts. None of the Hwabao • Overseas Market Investment II (37-1 QDII Single Fund Trust), Hwabao • Overseas Market Investment II (20-14 QDII Single Fund Trust), Hwabao • Overseas Market Investment II (37-3 QDII Single Fund Trust), Hwabao • Overseas Market Investment II (37-4 QDII Single Fund Trust) and Hwabao • Overseas Market Investment II (20-15 QDII Single Fund Trust) has any interests and/or short positions in the Company which are required to be notified to the Company or the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, to the best knowledge of the Company, as at the end of the Reporting Period, no person (other than the Directors, Supervisors and chief executives of the Company) informed the Company that they had interests and/or short positions in the Shares and (in respect of positions held pursuant to equity derivatives) underlying Shares and/or debentures of the Company which were required to be notified to the Company or the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required by Section 336 of the SFO to be recorded in the register specified in the section.

- (7) 四川三新創業投資有限責任公司透過華寶信託有限責任公司所管理名為「華寶•境外市場投資2號系列37-1期QDII單一資金信託」的信託持有合共19,247,000股H股；瀘州向陽房產開發有限公司透過華寶信託有限責任公司所管理名為「華寶•境外市場投資2號系列20-14期QDII單一資金信託」的信託持有合共14,635,000股H股；楊倫芬透過華寶信託有限責任公司所管理名為「華寶•境外市場投資2號系列37-3期QDII單一資金信託」的信託持有合共14,635,000股H股；王秀梅透過華寶信託有限責任公司所管理名為「華寶•境外市場投資2號系列37-4期QDII單一資金信託」的信託持有合共14,635,000股H股；楊彬透過華寶信託有限責任公司所管理名為「華寶•境外市場投資2號系列20-15期QDII單一資金信託」的信託持有合共14,635,000股H股。根據《證券及期貨條例》，華寶信託有限責任公司(作為前述信託的受托人)被視為於前述信託擁有權益的合共77,787,000股H股中擁有權益。華寶•境外市場投資2號系列37-1期QDII單一資金信託、華寶•境外市場投資2號系列20-14期QDII單一資金信託、華寶•境外市場投資2號系列37-3期QDII單一資金信託、華寶•境外市場投資2號系列37-4期QDII單一資金信託、華寶•境外市場投資2號系列20-15期QDII單一資金信託本身並無於本公司擁有須根據《證券及期貨條例》第XV部第2及3分部的條文須知會本公司或香港聯交所的權益及／或淡倉。

除上文披露者外，據本公司所深知，於報告期末，本公司並無獲任何人士(本公司董事、監事或最高行政人員除外)告知，彼於本公司股份及(屬資本衍生工具)相關股份及／或本公司債權證中擁有根據證券及期貨條例第XV部第2及3分部須知會本公司或香港聯交所或根據證券及期貨條例第336條將須記錄於該節所指的登記冊的權益及／或淡倉。



## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.23 SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and to the knowledge of the Board, the Company has maintained the requirements under the Listing Rules that at least 25% of the total issued share capital of the Company are held in public hands during the Reporting Period and as of the date of this report.

#### 7.24 EQUITY-LINKED AGREEMENT

During the Reporting Period, the Company has not entered into any equity-linked agreement.

#### 7.25 MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business was entered into or existed during the Reporting Period (other than service contracts related to Directors, Supervisors and all staff of the Group).

#### 7.26 MATERIAL CONTRACTS

On 26 October 2022, the Group entered into a PPP agreement on wastewater treatment in Litang County, Ganzi Tibetan Autonomous Prefecture, Sichuan Province with the Housing and Urban-Rural Development Bureau of Litang County and Guizhou Zhongbailun Construction Engineering Co., Ltd. The contract value is RMB23.99 million.

For details of the aforesaid contract, please refer to the announcement of the Company dated 26 October 2022.

Save as disclosed above, during the Reporting Period, the Company or any of its subsidiaries have not entered into any material contracts with the Controlling Shareholder or any of its subsidiaries, or did not have any material contracts in relation to provision of services by the Controlling Shareholder or any of its subsidiaries.

#### 7.23 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，於報告期內及截至本報告日期，本公司一直維持上市規則規定本公司已發行股本中至少25%由公眾人士持有。

#### 7.24 股票掛鉤協議

於報告期內，本公司並未訂立任何股票掛鉤協議。

#### 7.25 管理合約

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

#### 7.26 重大合約

本集團於2022年10月26日與理塘縣住房和城鄉建設局、貴州中柏倫建築工程有限公司簽訂了四川省甘孜州理塘縣污水處理(PPP)項目合同，合同金額為人民幣23.99百萬元。

上述合約相關詳情參見本公司2022年10月26日的公告。

除上述披露者外，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提供服務而訂立之任何重大合約。

## **7.27 CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS**

During the Reporting Period, the Group had transactions with connected entities, including but not limited to tap water supply, wastewater treatment operating service, meter installation and other services. These transactions are conducted in the ordinary course of the Group's business on normal commercial terms or better comparable to those with other unconnected entities. Besides, the Group has established its pricing strategy and approval process for purchase and sales of goods, investments and service. Such pricing strategy and approval process are applied regardless of the counterparties are connected entities or not. Having due regard to the substance of the relationships, the Directors are of the opinion that, as set out in "Related Parties and Related Party Transactions" in Note 11 to the consolidated financial statements of this report, none of these transactions are connected transactions that require separate disclosure under the Listing Rules except for the transactions with the controlling shareholders of the Company (which is also controlled by the PRC government) and its subsidiaries (controlled or significantly affected by the same controlling shareholder).

### **7.27.1 Provision of Tap Water Supply Services**

The Group has been providing tap water supply services in its ordinary and usual course of business to the public within each tap water business supply area, which also includes the connected persons of the Company (including the Controlling Shareholder and its subsidiaries). During the Reporting Period, the provision of tap water supply services by the Group to the connected persons constituted continuing connected transactions under Chapter 14A of the Listing Rules.

## **7.27 持續關連交易與關連交易**

報告期內，本集團和關連實體的交易包括但不限於自來水供應、污水處理營運服務、戶表安裝及其他服務。該等交易以本集團日常業務中按一般或更佳商務條款進行，條款與其他非關連實體可資比較。此外，本集團已就購買及銷售產品／投資及服務制訂其定價策略及審批程序。不論交易對手是否為關連實體。該等定價策略審批程序均適用。經適當考慮有關關係的實質後，董事認為，列載於本報告合併財務報表附註十一之「關聯方及關聯方交易」中，除和本公司控股股東（亦受中國政府控制）及其附屬公司（受同一控股股東控制或重大影響）的交易外，概無該等交易為按上市規則項下需進行獨立披露的關連交易。

### **7.27.1 提供自來水供應服務**

本集團一直在日常及一般業務過程中向各自來水業務供區範圍內公眾提供自來水供應服務，當中亦包括本公司關連人士（包括控股股東及其附屬公司）。於報告期內，本集團向關連人士提供的自來水供應服務構成上市規則第14A章項下持續關連交易。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

The tap water supply services provided by Group to its connected persons are conducted in the ordinary and usual course of the Group's business and on normal commercial terms that are identical or no more favorable than those offered to independent third-party manufacturers. Therefore, these continuing connected transactions, namely selling of consumer goods and services under Chapter 14A.97 of the Listing Rules, will be fully exempt from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

#### 7.27.2 Provision of Installation Services

The Group has been providing installation services (including water quality testing after installation) in its ordinary and usual course of business to the certain connected persons of the Company (including the Controlling Shareholder and its subsidiaries). During the Reporting Period, the provision of installation services by the Group to the connected persons constituted continuing connected transactions under Chapter 14A of the Listing Rules. The installation services provided by Group to its connected persons are conducted in the ordinary and usual course of the Group's business and on normal commercial terms that are identical or no more favorable than those offered to independent third-party manufacturers. The Company has also complied with the approval procedures and disclosure requirements under Chapter 14A of the Listing Rules.

本集團向其關連人士提供的自來水供應服務在本集團日常及一般業務過程中按與獨立第三方相同或不優於向獨立第三方提供的一般商業條款進行。因此，該等持續關連交易（即上市規則第14A.97條下銷售消費品及服務）將獲完全豁免上市規則第14A章項下股東批准、年度審閱及所有披露規定。

#### 7.27.2 提供安裝服務

本集團一直在日常及一般業務過程中向本公司若干關連人士（包括控股股東及其附屬公司）提供安裝服務（包括安裝後的水質測試）。於報告期內，本集團向關連人士提供的安裝服務構成上市規則第14A章項下持續關連交易。本集團向其關連人士提供的安裝服務在本集團日常及一般業務過程中按與獨立第三方相同或不優於向獨立第三方提供的一般商業條款進行。本公司亦遵守了上市規則第14A章下的批准程序及披露要求。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

On 27 June 2022 and 23 December 2022, the Company and Luzhou Lingang Investment Group Co., Ltd. (“**Lingang Investment Group**”) entered into a construction service agreement, pursuant to which the Company agreed to provide water supply pipe installation services for Lingang Investment Group. The transaction amount is RMB1.855 million and RMB6.055 million, respectively, with a construction period of 60 calendar days and 7 calendar days, respectively. Lingang Investment Group is directly held as to 56.22% by Xinglu Investment, the Controlling Shareholder of the Company. Accordingly, Lingang Investment Group is a connected person of the Company and the transactions under the construction service agreements between the Company and Lingang Investment Group constitute continuing connected transactions. For details, please refer to the announcements of the Company dated 27 June 2022 and 23 December 2022.

On 27 June 2022, the Company and Luzhou Aviation Development Investment Group Co., Ltd. (“**Luzhou Aviation Development**”) entered into a construction service agreement, pursuant to which the Company agreed to provide water supply pipe installation services for Luzhou Aviation Development. The transaction amount is RMB0.183 million, with a construction period of 120 calendar days. Luzhou Aviation Development is directly held as to 83.78% by Xinglu Investment, the Controlling Shareholder of the Company. Accordingly, Luzhou Aviation Development is a connected person of the Company and the transactions under the construction service agreement between the Company and Luzhou Aviation Development constitute continuing connected transactions. For details, please refer to the announcement of the Company dated 27 June 2022.

2022年6月27日及2022年12月23日，本公司與瀘州臨港投資集團有限公司（「**臨港投資集團**」）訂立施工服務協議，本公司據此同意為臨港投資集團提供給水管道安裝服務，交易金額分別為1.855百萬元及6.055百萬元，施工期分別為60個日曆日及7個日曆日。臨港投資集團為本公司控股股東興瀘投資直接持有56.22%股權的受控公司，故臨港投資集團為本公司關連人士，本公司與臨港投資集團施工服務協議項下進行的交易構成持續關連交易。相關詳情請見本公司於2022年6月27日及2022年12月23日的公告。

2022年6月27日，本公司與瀘州航空發展投資集團有限公司（「**瀘州航發**」）訂立施工服務協議，本公司據此同意為瀘州航發提供給水管道安裝服務，交易金額為0.183百萬元，施工期為120個日曆日。瀘州航發為本公司控股股東興瀘投資直接持有83.78%股權的受控公司，故瀘州航發為本公司關連人士，本公司與瀘州航發施工服務協議項下進行的交易構成持續關連交易。相關詳情請見本公司於2022年6月27日的公告。



## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

On 27 June 2022, the Company and Luzhou Lingang Industrial Development Co., Ltd. ("**Lingang Industrial Development**") entered into a construction service agreement, pursuant to which the Company agreed to provide water supply pipe installation services for Lingang Industrial Development. The transaction amount is RMB2.361 million, with a construction period of 120 calendar days. Lingang Industrial Development is a wholly-owned subsidiary of Lingang Investment Group and Lingang Investment Group is directly held as to 56.23% by Xinglu Investment, the Controlling Shareholder of the Company. Accordingly, Lingang Industrial Development is a connected person of the Company and the transactions under the construction service agreement between the Company and Lingang Industrial Development constitute continuing connected transactions. For details, please refer to the announcement of the Company dated 27 June 2022.

#### 7.27.3 Property Management

On 26 August 2022, Xinglu Wastewater Treatment, a subsidiary of the Company, entered into a property management service agreement with Luzhou Xinglu Property Management Co., Ltd. ("**Xinglu Property Management**"), pursuant to which Xinglu Property Management agreed to provide property management services for seven branches and a wastewater treatment plant of Xinglu Wastewater Treatment for a term commencing from 26 August 2022 to 25 August 2024. The transaction value is RMB3.89 million per year. As Xinglu Property Management is a wholly-owned subsidiary of Xinglu Investment, the Controlling Shareholder of the Company, it is regarded as a connected person of the Company under Chapter 14A of the Listing Rules and therefore, the transactions under the property management service agreement between Xinglu Wastewater Treatment and Xinglu Property Management constitute continuing connected transactions. The Company has complied with the relevant requirements under Chapter 14A of the Listing Rules. For details, please refer to the announcement of the Company dated 26 August 2022.

2022年6月27日，本公司與瀘州臨港產業開發有限公司(「**臨港產業開發**」)訂立施工服務協議，本公司據此同意為臨港產業開發提供給水管道安裝服務，交易金額為2.361百萬元，施工期為120個日曆日。臨港產業開發由臨港投資集團全資擁有，而臨港投資集團由本公司控股股東興瀘投資直接持有56.23%股權的受控公司，故臨港產業開發為本公司關連人士，本公司與臨港產業開發施工服務協議項下進行的交易構成持續關連交易。相關詳情請見本公司於2022年6月27日的公告。

#### 7.27.3 物業管理

2022年8月26日，本公司附屬公司興瀘污水處理與瀘州興瀘物業管理有限公司(「**興瀘物業管理**」)訂立物業管理服務協議，興瀘物業管理據此為興瀘污水處理旗下七家分公司及一個污水處理廠提供物業管理服務，交易金額為每年3.89百萬元，服務期限自2022年8月26日起至2024年8月25日。興瀘物業管理為本公司控股股東興瀘投資的全資附屬公司，根據上市規則第14A章，故興瀘物業管理被視為本公司關連人士，興瀘污水處理與其訂立物業管理服務協議項下進行的交易構成持續關連交易，本公司亦遵守了上市規則第14A章下的相關要求。相關詳情請見本公司於2022年8月26日的公告。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.27.4 Confirmation from Independent Non-Executive Directors and Auditors 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; and
- (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.

The Company's auditor was engaged to conduct audit work in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Pursuant to the rule 14A.56 of the Listing Rules, the auditor has issued a letter to the Board of the Company that nothing has come to their attention that causes them to believe that the continuing connected transactions disclosed by the Group:

- (1) have not been approved by the Company's board of directors;

#### 7.27.4 本公司獨立非執行董事及核數師的確認

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) 乃本集團日常業務中訂立；
- (2) 按一般或更佳商務條款進行；及
- (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。

本公司核數師已獲聘根據香港會計師公會發出的香港審驗服務準則第3000號「審核及審閱歷史財務數據以外的審驗服務」，及參照香港會計師公會的執行指引第740號「關於香港上市規則所述持續關連交易的核數師函件」執行審核工作，根據上市規則14A.56條，核數師已向本公司的董事會發出函件確認沒有注意到任何事項可使他們認為本集團上述披露的持續關連交易：

- (1) 並未獲本公司董事會批准；

- |   |   |
|---|---|
| <p>(2) these involved transactions in relation to the Group's provision of products and services, which were not executed in accordance with pricing policies of the Company in all material aspects;</p> <p>(3) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and</p> <p>(4) have exceeded the annual caps set by the Company.</p> | <p>(2) 涉及本集團提供商品和服務的交易，該等交易在所有重大方面沒有按照本公司的定價執行；</p> <p>(3) 在各重大方面沒有根據有關交易的協議進行；及</p> <p>(4) 超逾本公司訂定之年度上限。</p> |
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## 7.28 COMPLIANCE WITH NON-COMPETITION AGREEMENT

The Controlling Shareholder signed a non-competition agreement (the “**Non-competition Agreement**”) on 10 March 2017, in favour of the Company. Pursuant to the Non-competition Agreement, the Controlling Shareholder has irrevocably undertaken to the Company that it would not, and would procure that its subsidiaries would not, directly or indirectly, engage in any relevant business that may be in competition with the Company. Non-competition business refers to all business lines of the Group operated currently and to be operated from time to time in the future, which includes but not limited to tap water supply and wastewater treatment services. For details, please refer to the section headed “Relationship with our Controlling Shareholder” in the Prospectus of the Company.

The Controlling Shareholder has confirmed in writing to the Company that it has fully complied with the non-competitive commitments during the Reporting Period.

The independent non-executive Directors have reviewed the information provided by the Controlling Shareholder regarding compliance with the Non-competition Agreement and determined that the Controlling Shareholder had fully complied with and was not in breach of the Non-competition Agreement during the Reporting Period.

## 7.28 遵守不競爭協議

控股股東已於2017年3月10日簽署以本公司為受益人的不競爭協議(「**不競爭協議**」)。根據協議約定控股股東已向本公司作出不可撤銷的承諾，彼將不會並將促使其附屬企業不會直接或間接在相關業務方面與本公司競爭，不競爭業務指本公司目前營運及將來不時營運的所有業務線，包括但不限於自來水供應及污水處理服務。具體詳情參見招股章程「與控股股東的關係」章節。

控股股東已以書面形式向本公司確認，於報告期內，已全面遵守不競爭承諾。

獨立非執行董事已審閱控股股東就遵守不競爭協議提供的一切必須資料，並確定於報告期內，控股股東已完全遵守且並無違反不競爭承諾。

## Chapter VII Directors' Report (Continued) 第七章 董事會報告(續)

### 7.29 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 important factors leading to the success of the Company and balancing the interests of the Shareholders, customers and employees of the Group. The Company has adopted all the code provisions in the Corporate Governance Code, built and improved the corporate governance structure in accordance with relevant requirements, and established a series of corporate governance systems.

According to code provision B.2.2 of the Corporate Governance Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. According to the Articles of Association, the Directors (including non-executive Directors and independent non-executive Directors) shall serve for a term of three years and shall be re-elected upon expiration of their term of office. The term of the first session of the Board has expired in December 2018. Non-employee representative Directors of the second session of the Board were re-elected and appointed at the annual general meeting of the Company convened on 4 March 2022 and employee representative Directors were appointed at an employee representative meeting of the Company. For details, please refer to the section headed "Directors, Supervisors and Senior Management" in this report and the announcements of the Company dated 26 January 2022 and 4 March 2022 respectively published on the websites of the Hong Kong Stock Exchange and the Company.

During the Reporting Period, save for B.2.2 of Part 2 of the code provision, the Company has been complied with all code provisions under the Corporate Governance Code.

### 7.29 遵守企業管治守則

本公司致力維持高水平的企業管治，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的因素之一。本公司已採納企業管治守則中的所有守則條文，根據相關要求建設和完善企業管治架構，建立了一系列企業管治制度。

根據企業管治守則守則條文第B.2.2條的規定，每名董事(包括有指定任期的董事)應輪流退任，至少每三年一次。根據公司章程，董事(包括非執行董事及獨立非執行董事)任期三年，任期屆滿可連選連任。本公司第一屆董事會的任期已於2018年12月屆滿，本公司於2022年3月4日召開股東大會重選及委任了第二屆董事會的非職工代表董事，並經公司職工代表大會委任了職工代表董事，有關詳情見本報告之「董事、監事及高級管理層」章節及本公司分別於2022年1月26日及2022年3月4日於香港聯交所及本公司網站發佈的公告。

於報告期內，除守則條文第二部分第B.2.2條外，本公司一直遵守企業管治守則中的所有守則條文。



## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.30 PERMITTED INDEMNITY PROVISIONS

During the Reporting Period, the Company has purchased and maintained a collective liability insurance covering, but not limited to, all Directors.

#### 7.31 SIGNIFICANT LEGAL PROCEEDINGS

During the Reporting Period, Fanxing Environmental and Sichuan Changjiang Engineering Crane Co., Ltd. (“**Changjiang Crane**”) were in dispute over contract price due to the substandard equipment supplied by Changjiang Crane in the course of performance of the Cooperation Agreement for Wastewater Treatment Equipment Supply and Installation in Urban and Rural Areas in Luzhou entered into between the two companies. As Changjiang Crane has entered into bankruptcy proceeding, the bankruptcy administrator of Changjiang Crane has filed a lawsuit on its behalf, seeking payment of the balance of RMB42.82 million and liquidated damages of RMB17.15 million, as well as litigation costs from Fanxing Environmental.

During the Reporting Period, the Company and Zhong Jiao Jian Hongfeng Group Co., Ltd (“**Zhong Jiao Jian Hongfeng**”) were in dispute over balance payment due to Zhong Jiao Jian Hongfeng’s breach of subcontracting requirements during the construction process in the course of performance of the Contract on Civil Engineering Construction of Luzhou Nanjiao No. 2 Water Plant entered into between the two companies. Zhong Jiao Jian Hongfeng has filed a lawsuit against the Company, seeking payment of the balance of RMB11.55 million, interest on capital occupied and litigation costs.

Save as disclosed above, to the best knowledge of the Directors, there was not any legal proceedings or claims of material importance pending or threatened against the Company during the Reporting Period.

#### 7.30 獲准許的彌償條文

於報告期內，本公司已為(包括但不限於)董事購買及維持一項集體責任保險。

#### 7.31 重大訴訟

報告期內，繁星環保與四川長江工程起重機有限責任公司(「**長起公司**」)就簽訂的《瀘州市城鎮和農村污水處理設備供貨及安裝工程合作協議》在履行過程中，因長起公司供應的設備質量不符合合同約定，故雙方就合同價款問題產生爭議。由於長起公司已進入破產程序，現長起公司破產管理人代長起公司提起訴訟，要求繁星環保支付所欠貨款人民幣42.82百萬元，違約金人民幣17.15百萬元及案件訴訟費。

報告期內，本公司與中交建宏峰集團有限公司(「**中交建宏峰**」)就簽訂的《瀘州南郊二水廠土建工程施工合同》在履行過程中，因中交建宏峰施工進度及過程中的分包不符合合同約定，故雙方就工程款尾款問題產生爭議。現中交建宏峰提起訴訟，要求我公司支付工程款尾款人民幣11.55百萬，資金佔用利息及案件訴訟費。

除上述披露者外，就董事所知，於報告期內，本公司並無任何尚未了結或可能面臨的重大法律訴訟或索賠。

## Chapter VII Directors' Report (Continued)

### 第七章 董事會報告(續)

#### 7.32 AUDIT COMMITTEE

As of the date of this report, the audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors, namely Mr. Fu Ji (certified public accountant), Mr. Liang Youguo and Ms. Ma Hua, with Mr. Fu Ji serving as the chairperson of the committee. The primary responsibilities of the Audit Committee are to supervise our internal control, risk management, financial information disclosure and financial reporting matters. The terms of reference of the Audit Committee are available for inspection on the Company's website and the website of the Hong Kong Stock Exchange. The Audit Committee has reviewed the consolidated financial statements of the Group for the Reporting Period and has discussed with the senior management on the accounting policies and practices adopted by the Company as well as matters relating to internal control.

#### 7.33 EVENTS AFTER THE REPORTING PERIOD

Details of the events after the Reporting Period of the Group are set out in “Management Discussion and Analysis” of this annual report.

#### 7.34 AUDITOR

ShineWing Certified Public Accountants LLP is recognized by the Ministry of Finance of the People's Republic of China and the China Securities Regulatory Commission and is qualified to serve as the reporting accountant for mainland incorporated companies listed in Hong Kong. Upon approval at the 2021 Annual General Meeting of the Company, ShineWing Certified Public Accountants LLP became the sole auditor of the Company auditing the consolidated financial statements of the Group prepared in accordance with CASBE, and also undertook the role of international auditor of the Company.

On 28 December 2021, upon approval at the first 2021 Extraordinary General Meeting of the Company, the Company's auditor for 2021 was changed from Deloitte Touche Tohmatsu to ShineWing Certified Public Accountants LLP. For details, please refer to the announcements dated 9 December 2021 and 28 December 2021 and the circular dated 10 December 2021 of the Company.

#### 7.32 審計委員會

截至本報告日期，本公司審計委員會（「**審計委員會**」）由三名獨立非執行董事傅驥先生、梁有國先生及馬樺女士組成，並由傅驥先生擔任審計委員會主席。審計委員會的主要職責為監督我們的內部控制、風險管理、財務數據披露及財務報告事宜。審計委員會的職權範圍可於本公司網站及香港聯交所網站查閱。審計委員會已審閱本集團於報告期間之合併財務報表並就有關本公司所採納的會計政策及常規以及內部監控事宜與高級管理層進行討論。

#### 7.33 報告期後事項

本集團報告期後事項之詳情載於本年報之「管理層討論與分析」內。

#### 7.34 核數師

信永中和會計師事務所（特殊普通合伙）為獲中華人民共和國財政部及中國證券監督管理委員會認可並有資格擔任在香港上市的內地註冊成立公司的申報會計師。經本公司2021年股東週年大會批准後，信永中和會計師事務所（特殊普通合伙）成為本公司按照中國企業會計準則的規定審核本集團合併財務報表的唯一核數師，並承擔本公司國際核數師的職責。

2021年12月28日，經本公司2021年第一次臨時股東大會批准，於2021年度將本公司核數師由德勤•關黃陳方會計師事務所變更為信永中和會計師事務所（特殊普通合伙）有關詳情見本公司日期分別為2021年12月9日及2021年12月28日的公告及日期為2021年12月10日的通函。

# Chapter VIII Supervisory Committee's Report

## 第八章 監事會報告

### 8.1 COMPOSITION OF THE SUPERVISORY COMMITTEE

During the Reporting Period, the first session of the Supervisory Committee of the Company comprises seven Supervisors, including two shareholder representative Supervisors, three employee representative Supervisors and two external Supervisors. They have a term of three years and are eligible for re-election.

Details of status of Supervisors of the Company during the Reporting Period and as of the date of this report are set out in "Directors, Supervisors and Senior Management" in this annual report.

### 8.2 WORK OF THE SUPERVISORY COMMITTEE

The Supervisory Committee performed their supervision duties diligently and protected the interest of the Company and the Shareholders in accordance with the Company Law, the Articles of Association, the Rules of Procedure of the Supervisory Committee and relevant laws and regulations, which included the following aspects:

#### 8.2.1 Attendance of Board Meetings and Significant Meetings

During the Reporting Period, the Supervisory Committee observed the Board meetings, annual general meetings and important operation meetings to supervise over the annual general meetings' and the Board's decision-making process and compliance, understand directly and indirectly the operation status of the Company, and give their opinions and proposals whenever appropriate, so as to promote the healthy development of the Company and protect the interests of the Shareholders.

### 8.1 監事會組成

於報告期間，本公司第一屆監事會由7名監事組成，其中包括2名股東代表監事、3名職工代表監事以及2名外部監事。任期3年，此後可連選連任。

本公司於報告期內及截至本報告日期監事情況的詳情載於本年報的「董事、監事及高級管理層」內。

### 8.2 監事會工作情況

監事會嚴格按照《公司法》《公司章程》《監事會議事規則》和有關法律、法規要求，認真履行監督職責，切實維護公司和股東權益，主要從以下幾方面開展工作：

#### 8.2.1 出席公司董事會及重要會議

於報告期內，監事列席了歷次董事會和股東大會和重要的經營工作會，對股東大會、董事會的決策程序及合規性進行監督，直接和間接地瞭解本公司經營情況並適時地提出意見和建議，促進企業良性發展，維護了股東的權益。

## Chapter VIII Supervisory Committee's Report (Continued)

### 第八章 監事會報告(續)

#### 8.2.2 Meetings of the Supervisory Committee

During the Reporting Period, attendance of members of the Supervisory Committee is recorded as follows:

#### 8.2.2 監事會會議情況

於報告期內，監事會之成員出席記錄如下：

| Name<br>姓名                | Position<br>職位  | Meetings<br>attended/<br>eligible<br>for attending<br>出席／應參加<br>會議次數 | Attendance<br>rate<br>出席率 |
|---------------------------|---|--|---------------------------|
| Ms. Qu Mei<br>屈梅女士        | Shareholder representative and Chairperson of the Supervisory Committee<br>股東代表監事及監事會主席 | 1/1  | 100%                      |
| Mr. Yang Zhenqiu<br>楊震球先生 | Shareholder representative and Chairperson of the Supervisory Committee<br>股東代表監事及監事會主席 | 3/3  | 100%                      |
| Mr. Xu Ke<br>徐可先生         | Shareholder representative Supervisor<br>股東代表監事   | 1/1  | 100%                      |
| Mr. Lai Bingyou<br>賴柄有先生  | Shareholder representative Supervisor<br>股東代表監事   | 3/3  | 100%                      |
| Ms. Huang Mei<br>黃梅女士     | Shareholder representative Supervisor<br>職工代表監事   | 1/1  | 100%                      |
| Ms. Xiang Min<br>向敏女士     | Employee representative Supervisor<br>職工代表監事  | 4/4  | 100%                      |
| Mr. Zhu Yuchuan<br>朱玉川先生  | Employee representative Supervisor<br>職工代表監事  | 1/1  | 100%                      |
| Mr. Luo Chaoping<br>羅超平先生 | Employee representative Supervisor<br>職工代表監事  | 3/3  | 100%                      |
| Mr. Tang Nanyou<br>唐南友先生  | Employee representative Supervisor<br>職工代表監事  | 3/3  | 100%                      |
| Mr. Xuan Ming<br>宣明先生     | External Supervisor<br>外部監事   | 1/1  | 100%                      |
| Mr. Gu Ming'an<br>辜明安先生   | External Supervisor<br>外部監事   | 3/3  | 100%                      |
| Mr. Xiong Hua<br>熊華先生     | External Supervisor<br>外部監事   | 4/4  | 100%                      |



### 8.2.3 Supervision Over Operation

During the Reporting Period, the Supervisory Committee convened the meetings to consider and approve the annual report for the year ended 31 December 2021, interim report and results announcement for the six months ended 30 June 2022 and other proposals, so as to keep abreast of the business condition of the Company in a timely manner.

### 8.2.4 Supervision Over Financial Operation

During the Reporting Period, the Supervisory Committee conducted supervision over financial operation of the Company by inquiring upon and reviewing the financial reports on a regular basis.

### 8.2.5 Supervision Over Performance of Duties by Directors and Senior Management

During the Reporting Period, the Supervisory Committee paid attention to the Company's legal operation, reviewed the Company's operation management, risk management, internal control system improvement and connected transactions, and focused on the diligence and duties of the Company's Directors and senior management officers through meetings, talks and review of materials to prevent behaviour that could cause damage to the interest of Company.

### 8.2.6 Strengthen the Internal Governance of the Supervisory Committee

During the Reporting Period, the Supervisory Committee re-elected and appointed members of Supervisory Committee for the new term in accordance with the Company Law and the Articles of Association of the Company to give full play the supervisory role of the Supervisory Committee and improve its performance.

### 8.2.3 監督經營活動情況

於報告期內，監事會通過監事會會議審議本公司截至2021年12月31日止年度的年度報告、截至2022年6月30日止六個月的中期報告及業績公告等議案，及時掌握本公司經營情況。

### 8.2.4 監督財務執行情況

於報告期內，監事會通過定期瞭解和審閱財務報告，對本公司的財務運作情況實施監督。

### 8.2.5 監督本公司董事及高級管理人員履職情況

於報告期內，監事會關注公司依法運作情況，對本公司經營管理、風險管理、內部監控系統的建設、關連交易等情況進行檢查，並通過參會、談話、審閱資料、調研及檢查等方式關注本公司董事、高級管理人員勤勉盡責的情況，防止損害本公司利益的行為發生。

### 8.2.6 強化監事會內部治理

於報告期內，監事會根據《公司法》及公司章程，重選及委任新一屆監事會成員，充分發揮監事會的監督作用，提高監事會履職能力。

### 8.3 BASIC EVALUATION ON THE OPERATION MANAGEMENT AND OPERATING RESULTS OF THE COMPANY IN 2021

#### 8.3.1 Evaluation on the Work of the Board

Aiming at protecting the interest of the Company and the Shareholders in practice, the Supervisory Committee of the Company performed its supervisory duties diligently. The Supervisory Committee observed all the Board meetings in 2022 and confirmed the contents of the meetings convened by way of communication. The Supervisory Committee considers that the convening of Board meetings, the qualification of participants and the decision-making procedures met requirements of the Company Law and the Articles of Association, and that the resolutions made were valid and effective. It effectively supervised over the implementation of various resolutions by the Board to ensure the execution of the resolutions; in the meantime, the Board duly executed all resolutions approved by the general meeting, exercised its rights granted under the law and by the Shareholders. There was no behavior that undermined the interest of the Company and the Shareholders.

#### 8.3.2 Evaluation on the Work of the Operation Team

The Supervisory Committee conducted supervision on the production and operation activities of the Company during their term of office and considers that, the operation team of the Company has diligently performed its duties, executed all the resolutions of the Board conscientiously, and had no irregularity in the course of operation. In 2022, led by the Board, the operation team of the Company adhered to the overriding principles of "principal operations plus expansion and extension" and overcame the adverse impact brought by extreme high temperature, the COVID-19 pandemic and the downturn in the real estate market. While deepening the local water supply and drainage business, the operation team seized the opportunity to expand the non-local water supply and drainage business market. It overcame difficulties and took multiple measures to achieve the goals and tasks, and maintaining a sound momentum of steady development.

### 8.3 對本公司2021年度經營管理行為和業績的基本評價

#### 8.3.1 對董事會工作評價

本公司監事會從切實維護本公司利益和股東權益出發，認真履行監督職責。監事會列席了2022年度歷次董事會會議，對以通訊方式召開的會議內容也進行了確認，認為董事會的召集、召開、出席人資格以及決策程序均符合《公司法》以及公司章程的規定，做出的決議合法有效，並對董事會決議執行情況實施了有效監督，保障了各項決議的落地；同時，董事會認真執行了股東大會的各項決議，依法行使法律和股東賦予的權利，未發現損害本公司利益、股東利益的行為、違規操作行為。

#### 8.3.2 對經營班子工作評價

監事會對報告期內本公司生產經營活動進行了監督，認為本公司經營班子勤勉盡責，認真執行了董事會的各項決議，經營中未發現違規操作行為。2022年，公司經營班子在董事會的正確領導下，緊緊圍繞「固本榮枝、深耕廣拓」工作總基調，克服了高溫極端天氣、新冠疫情以及房地產市場低迷帶來的不利影響，在深耕本土供排水業務的同時，搶抓機遇，全力拓展域外供排水業務市場；攻堅克難、多措並舉，紮實推動目標任務完成，保持了穩健發展的良好態勢。

## **8.4 SUPERVISORY COMMITTEE'S INDEPENDENT OPINION ON THE MATTERS OF THE COMPANY IN 2022**

### **8.4.1 Evaluation on Legal Compliance of the Company's Operations**

The Supervisory Committee is of the view that the Company carried out business operations in accordance with the national laws and regulations and the Articles of Association and after review, and established a complete internal control system. The annual general meeting and Board meetings were convened in accordance with procedures required by relevant laws and regulations and the Articles of Association, and relevant resolutions were valid and effective. The senior management performed their duties in compliance with the relevant provisions of the Company Law and the Articles of Association of the Company and did not act in a manner prejudicial to the interests of the Company and its Shareholders.

### **8.4.2 Evaluation on Financial Operation**

In 2022, having carefully review on the financial system, internal control system and the financial position of the Company, the Supervisory Committee believes that the existing internal control system on financial accounting is complete, the Company has a sound financial position, high-quality assets, and true and accurate recognition and measurement of income, expenses and profit. The auditor, ShineWing CPA Limited conducted an audit of the Company's financial information in accordance with the established plan, judging that accounting report of the Company met requirements of Accounting Standard and gave a true, accurate and complete view of the Company's financial position, operating results and cash flows.

## **8.4 監事會對本公司2022年度有關事項的獨立意見**

### **8.4.1 本公司依法運作情況評價**

經檢查，監事會認為報告期內，本公司依據國家有關法律法規和《公司章程》相關規定開展經營活動，建立了較為完善的內部控制制度；股東會及董事會會議的召集、召開均按照有關法律法規及《公司章程》規定的程序進行，決策程序合法，有關決議的內容合法有效；高級管理人員在履行本公司職務時符合《公司法》《公司章程》的相關規定，沒有發現違反法律法規、公司章程或損害公司利益的行為。

### **8.4.2 財務執行情況評價**

2022年度，監事會對本公司的財務制度、內控制度和財務狀況等進行了認真細緻的檢查，認為本公司目前財務會計內控制度較健全，財務狀況良好，資產質量優良，收入、費用和利潤的確認與計量真實準確。核數師信永中和會計師事務所按既有計劃對公司財務信息進行審計，認定本公司會計報告符合會計準則的有關規定，真實、準確、完整地反映了本公司的財務狀況、經營成果和現金流量情況。

### 8.4.3 Evaluation on Connected Transactions of the Company

In 2022, connected transactions between the Company and connected persons were all subject to the approval by the Articles of Association and the Listing Rules of the Hong Kong Stock Exchange and fulfilled their disclosure duties in a timely manner. In the course of consideration and voting of the connected transactions in 2022, the Supervisory Committee did not find any insider trading and behaviour that undermined the interest of the Company and Shareholders, and the Supervisory Committee is of its opinion that the connected transactions of the Company were fair, just and open, and the pricing basis is sufficient, did not undermine the interest of the Company, particularly the interest of minority shareholders.

### 8.4.4 Evaluation on Internal Control and Risk Management

In 2022, having reviewed the internal control and risk management system of the Company during the Reporting Period, the Supervisory Committee believes that the Company has built a complete internal control and risk management system, which works throughout the whole process of decision-making, implementation and supervision. Risks were effectively managed at the institutional level, with constant improvement and effective execution. A risk list has been established and updated annually to accurately identify the annual major risks. The Company has established a sound compliance review mechanism for major legal matters, contracts and major rules and regulations. The Company has an appropriate deployment for the internal audit department and relevant personnel, which plays the role of supervising the execution of internal control.

### 8.4.3 本公司關連交易交易情況評價

2022年度，本公司與關連人士之間的關連交易，均按《公司章程》《香港聯交所上市規則》等規定進行審批，並及時履行了信息披露義務。2022年度所涉及的關連交易審議過程中，監事會未發現內幕交易行為和損害本公司及股東權益的情況，監事會認為：本公司關連交易符合公平、公正、公開原則，定價依據充分，沒有損害本公司，尤其是中小股東的利益。

### 8.4.4 內控及風險管理情況評價

2022年度，監事會對本公司在報告期內的內控及風險管理體系建設進行了檢查，認為本公司建立了較為完善的內控及風險管理體系，風險管理貫穿於決策、執行、監督全過程。從制度層面對風險實施有效管理，並能不斷改進及有效執行；建立了風險清單，並每年持續更新，對企業年度重大風險進行準確識別；公司建立完善的重大法律事項、合同、重大規章制度的合規性審查機制；本公司內部審計部門及人員配備到位，對本公司內部控制的執行情況起到監督作用。



## Chapter VIII Supervisory Committee's Report (Continued)

### 第八章 監事會報告(續)

Members of the Supervisory Committee will improve their duty performance through self development, firmly implement the Company's established strategic policies, and perform its duties in compliance with national laws and regulations and the Articles of Association. They will actively participate in the discussion of the Company's strategic decisions and the supervision and management in its regular operation, strengthen supervision and inspection on Directors and executives of the Company, enhance supervision on investment, connected transactions and other significant events, and propel the building of a modern enterprise mechanism, improve corporate governance structure and develop sustainable and healthy business, striving to safeguard the legitimate rights and interests of Shareholders and the Company.

**Luzhou Xinglu Water (Group) Co., Ltd.**

**Yang Zhenqiu**

*Chairperson of the Supervisory Committee*

Luzhou, the PRC

26 March 2023

監事會成員將加強自身學習，提高履職能力，貫徹公司既定的戰略方針，嚴格遵照國家法律法規和本公司章程賦予的職責，積極參與公司戰略決策的討論決定和常規運行的監督管理，督促本公司規範運作，並加強對本公司董事和高管人員的監督和檢查，加強對本公司投資、關連交易等重大事項的監督，推動現代企業制度的建設、完善法人治理結構和促進企業可持續健康業務，努力維護股東和本公司的合法權益。

**瀘州市興瀘水務(集團)股份有限公司**

**監事會主席**

**楊震球**

中國•瀘州

2023年3月26日

# Chapter IX Corporate Governance Report

## 第九章 企業管治報告

### 9.1 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 important factors leading to the success of the Company and balancing the interests of the Shareholders, customers and employees.

The Company has adopted all the code provisions in the Corporate Governance Code, built and improved the corporate governance structure in accordance with relevant requirements, and established a series of corporate governance systems.

According to the code provision B.2.2 of Part 2 of the Corporate Governance Code, every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. According to the Articles of Association, the Directors (including non-executive Directors and independent non-executive Directors) shall serve for a term of three years and shall be reelected upon expiration of their term of office. The term of the first session of the Board of the Company expired in December 2018. Non-employee representative Directors of the second session of the Board were re-elected and appointed at the 2022 first extraordinary general meeting of the Company convened on 4 March 2022 and employee representative Directors were appointed at an employee representative meeting of the Company. For details, please refer to the section headed “Directors, Supervisors and Senior Management” in this report and the announcements of the Company dated 26 January 2022 and 4 March 2022.

### 9.1 遵守企業管治守則

本公司致力維持高水平的企業管治，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。

本公司已採納企業管治守則中的所有守則條文，根據相關要求建設和完善企業管治架構，建立了一系列企業管治制度。

根據企業管治守則條文第二部分第B.2.2條的規定，每名董事（包括有指定任期的董事）應輪流退任，至少每三年一次。根據公司章程，董事（包括非執行董事及獨立非執行董事）任期三年，任期屆滿可連選連任。本公司第一屆董事會的任期已於2018年12月屆滿，本公司於2022年3月4日召開2022年首次臨時股東大會重選及委任第二屆董事會非職工代表董事，並經公司職工代表大會委任了職工代表董事，有關詳情見本報告之「董事、監事及高級管理層」章節及本公司日期為2022年1月26日及2022年3月4日的公告。

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

The Company has adopted the Model Code as the code of conduct regarding securities transactions of the Company by the Directors, Supervisors and employees of the Group who, by reason of their office or employment, may have inside information about the Group or the Company's securities. The Company has made specific inquiries to all Directors and Supervisors, and all Directors and Supervisors have confirmed that they have fully complied with the requirements set out in the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance with the Model Code by the relevant employees during the Reporting Period.

## 9.3 BOARD OF DIRECTORS

### Composition of the Board

As of the date of this report, the Board of the Company comprises nine Directors, including three executive Directors (including one employee representative Director), three non-executive Directors and three independent non-executive Directors.

## 9.2 董事及監事進行證券交易的標準守則

本公司已採納標準守則作為本公司董事、監事及本集團僱員(彼等因有關職位或受僱工作而可能擁有有關本集團或本公司證券之內幕消息)進行證券交易的行為守則。本公司已向全體董事及監事作出具體查詢，全體董事及監事均確認其於報告期內嚴格遵守標準守則所訂之標準，此外，本公司未獲悉相關僱員於報告期內有任何不遵守標準守則之情況。

## 9.3 董事會

### 董事會組成

截至本報告日期，本公司董事會由9名董事組成，其中包括3名執行董事(含一名職工代表董事)、3名非執行董事以及3名獨立非執行董事。

## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

Pursuant to Rule 19A.54 of the Listing Rules, we entered into written contracts with all Directors in relation to, inter alia, compliance with laws and regulations, the Articles of Association of the Company and arbitration clauses. We have not signed and do not intend to sign any written service contract with any Directors that is not determinable by the employer within one year without paying any compensation (other than statutory compensation).

There are no relationship between the Directors, Supervisors and senior management of the Company, including financial, business, family or other material connections. Details of status of the Directors are set out in the “Directors’ Report” of this annual report.

#### 9.4 DUTIES AND POWERS OF THE BOARD

The Board reports to the general meeting and is responsible for implementation of resolutions of the general meeting. The functions and powers of the Board are set out in the Articles of Association, which include: to convene general meetings, to implement the resolutions of the general meeting, to decide on the business plans and investment plans of the Company, to formulate the plans for annual financial budgets and final accounts, profit distribution plans and plans for the increase or reduction of the registered capital, to decide on to appoint or remove the general manager, the deputy general manager and other members of senior management, to formulate the basic management systems of the Company and to decide on the establishment of the Company’s internal management organisation.

根據上市規則第19A.54條，我們與各董事就(其中包括)符合相關法律法規、遵守公司章程及仲裁條款訂立書面合約。我們並無且不擬與我們的任何董事以彼等各自董事身份訂立任何服務合同(於一年內屆滿或由僱主於一年內終止而毋須賠償(法定賠償除外)的合約除外)。

本公司董事、監事及高級管理層彼此間概無財務、業務、家族等關連或其他重大關係。本公司董事情況詳情載於本年報之「董事會報告」內。

#### 9.4 董事會職責及職權

董事會對股東大會負責並向其報告工作，負責執行股東大會決議。董事會職權已在公司章程中有明確規定，其主要職權如下：負責召集股東大會、執行股東大會決議，決定公司的經營計劃和投資方案，制訂年度財務預算方案、決算方案、利潤分配方案、增減資方案等，決定聘任或者解聘總經理、副總經理等高級管理人員，制定公司基本管理制度以及決定公司內部管理機構的設置等。



### 9.5 CORPORATE GOVERNANCE FUNCTIONS OF THE BOARD

The Board is responsible for formulating corporate governance policies and fulfilling corporate governance obligations, which include, among others: (1) to develop and review the Company's corporate governance system and practices and to make recommendations accordingly; (2) to review and monitor the training and continuous professional development of Directors and senior management; (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; (5) to review the compliance with the Corporate Governance Code of the Company and disclose in the corporate governance report prepared in accordance with requirements of the Listing Rules.

Before the publication of this annual report, the Board reviewed the corporate governance report, and considered that this part of the annual report meets the relevant requirements of the Listing Rules.

### 9.6 DUTIES AND POWERS OF THE MANAGEMENT

The Board has authorised the management to be in charge of day-to-day business operation and management, and the management is responsible for implementation of resolutions of the Board and the day-to-day operation and management of the Company. According to the Articles of Association, the functions and powers of the management include: to draft the business plans and investment plans of the Company, to draft plans for the establishment of internal management organisation, to draft basic management system of the Company and to formulate specific rules of the Company. The management team reports to the Board on a regular basis and communicates with the Board when necessary.

### 9.5 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；(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。

董事會在本年度報告公佈前，對本年報的企業管治報告進行了審閱，認為該部分內容符合上市規則中的相關要求。

### 9.6 管理層職責及職權

董事會已將日常業務及經營職責轉授本公司管理層，管理層負責具體執行董事會決議及公司日常經營管理。根據公司章程規定，管理層主要職權如下：擬定本公司經營計劃和投資方案，擬定內部管理機構設置方案，擬定本公司基本管理制度及制定公司具體規章等。管理層團隊定期向董事會匯報，並在需要時與董事會保持溝通。

## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

#### 9.7 INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company complies with the requirement of the Listing Rules, which states that there shall be at least three independent non-executive Directors (accounting for at least one third of the Board) and that at least one independent non-executive Director has appropriate professional qualification or expertise of accounting or relevant financial management.

Each of independent non-executive Directors has entered into the letter of appointment with the Company, with a term of three years, but subject to retirement by rotation and re-election in accordance with the Articles of Association.

The Company has received annual confirmation of independence from each of independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. The Company is of the opinion that all independent non-executive Directors are independent persons, and believes that they are able to provide independent advice on the business strategy, operating results and management of the Company, therefore protecting the interests of the Company and its Shareholders.

#### 9.8 CHAIRMAN OF THE BOARD AND GENERAL MANAGER

The duties of the chairman of the Board and the general manager are separate and held by different persons, and have been clearly defined in the Articles of Association.

The chairman of the Board is mainly responsible for the overall operation of the Board, the Company's strategies, development plans, and the making of material decisions. Executive Director Mr. Zhang Qi holds the post of chairman. The general manager is responsible for the day-to-day business management of the Company, and the post is assumed by executive Director Mr. Liao Xingyue. The chairman of the Board is elected by more than a half of all Directors, and the general manager is nominated and appointed by the Board.

#### 9.7 獨立非執行董事

本公司符合上市規則所載擁有至少三名獨立非執行董事(佔董事會至少三分之一)的規定，且其中至少一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。

全體獨立非執行董事均已與本公司訂立為期三年之委任書，但須根據公司章程輪值退任及膺選連任。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出有關其獨立性之年度確認書。本公司認為，全體獨立非執行董事均為獨立人士，並認為獨立非執行董事可為本公司之業務策略、業績及管理提供獨立的意見，以保障本公司及其股東之利益。

#### 9.8 董事長及總經理

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。

董事長主要負責董事會的整體運作、公司戰略、發展規劃，以及重大決策制定等工作，由執行董事張歧先生擔任。總經理負責公司業務的日常運營和管理，由執行董事廖星樾先生擔任。董事長由全體董事過半數選舉產生。總經理由董事會提名並聘任。

## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

The chairman of the Board places great emphasis on the communication with independent non-executive Directors and meets with independent non-executive Directors at least once a year in the absence of other Directors to discuss about the Company's development strategies, corporate governance, and operation management.

The chairman of the Board encourages open and active discussions. Directors may speak freely at the Board meetings and actively participate in the discussions of significant decision-makings of the Company.

董事長注重與獨立非執行董事的溝通，並每年至少一次與獨立非執行董事在其他董事不在場的情況下單獨會面，溝通本公司發展戰略、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。

### 9.9 NOMINATION, APPOINTMENT AND REMOVAL OF DIRECTORS

According to the Articles of Association, Directors shall be elected at the Shareholders' general meeting for a term of three years. At the expiry of a Director's term, the Director may stand for re-election and reappointment for further term. Subject to the compliance of the relevant laws and administrative regulations, the general meeting of the Shareholders may dismiss by ordinary resolution any Directors of whom the term of office has not expired (the claim for compensation under any contracts shall however be not affected).

The term of each independent non-executive Director is the same as that of other Directors. At the expiration of their terms, they may continue to serve if re-elected, but they may not serve more than six years in succession.

The procedures for the appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination and Remuneration Committee of the Board carefully considers the qualifications and experience of director candidates and recommends them to the Board for consideration. After the Board passes the nomination resolution in relation to the candidate, it is proposed to the general meeting to elect the relevant candidates for approval. The new Directors and independent non-executive Directors have the same term of office as the other Directors of the Company. When the current Board expires, the other members of the Board will take over the re-election of the Shareholders' meeting, and will not be individually arranged to accept the Shareholders' election at the first general meeting after the appointment.

### 9.9 董事的提名及任免

根據公司章程，董事由股東大會選舉或更換，任期三年，任期屆滿可連選連任。股東大會在遵守相關法律和行政法規規定的前提下，可以普通決議的方式在任何董事任期屆滿前將其免任罷免(但此類免任並不影響該董事依據任何合約提出的損害賠償申索)。

獨立非執行董事的每屆任期與公司其他董事相同，任期屆滿連選可以連任，但是連任時間不得超過六年。

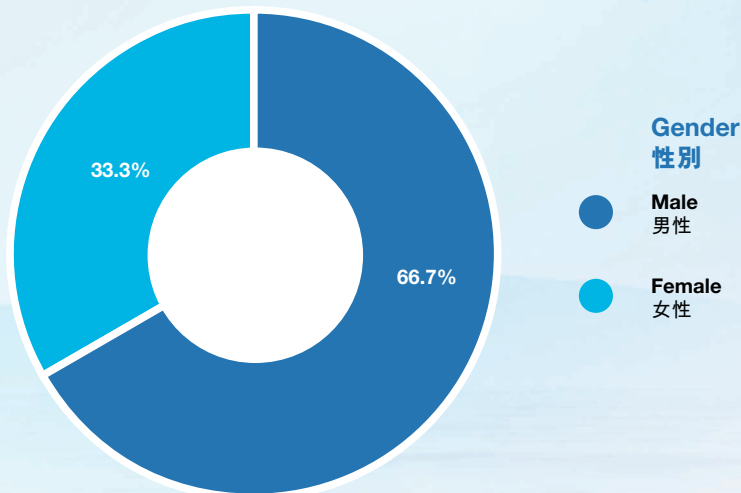
本公司委任、重選及罷免董事的程序已載列於公司章程。董事會提名薪酬委員會對董事候選人的資格及經驗做審慎考慮，並向董事會推薦以待考慮。董事會通過有關候選人的提名決議案後，向股東大會建議選舉有關候選人，提交股東大會決議批准。新任董事及獨立非執行董事每屆任期與公司其他董事相同，於當屆董事會到期時跟隨董事會其他成員一併接受股東大會的重新選舉，而不會個別被安排在委任後的首次股東大會上接受股東選舉。

## 9.10 BOARD DIVERSITY POLICY

Pursuant to Rule 13.92 of the Listing Rules, the Board has adopted a board diversity policy. It sets out the ways to achieve and maintain the diversity of the Board in order to optimise the composition of the Board. The Company recognises and embraces the benefits of diversity of Board members, and the Company will ensure that the Board strikes a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company's business. All Board appointments will continue to be made on a merit basis, and selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience, skills, knowledge and office term. The decision is ultimately based on the strengths of the personnel and the contributions that can be made to the Board.

### 9.10.1 Gender

As of the date of this report, among the Board members, there are 3 female members and 6 male members, accounting for approximately 33.3% and 66.7% of the total number respectively. In the future, we will continue to give due consideration to gender in the identification and development of nominees on the basis that there is at least one female member in the Board. The Nominating Committee and the Company's Human Resources Center will also focus on maintaining and enhancing the identification, selection and cultivation of female talents with high potential, and to nominate and recommend competent and qualified candidates for directors when needed.



## 9.10 董事多元化政策

董事會根據上市規則第13.92條採納董事會多元化政策，其中載列了達致和維持董事會多元化的方法，以提升優化董事會的人員結構。本公司肯定及接受董事會成員多元化的益處，並確保董事會在切合本公司業務所需的技能、經驗和多元化方面取得平衡。董事會所有委任均以用人唯才為原則，在甄選候選人時以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗、技能知識及服務任期。最終將按人員的長處及可為董事會提供的貢獻而做決定。

### 9.10.1 性別

截至本報告日期，董事會成員中，有女性3名，約佔總人數的33.3%；有男性6名，約佔總人數的66.7%。未來將在維持至少一名董事會成員為女性的基礎上，在物色和培養提名人士時持續充分考量性別因素。提名委員會和公司人力資源中心也會注意保持和加快對女性高潛人才的關注，選拔和培養，在需要時為董事提名和推薦有能力和合資格的候選人。



# Chapter IX Corporate Governance Report (Continued)

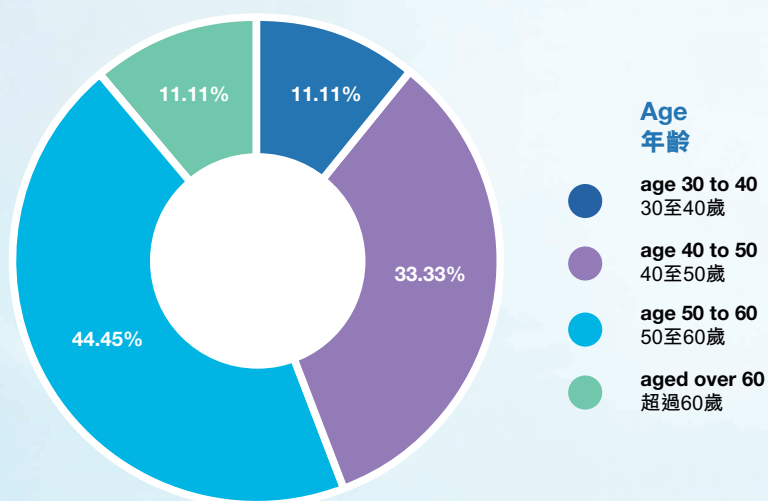
## 第九章 企業管治報告(續)

### 9.10.2 Age

As of the date of this report, among the Board members, there are one member aged 30 to 40, three members aged 40 to 50, four members aged 50 to 60 and one member aged over 60, accounting for approximately 11.11%, 33.33%, 44.45% and 11.11% of the total number respectively.

### 9.10.2 年齡

截至本報告日期，董事會成員中，年齡介乎30至40歲有1人，約佔總人數的11.11%；年齡介乎40至50歲有3人，約佔總人數的33.33%；年齡介乎50至60歲有4人，約佔總人數的44.45%；年齡超過60歲有1人，約佔總人數的11.11%。

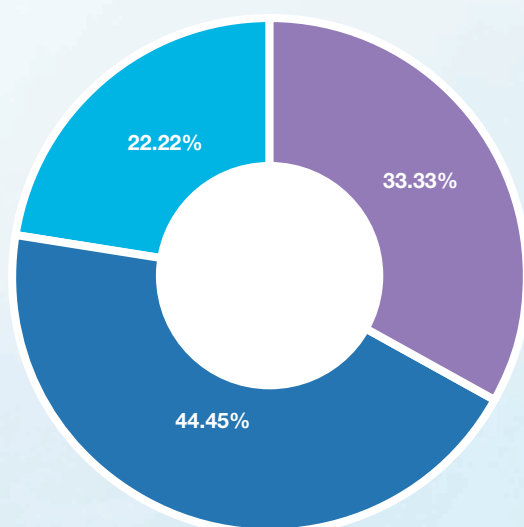


# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

### 9.10.3 Cultural and Educational Background

As of the date of this report, among the Board members, there are 3 members holding bachelor's degree, 4 members holding master's degree and 2 members holding doctor's degree, accounting for 33.33%, 44.45% and 22.22% of the total number respectively.



### 9.10.3 文化及教育背景

截至本報告日期，董事會成員中，學歷為大學本科有3人，約佔總人數的33.33%；碩士有4人，約佔總人數的44.45%；博士有2人，約佔總人數的22.22%。

#### Cultural and Educational Background 文化及教育背景

- Master's degree  
碩士
- Bachelor's degree  
大學本科
- Doctor's degree  
博士

# Chapter IX Corporate Governance Report (Continued)

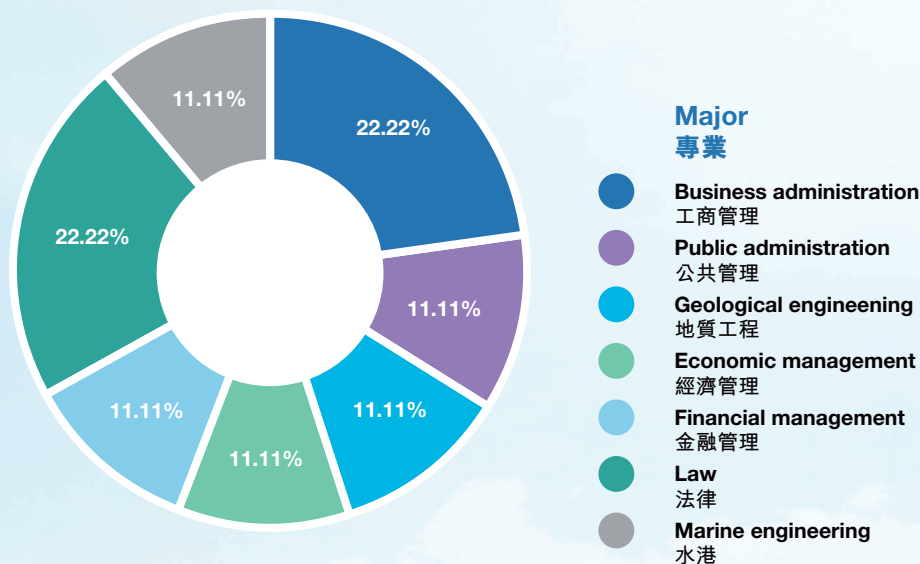
## 第九章 企業管治報告(續)

### 9.10.4 Major

As of the date of this report, among the Board members, there are 2 members majoring in business administration, 1 member majoring in public administration, 1 member majoring in geological engineering, 1 member majoring in economic management, 1 member majoring in finance, 2 members majoring in law and 1 member majoring in marine engineering, accounting for 22.22%, 11.11%, 11.11%, 11.11%, 11.11%, 22.22% and 11.11% of the total number respectively.

### 9.10.4 專業

截至本報告日期，董事會成員中，工商管理專業有2人，約佔總人數的22.22%；公共管理專業由1人，約佔總人數的11.11%；地質工程專業有1人，約佔總人數的11.11%；經濟管理專業有1人，約佔總人數的11.11%；金融專業有1人，約佔總人數的11.11%；法律專業有2人，約佔總人數的22.22%；水港專業有1人，約佔總人數的11.11%。



# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

### 9.10.5 Management Experience

As of the date of this report, the Board members have rich experience in wastewater treatment and tap water supply services, municipal infrastructure planning, investment, construction and management, corporate management, financial management, teaching and research, engineering, business, and finance and accounting management.

### 9.10.5 管理經驗

截至本報告日期，董事會成員在污水處理及自來水供應服務、市政基礎設施規劃、投資、建設和管理、企業管理、財務管理、教學和研究、工程領域、商業、金融及會計管理方面經驗豐富。

Years of management experience  
管理經驗年長



### 9.11 OPERATION OF THE BOARD

The Company has established mechanisms to ensure independent views and input are available to the Board:

- (i) All Directors express their views in an open and frank manner at Board/committee meetings;
- (ii) The Chairman holds meetings annually with the independent non-executive Directors without the presence of the executive Directors;
- (iii) If any Director has an interest in a matter under consideration, he/she shall recuse himself/herself from the consideration and abstain from voting on that matter;

### 9.11 董事會的運作

本公司已設立機制，以確保董事會獲得獨立的意見及建議：

- (一) 所有董事於董事會／委員會會議上公開及坦率的表達意見；
- (二) 董事長在並無執行董事列席的情況下，每年與獨立非執行董事舉行會議；
- (三) 若任何董事對於正在審議的事項擁有利益，則其應迴避審議並對該事項放棄表決；



## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

(iv) The Nomination and Remuneration Committee assesses the independence of the independent non-executive Directors on an annual basis to confirm their respective independence and their immediate family members, so as to meet the requirements set out in Rule 3.13 of the Listing Rules.

During the Reporting Period, all Directors exercised due diligence, made independent judgment and always acted prudently in the interests of the Company. The Board reviews the implementation and effectiveness of the mechanism annually.

Board meetings are divided into regular meetings and extraordinary meetings. In accordance with the Corporate Governance Code, Board meetings shall be held at least four times per financial year. The meeting shall be convened by the chairman of the Board. According to the Articles of Association, Shareholders representing more than one tenth of the voting rights, the Supervisory Committee, or the chairman of the Board, more than one third of the Directors, more than two independent non-executive Directors or the general manager may propose the convening of an extraordinary meeting of the Board, the chairman of the Board shall convene the Board meeting within 10 days after receiving the proposal.

The Board holds regular meetings and extraordinary meetings. The office of the Board shall, fourteen days prior to the regular meeting and five days before the extraordinary meeting, send the written notice of the meeting sealed by the office of the Board to all Directors, Supervisors, the general manager and the secretary to the Board by hand, by mail or by fax. If the notice is sent by non-direct means, a confirmation should be obtained by telephone and be recorded accordingly. If an interim meeting of the Board needs to be held as soon as possible due to urgent circumstances, a meeting notice may be given at any time by telephone or other oral method, provided that the convener gives an explanation thereof at the meeting and the same is included in the meeting minutes.

(四) 提名薪酬委員會每年對獨立非執行董事的獨立性進行評估，以確認其各自的獨立性及彼等之直系親屬，以符合上市規則第3.13條所載列的要求。

報告期內，所有董事均勤勉盡責，保持獨立的判斷，且始終以本公司利益為出發點謹慎行事。董事會每年檢討有關機制的實行情況及有效性。

根據企業管治守則，董事會會議每財政年度召開至少四次，會議由董事長召集。根據公司章程，代表十分之一以上表決權的股東、監事會或董事長、三分之一以上董事、兩名以上獨立非執行董事、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10日內召集董事會臨時會議。

董事會召開定期會議和臨時會議，董事會辦公室應當分別於定期會議召開14日以前和臨時會議召開5日以前將蓋有董事會辦公室印章的書面會議通知，通過專人送達、郵件或傳真的方式送交全體董事和監事以及總經理和董事會秘書。非直接送達的，還應當通過電話進行確認並做相應記錄。情況緊急，需要盡快召開董事會臨時會議的，可以隨時通過電話或者其他口頭方式發出會議通知，但召集人應當在會議上作出說明並記載於會議記錄。

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

### 9.12 ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND THE GENERAL MEETINGS

### 9.12 董事出席董事會及股東大會情況

During the Reporting Period, the Board held 9 Board meetings, and the attendance of Directors are as follow:

報告期內，本公司董事會共召開了9次董事會會議，董事出席會議的情況如下：

| Name                                     | Position  | Meetings attended/eligible for attending<br>出席／應參加會議次數 | Attendance rate<br>出席率 |
|--|---|--|------------------------|
| 姓名                                       | 職位  |  |                        |
| Mr. Zhang Qi<br>張歧先生                     | Executive Director and chairman of the Board<br>執行董事兼董事長              | 9/9  | 100%                   |
| Mr. Liao Xingyue<br>廖星樾先生                | Executive Director and general manager<br>執行董事兼總經理                    | 9/9  | 100%                   |
| Ms. Huang Mei<br>黃梅女士                    | Executive Director (employee representative Director)<br>執行董事(職工代表董事) | 8/8  | 100%                   |
| Mr. Chen Bing<br>陳兵先生                    | Non-executive Director<br>非執行董事                                       | 9/9  | 100%                   |
| Ms. Xu Yan<br>徐燕女士                       | Non-executive Director<br>非執行董事                                       | 1/1  | 100%                   |
| Mr. Xie Xin<br>謝欣先生                      | Non-executive Director<br>非執行董事                                       | 1/1  | 100%                   |
| Mr. Yu Long<br>喻龍先生                      | Non-executive Director<br>非執行董事                                       | 8/8  | 100%                   |
| Ms. Hu Fenfen<br>胡芬芬女士                   | Non-executive Director<br>非執行董事                                       | 8/8  | 100%                   |
| Ms. Ma Hua<br>馬樺女士                       | Independent non-executive Director<br>獨立非執行董事                         | 8/8  | 100%                   |
| Mr. Gu Ming'an<br>辜明安先生                  | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Lin Bing<br>林兵先生                     | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Cheng Hok Kai,<br>Frederick<br>鄭學啟先生 | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Fu Ji<br>傅驥先生                        | Independent non-executive Director<br>獨立非執行董事                         | 8/8  | 100%                   |
| Mr. Liang Youguo<br>梁有國先生                | Independent non-executive Director<br>獨立非執行董事                         | 8/8  | 100%                   |

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

During the Reporting Period, the Company held 2 general meetings in total, and the attendance of Directors are as follows:

報告期內，本公司共召開了2次股東大會，董事出席會議的情況如下：

| Name                                     | Position  | Meetings attended/eligible for attending<br>出席／應參加會議次數 | Attendance rate<br>出席率 |
|--|---|--|------------------------|
| Mr. Zhang Qi<br>張歧先生                     | Executive Director and chairman of the Board<br>執行董事兼董事長              | 2/2  | 100%                   |
| Mr. Liao Xingyue<br>廖星樾先生                | Executive Director and general manager<br>執行董事兼總經理                    | 2/2  | 100%                   |
| Ms. Huang Mei<br>黃梅女士                    | Executive Director (employee representative Director)<br>執行董事(職工代表董事) | 1/1  | 100%                   |
| Mr. Chen Bing<br>陳兵先生                    | Non-executive Director<br>非執行董事                                       | 2/2  | 100%                   |
| Ms. Xu Yan<br>徐燕女士                       | Non-executive Director<br>非執行董事                                       | 1/1  | 100%                   |
| Mr. Xie Xin<br>謝欣先生                      | Non-executive Director<br>非執行董事                                       | 1/1  | 100%                   |
| Mr. Yu Long<br>喻龍先生                      | Non-executive Director<br>非執行董事                                       | 1/1  | 100%                   |
| Ms. Hu Fenfen<br>胡芬芬女士                   | Non-executive Director<br>非執行董事                                       | 1/1  | 100%                   |
| Mr. Gu Ming'an<br>辜明安先生                  | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Lin Bing<br>林兵先生                     | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Cheng Hok Kai,<br>Frederick<br>鄭學啟先生 | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Ms. Ma Hua<br>馬樺女士                       | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Fu Ji<br>傅驥先生                        | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |
| Mr. Liang Youguo<br>梁有國先生                | Independent non-executive Director<br>獨立非執行董事                         | 1/1  | 100%                   |

### 9.13 PROVISION AND USE OF INFORMATION ABOUT THE BOARD MEETING

The agenda of the regular meeting of the Board and the relevant meeting documents shall be sent to all Directors three days before the date of the meeting so that the Directors can make a decision in the light of the relevant information. All Directors have the right to access the Board meeting documents and related information. The information provided by the management shall be complete and reliable. The Directors may make further inquiries if needed, and the Board and individual Directors shall have independent access to the senior management.

### 9.14 TRAINING OF DIRECTORS

The Directors are able to make appropriate contributions to the Board by participating in the training programs to improve and upgrade their own knowledge and skills. During the Reporting Period, the Company arranged for the Directors, Supervisors and relevant senior management to attend the lecture on “Continuing Obligations for Listed Companies” regarding directors’ integrity responsibility and securities trading set out in the Listing Rules and market misconducts and disclosure obligations in the SFO chaired by the overseas lawyers of the Company, thereby enhancing its management’s understanding on the continuing obligations for listed companies. Directors including Mr. Zhang Qi, Mr. Liao Xingyue, Mr. Chen Bing, Mr. Yu Long, Ms. Hu Fenfen, Ms. Ma Hua, Mr. Fu Ji and Mr. Liang Youguo have participated in such training and provided relevant records to the Company.

### 9.15 COMMITTEES UNDER THE BOARD

The Board has delegated a number of functions to corresponding committees. The Company has set up three special Board committees, namely, the Strategy Committee, the Nomination and Remuneration Committee and the Audit Committee.

### 9.13 董事會會議資料提供及使用

董事會定期會議的議程及相關會議文件須於會議日期的三天前送交全體董事，以使董事能夠在掌握有關資料的情況下作出決定。所有董事均有權查閱董事會文件及相關資料，管理層所提供的資料應完整可靠，若董事需要可作進一步查詢，董事會及個別董事應有自行接觸高級管理人員的獨立途徑。

### 9.14 董事培訓

董事透過參與培訓課程發展及提升自身知識及技能，從而保證自己可為董事會做出合適的貢獻。於報告期內，本公司已安排董事、監事及相關高級管理人員參加由本公司境外律師主持有關「上市公司持續責任」的講座，主要涉及《上市規則》中對董事的誠信責任要求、董事進行證券交易、《證券及期貨條例》中的市場適當行為、披露責任等內容。藉此提高本公司管理層對上市公司持續責任的認知。張歧先生、廖星樾先生、陳兵先生、喻龍先生、胡芬芬女士、馬樺女士、傅驥先生和梁有國先生已參與有關培訓，並已向本公司提供相關記錄。

### 9.15 董事會委員會

董事會已將部分職責轉授予多個委員會。本公司已設立三個董事會委員會，即戰略委員會、提名薪酬委員會及審計委員會。



# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

### 9.15.1 Strategy Committee

The primary responsibilities of Strategy Committee are to formulate the operation goals and long-term development strategies of the Company, make proposals on major events and supervise the – implementation of annual operating plans and proposals.

During the Reporting Period, the Strategy Committee of the second session of the Board consists of an executive Director Mr. Zhang Qi, and non-executive Directors Mr. Chen Bing and Ms. Hu Fenfen, with Mr. Zhang Qi serving as the chairperson of the Strategy Committee.

During the Reporting Period, the Strategy Committee of the second session of the Board held one meeting, considering and approving resolutions in relation to the annual investment plan, the annual business plan, the annual financing plan and the implementation.

During the Reporting Period, attendance of members of the Committee is recorded as follows:

### 9.15.1 戰略委員會

戰略委員會主要負責制定本公司經營目標及長期發展策略，為主要事項作出建議，並監督實行年度經營計劃和提案。

於報告期內，第二屆董事會戰略委員會由執行董事張歧先生、非執行董事陳兵先生及胡芬芬女士組成，並由張歧先生擔任戰略委員會主席。

於報告期內，第二屆董事會戰略委員會共舉行了1次會議。審議並通過了關於本公司年度投資計劃、年度經營計劃、年度融資計劃及執行情況的議案。

於報告期內，委員會之成員出席記錄如下：

| Name          | Position                                     | Meetings attended/eligible for attending<br>出席／應參加會議次數 | Attendance rate<br>出席率 |
|---------------|--|--|------------------------|
| 姓名            | 職位   |  |                        |
| Mr. Zhang Qi  | Executive Director and chairman of the Board | 1/1  | 100%                   |
| 張歧先生          | 執行董事兼董事長                                     |  |                        |
| Mr. Chen Bing | Non-executive Director                       | 1/1  | 100%                   |
| 陳兵先生          | 非執行董事  |  |                        |
| Ms. Hu Fenfen | Non-executive Director                       | 1/1  | 100%                   |
| 胡芬芬女士         | 非執行董事  |  |                        |

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

During the Reporting Period, changes in the Strategy Committee are as follows:

於報告期內，戰略委員會變動情況如下：

| Name          | Position                           | Date of appointment (since the first appointment) | Changes   |
|---------------|------------------------------------|---|---|
| 姓名            | 職位                                 | 委任日期 (自首次委任起算)                                    | 變動情況  |
| Mr. Zhang Qi  | Chairman of the Strategy Committee | March 2017  | Appointed as the chairman in March 2022                       |
| 張歧先生          | 戰略委員會主席                            | 2017年3月   | 2022年3月獲委任為主席   |
| Mr. Chen Bing | Member of the Strategy Committee   | March 2017  | Retired as the chairman and appointed as member in March 2022 |
| 陳兵先生          | 戰略委員會委員                            | 2017年3月   | 2022年3月退任主席並獲委任為委員  |
| Mr. Lin Bing  | Member of the Strategy Committee   | March 2017  | Retired as member in March 2022                               |
| 林兵先生          | 戰略委員會委員                            | 2017年3月   | 2022年3月退任委員   |
| Ms. Hu Fenfen | Member of the Strategy Committee   | March 2022  | Appointed as member in March 2022                             |
| 胡芬芬女士         | 戰略委員會委員                            | 2022年3月   | 2022年3月獲委任為委員   |

### 9.15.2 Nomination and Remuneration Committee

The primary responsibilities of the Nomination and Remuneration Committee are to make recommendations to the Board on the appointment and removal of the directors and senior management of the Company, establish remuneration policies for the overall remuneration policy and structure of directors and senior management and for the establishment of formal and transparent procedures, provide recommendations to the Board, review the corporate policies and objectives set by the Board and approve management's compensation proposals, assess the performance of executive directors and approve the terms of service contract of executive directors and provide recommendations to the Board on employee benefit arrangements, provide recommendations to Board on the remuneration packages of individual executive directors and senior management as well as review and approve matters relating to share schemes under Chapter 17 of the Listing Rules.

### 9.15.2 提名薪酬委員會

提名薪酬委員會的主要職責為就委任及罷免董事及高級管理層向董事會提供推薦建議，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定薪酬政策，向董事會提供建議，檢討董事會所訂企業方針及目標及批准管理層的薪酬建議，評估執行董事表現及批准執行董事服務合約條款，並就僱員福利安排向董事會提供推薦建議，同時亦就個別執行董事及高級管理人員的薪酬待遇向董事會提供建議，以及根據上市規則第17章檢討及批准有關股份計劃的事宜。

## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

During the Reporting Period, the Nomination and Remuneration Committee of the second session of the Board consists of Ms. Ma Hua, an independent non-executive Director, Mr. Yu Long, a non-executive Director and Mr. Liang Youguo, an independent non-executive Director, with Ms. Ma Hua, serving as the chairperson of the committee.

During the Reporting Period, the Nomination and Remuneration Committee held four meetings in total, considering and approving the resolutions in relation to the independence of independent non-executive Directors, organised discussions on the Company's policy on remuneration of Directors, Supervisors and senior management and the structure of the Board of Directors, the Company's remuneration management system and enhancement proposals, and the candidates for members of the second session of the Board.

During the Reporting Period, attendance of members of the Committee is recorded as follows:

於報告期內，第二屆董事會提名薪酬委員會由獨立非執行董事馬樺女士、非執行董事喻龍先生及獨立非執行董事梁有國先生，並由馬樺女士擔任提名薪酬委員會主席。

於報告期內，提名薪酬委員會共舉行了4次會議。審議並通過了獨立非執行董事獨立性、組織討論了本公司董事、監事及高級管理人員薪酬政策及董事會架構、公司薪酬管理制度及優化方案，第二屆董事會成員候選人等議案。

於報告期內，委員會之成員出席記錄如下：

| Name                                     | Position   | Meetings attended/eligible for attending<br>出席／應參加會議次數 | Attendance rate<br>出席率 |
|--|--|--|------------------------|
| 姓名                                       | 職位   |  |                        |
| Ms. Ma Hua<br>馬樺女士                       | Independent non-executive Director<br>獨立非執行董事            | 3/3  | 100%                   |
| Mr. Yu Long<br>喻龍先生                      | Non-executive Director<br>非執行董事                          | 3/3  | 100%                   |
| Mr. Liang Youguo<br>梁有國先生                | Independent non-executive Director<br>獨立非執行董事            | 3/3  | 100%                   |
| Mr. Zhang Qi<br>張歧先生                     | Executive Director and chairman of the Board<br>執行董事兼董事長 | 1/1  | 100%                   |
| Mr. Gu Ming'an<br>辜明安先生                  | Independent non-executive Director<br>獨立非執行董事            | 1/1  | 100%                   |
| Mr. Cheng Hok Kai,<br>Frederick<br>鄭學啟先生 | Independent non-executive Director<br>獨立非執行董事            | 1/1  | 100%                   |

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

During the Reporting Period, changes in the Nomination and Remuneration Committee are as follows:

於報告期內，提名薪酬委員會變動情況如下：

| Name<br>姓名                      | Position<br>職位   | Date of appointment<br>(since the first appointment)<br>委任日期<br>(自首次委任起算) | Changes<br>變動情況  |
|---------------------------------|--|---|--|
| Mr. Gu Ming'an<br>辜明安先生         | Chairman of the Nomination and Remuneration<br>提名薪酬委員會主席         | March 2017<br>2017年3月   | Retired as the chairman in March 2022<br>2022年3月退任主席     |
| Ms. Ma Hua<br>馬樺女士              | Chairman of the Nomination and Remuneration<br>提名薪酬委員會主席         | March 2022<br>2022年3月   | Appointed as the chairman in March 2022<br>2022年3月獲委任為主席 |
| Mr. Zhang Qi<br>張歧先生            | Member of the Nomination and Remuneration Committee<br>提名薪酬委員會委員 | March 2017<br>2017年3月   | Retired as member in March 2022<br>2022年3月退任委員           |
| Mr. Cheng Hok Kai,<br>Frederick | Member of the Nomination and Remuneration Committee<br>提名薪酬委員會委員 | March 2017<br>2017年3月   | Retired as member in March 2022<br>2022年3月退任委員           |
| Mr. Yu Long<br>喻龍先生             | Member of the Nomination and Remuneration Committee<br>提名薪酬委員會委員 | March 2022<br>2022年3月   | Appointed as member in March 2022<br>2022年3月獲委任為委員       |
| Mr. Liang Youguo<br>梁有國先生       | Member of the Nomination and Remuneration Committee<br>提名薪酬委員會委員 | March 2022<br>2022年3月   | Appointed as member in March 2022<br>2022年3月獲委任為委員       |

### 9.15.3 Audit Committee

The primary responsibilities of the Audit Committee are to supervise our internal control, risk management, financial information disclosure and financial reporting matters.

### 9.15.3 審計委員會

審計委員會的主要職責為監督我們的內部控制、風險管理、財務數據披露及財務報告事宜。



# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

During the Reporting Period, the Audit Committee of the second session of the Board consists of three independent non-executive Directors, namely Mr. Fu Ji (certified public accountant), Ms. Ma Hua and Mr. Liang Youguo, with Mr. Fu Ji serving as the chairperson of the committee. They have the appropriate professional qualifications or relevant financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

During the Reporting Period, the Audit Committee of the second session of the Board held 4 meetings, in which, the Auditor's Report for 2021, the Interim Review Plan for 2022 and the Review Report were heard; and the Auditor's Report, Annual Results, the Annual Report for 2021, Auditor's Interim Report, the Interim Consolidated Financial Statements, the Interim Results announcement and the Interim Report for 2022, the Company's Risk Management and the Internal Control Report were considered and adopted, concerns about possible improprieties in financial reporting, internal control or other matters were raised, the audit work during the Reporting Period, change of auditor and audit plan for 2022 were arranged.

During the Reporting Period, attendance of members of the Committee is recorded as follows:

於報告期內，第二屆董事會審計委員會由獨立非執行董事傅驥先生、馬樺女士及梁有國先生組成，並由傅驥先生(註冊會計師)擔任審計委員會主席，彼具備《上市規則》第3.10(2)條和第3.21條所要求的適當專業資格或相關財務管理專長。

於報告期內，第二屆董事會審計委員會共舉行了4次會議，聽取了核數師關於2021年度審計工作情況報告、2022年中期審閱工作計劃及審閱工作情況報告，並審議通過了2021年度核數師報告、業績公告、年度報告、及2022年中期核數師報告、中期綜合財務報表、中期業績公告及中期報告、本公司風險管理及內部監控系統報告、就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注安排及本報告期內財務審計工作相關安排、變更核數師安排及2022年度審計工作計劃等事項。

於報告期內，委員會之成員出席記錄如下：

| Name                      | Position                                      | Meetings attended/eligible for attending<br>出席／應參加會議次數 | Attendance rate<br>出席率 |
|---------------------------|---|--|------------------------|
| 姓名                        | 職位  |  |                        |
| Mr. Fu Ji<br>傅驥先生         | Independent non-executive Director<br>獨立非執行董事 | 4/4  | 100%                   |
| Ms. Ma Hua<br>馬樺女士        | Independent non-executive Director<br>獨立非執行董事 | 4/4  | 100%                   |
| Mr. Liang Youguo<br>梁有國先生 | Independent non-executive Director<br>獨立非執行董事 | 4/4  | 100%                   |

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

During the Reporting Period, changes in the Audit Committee are as follows:

於報告期內，審計委員會變動情況如下：

| Name                                  | Position                                   | Date of appointment (since the first appointment) | Changes  |
|---------------------------------------|--|---|--|
| 姓名                                    | 職位   | 委任日期 (自首次委任起算)                                    | 變動情況   |
| Mr. Cheng Hok Kai, Frederick<br>鄭學啟先生 | Chairman of the Audit Committee<br>審計委員會主席 | March 2017<br>2017年3月                             | Retired as the chairman in March 2022<br>2022年3月退任主席     |
| Mr. Fu Ji<br>傅驥先生                     | Chairman of the Audit Committee<br>審計委員會主席 | March 2022<br>2022年3月                             | Appointed as the chairman in March 2022<br>2022年3月獲委任為主席 |
| Mr. Xie Xin<br>謝欣先生                   | Member of the Audit Committee<br>審計委員會委員   | September 2017<br>2017年9月                         | Retired as member in March 2022<br>2022年3月退任委員           |
| Mr. Gu Ming'an<br>辜明安先生               | Member of the Audit Committee<br>審計委員會委員   | March 2017<br>2017年3月                             | Retired as member in March 2022<br>2022年3月退任委員           |
| Ms. Ma Hua<br>馬樺女士                    | Member of the Audit Committee<br>審計委員會委員   | March 2022<br>2022年3月                             | Appointed as member in March 2022<br>2022年3月獲委任為委員       |
| Mr. Liang Youguo<br>梁有國先生             | Member of the Audit Committee<br>審計委員會委員   | March 2022<br>2022年3月                             | Appointed as member in March 2022<br>2022年3月獲委任為委員       |

### 9.16 REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

### 9.16 董事及高級管理人員的薪酬

The Company has established formal and transparent procedures for the formulation of the remuneration policy for the senior management of the Group. Details of the remuneration of Directors during the Reporting Period are set out in Note 11(2).6 to the consolidated financial statements.

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。報告期內各董事薪酬的詳情載於合併財務報表附註十一(二)、6。

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

In accordance with Code Provision E.1.5 of the Corporate Governance Code, the following table sets out the remuneration paid to senior management of the Company (excluding Directors) categorised by range during the Reporting Period in this annual report:

根據企業管治守則條文第E.1.5條，下表載列於報告期內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：

| Remuneration range<br>(RMB'000) | 薪酬區間<br>(人民幣千元) | Number of persons<br>人數 |
|---------------------------------|-----------------|-------------------------|
| 600-700                         | 600-700         | 2                       |
| 500-600                         | 500-600         | 3                       |
| 400-500                         | 400-500         | 0                       |
| 300-400                         | 300-400         | 0                       |
| 200-300                         | 200-300         | 0                       |
| Below 100                       | 100以下           | 0                       |

### 9.17 DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

### 9.17 董事對財務報表承擔之責任

The Company has not encountered with any significant and uncertain events and circumstances that might produce significant doubts on the Company's capability to operate as a going concern. The Directors confirm that they are aware of the responsibility for the preparation of the consolidated financial statements of the Company for the year ended 31 December 2022.

本公司並無面臨可能對本公司持續經營業務能力產生重大疑慮的重大不確定事件和情況。董事確認其承擔編製本公司截至2022年12月31日止年度的合併財務報表之責任。

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.

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。

The management 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 consolidated financial statements, which are put to the Shareholders for approval.

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股東批准的本公司合併財務報表作出知情評審。

## 9.18 RIGHTS OF SHAREHOLDERS

According to the Articles of Association, two or more Shareholders who collectively hold more than 10% (inclusive) of the voting Shares at the proposed extraordinary general meeting or Shareholders' class meeting have the right to require the Board to convene an extraordinary general meeting or Shareholders' class meeting in accordance with the following procedures:

- (1) They sign one or more written requests of the same format and content to propose the Board to convene a Shareholders' class meeting and clarify the subject matter of the meeting. The Board shall convene a Shareholders' class meeting as soon as possible after receiving the aforesaid written request. The percentage of shares mentioned above is calculated on the basis of the number of Shares on the date of the written request from the Shareholders.
- (2) If the Board has not issued a notice of convening a meeting within thirty days after receipt of the foregoing written request, the Shareholder who makes the request may, on its own, convene the meeting within four months of the receipt of the request by the Board. The related procedures for convening shall be as close as possible to that of the Board.

Shareholders have the right to submit extempore motions to the general meeting. According to the Articles of Association, when a general meeting is convened by the Company, Shareholders who individually or collectively hold more than 3% (inclusive) of voting shares of the Company shall be entitled to propose extempore motions to the Company in writing 10 days before the date of the general meeting. The content of the extempore motions shall fall within the terms of reference of the general meeting. The convenor shall issue a supplementary notice of the general meeting within two days of receipt of the motions and submit the extempore motions to the general meeting for consideration.

## 9.18 股東的權利

根據公司章程相關規定，合計持有在擬舉行的臨時股東大會或者類別股東大會上有表決權的股份百分之十以上(含百分之十)的兩個或者兩個以上股東，有權按照下列程序要求董事會召開臨時股東大會或者類別股東會議：

- (一) 簽署一份或者數份同樣格式內容的書面要求，提請董事會召集類別股東會議，並闡明會議的議題。董事會在收到前述書面要求後應當盡快召集類別股東會議。前述持股數按股東提出書面要求日計算。
- (二) 如果董事會在收到前述書面要求後30日內沒有發出召集會議的通告，提出該要求的股東可以在董事會收到該要求後四個月內自行召集會議，召集的程序應當盡可能與董事會召集股東會議的程序相同。

股東有權向本公司提出股東大會臨時提案。根據公司章程，本公司召開股東大會，單獨或者合計持有本公司有表決權的股份3%以上(含3%)股東，有權在股東大會召開十日以前以書面形式向公司提出臨時提案。臨時提案的內容應屬於股東大會職權範圍的事項，召集人應當在收到提案兩日內發出股東大會補充通知，並將臨時提案提交股東大會審議。



## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

Shareholders have the right to put inquiries. The Company now lists the following communication information to facilitate inquiries on matters about which Shareholders are concerned, and the Company will respond to these inquiries in an appropriate way and in a timely manner:

Address: No. 16, Baizi Road, Jiangyang District, Luzhou Sichuan Province, the PRC  
Telephone number: +86 830 3194768  
Company website: www.lzss.com  
E-mail address: lzxlwaterstock@lzss.com

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written request, notice or statement, or enquiry (as the case may be) to the above address and provide its (their) full name(s), contact detail(s) and identification(s) for the Company to reply. Shareholders' information may be disclosed as required by the law.

#### 9.19 COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/ INVESTOR RELATIONS

The Company believes that it is vital to maintain effective communication with the Shareholders as a way to promote investor relations and deepen the investors' understanding on the Group's business performance and strategy. The Company also understands the importance of maintaining the transparency of and providing timely disclosure of the Company's information, which will enable the Shareholders and investors to make the best investment decisions.

The Group's investor relations efforts in 2022 were led and supported by the Board and the operating management through the Group's published telephone, website and email addresses.

The Board has reviewed and concluded that the Company's shareholder communication policy was implemented and effective for the Reporting Period.

The general meeting of the Company provides a platform for direct dialogue between the Board and the Shareholders.

股東享有的查詢權。本公司現載列下列通訊資料，以便股東就需要關注的問題進行查詢，本公司會及時以適當的方式處理股東查詢：

地址：中國四川省瀘州市江陽區百子路16號  
電話號碼：+86 830 3194768  
公司網站：www.lzss.com  
電郵地址：lzxlwaterstock@lzss.com

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。

#### 9.19 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瞭解至為重要。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。

2022年本集團的投資者關係工作在董事會及經營管理層領導和支持下，通過本集團公佈的電話，網站和郵件地址開展。

董事會經檢討後認為本公司股東通訊政策予報告期內已適當實施且有效。

本公司股東大會為董事會與股東提供直接對話的平台。

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

### 9.20 RISK MANAGEMENT AND INTERNAL CONTROL

The Board believes that it is its responsibility to develop, maintain and evaluate a sound and effective risk management and internal control system. The Group has established an enterprise risk management structure to effectively implement risk management and internal control.

The Company's risk management and internal control systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives, and may only make reasonable, but not absolute assurances that there will be no material misstatement or losses.

Effective risk management exists at all levels of the Group. The Group's risk management structure includes the Board, the audit committee, the management, the internal audit department and employees. The Board is responsible for the risk management and internal control systems and is responsible for maintaining the effectiveness of these systems to protect Shareholders' investments and the Company's assets.

The Board also reviews the effectiveness of the Company's finance, compliance, risk management and internal controls through the Audit Committee, including the adequacy of the Company's resources and the staff qualifications and experience in the accounting and financial internal audit functions, and the training courses accepted by staff and the budget and environmental, social and governance risks.

Employees in different business units shall identify and manage risks in their daily operations, while the management is responsible for identifying and assessing risks and formulating appropriate measures at the policy level.

The internal audit department is the most important department of risk management and internal control, which is guided by problems and risks and implements internal audit supervision, and tracks the implementation of rectification of problems found in audits.

### 9.20 風險管理與內部監控

董事會深知其有責任制定、維持及評核一個健全而有效的風險管理及內部監控系統。本集團已制定企業風險管理架構，以有效執行風險管理及內部監控。

本公司的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，並只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

有效風險管理存在於本集團所有層面。本集團的風險管理架構包括董事會、審計委員會、管理層、內部審計部門及員工。董事會對風險管理及內部監控系統負責，並負責維持該等制度的有效性，以保障股東投資及本公司的資產。

董事會也透過審計委員會檢討本公司財務、合規、風險管理及內部監控的效能，包括本公司在會計及財務內部審計職能方面的資源、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以及環境、社會及管治風險。

不同業務單位的員工於日常運營中識別和管理風險，而管理層則負責在策略層識別、評估風險並就此制定相應措施。

內部審計部門是風險管理與內部監控最重要部門，以問題和風險為導向，實施內部審計監督，並跟蹤審計發現問題整改落实情況。

## Chapter IX Corporate Governance Report (Continued)

### 第九章 企業管治報告(續)

Risk management procedures include defining risk coverage, identifying risks, assessing identified risks, developing relevant measures to mitigate risks, reviewing implementation and changes, and continually improving. The Company also establishes internal and third-party inspection procedures using the quality management system to identify, assess and manage significant risks through annual review of processes, systems implementation and staffing in the Company's operations, finance and production processes and review the effectiveness of risk management and internal control systems through third-party inspections to effectively control the risks within the effective range.

The Board conducts a review on the effectiveness of the Company's risk management and internal control systems at least once annually. The internal audit department has conducted an independent review of the Company's 2022 annual risk management and internal control systems to assess its effectiveness. The report of the internal control review has been submitted to the Audit Committee for confirmation.

The Company has formulated an inside information policy, pursuant to which, the Company shall conduct a review at least once a year to ensure the policy complied with the latest regulatory requirements. According to this policy, the Group shall disclose inside information to the public as soon as reasonably practicable, unless such information is within the scope of safe harbor as provided in the SFO. The Group will ensure that it will keep relevant information strictly confidential before fully disclosing such information to the public.

#### 9.21 AUDITOR AND REMUNERATION OF AUDITOR

A statement by the auditor of the Company regarding its reporting obligations under the consolidated financial statements is set out in the "Independent Auditor's Report" of this annual report.

風險管理程序包括界定風險涵蓋範圍、識別風險、評估所識別的風險、制訂相關措施減輕風險、檢查實施情況及變化，並持續改進。本公司還應用質量管理體系建立了內部及第三方檢查程序，通過每年對本公司運營、財務、生產環節中在流程、制度執行、人員配置等方面的檢討，來識別、評估及管理重大風險，並透過第三方的檢查用以檢討風險管理及內部監控系統的有效性，切實將風險控制在有效範圍內。

董事會每年至少對本公司風險管理與內部監控系統的有效性進行一次檢討。內部審計部門已對本公司2022年度風險管理及內部監控系統進行獨立檢討以評估其有效性。內部監控檢討的報告已呈交予審計委員會確認。

本公司制定內幕消息政策，並至少每年檢討一次，以確保其更新符合最新監管規定。根據該政策，本集團在合理切實可行之情況下，會盡快向公眾披露內幕消息，除非有關消息屬證券及期貨條例所規定屬於任何安全港範圍內。本集團在向公眾全面披露有關消息前，會確保有關消息絕對保密。

#### 9.21 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的「獨立核數師報告」內。

# Chapter IX Corporate Governance Report (Continued)

## 第九章 企業管治報告(續)

The following table sets out the remuneration paid/payable to the Company's auditor during the Reporting Period:

下表載列本報告期內支付／應付予本公司核數師的薪酬：

| Auditor            | Annual auditor services | Interim financial review services | Others | Total costs (RMB'000) |
|--------------------|-------------------------|-----------------------------------|--------|-----------------------|
| 核數師                | 年度核數師服務                 | 中期財務審閱服務                          | 其他     | 費用總額 (人民幣／千元)         |
| ShineWing<br>信永•中和 | 2,060                   | 450                               | 0      | 2,510                 |

### 9.22 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company did not amend its Articles of Association during the Reporting Period.

### 9.22 公司章程的修改

於報告期內，本公司未修訂公司章程。

### 9.23 TRAININGS FOR COMPANY SECRETARY

During the Reporting Period, Mr. Chen Yongzhong was the company secretary of the Company. Mr. Chen participated in training not less than 15 hours during the Reporting Period to ensure compliance with Rule 3.29 of the Listing Rules.

### 9.23 公司秘書的培訓

於報告期內，陳永忠先生為本公司的公司秘書。陳先生於報告期內均參加了不少於15小時的相關專業培訓，確保其符合上市規則第3.29條的規定。

### 9.24 REGULATORY REVIEW

The Company was not subject to material administrative penalties for violating national administrative regulations during the Reporting Period.

### 9.24 監管部門審查

本公司於報告期內未因違反國家行政法規而受到重大行政處罰。

### 9.25 LITIGATION AND ARBITRATION

Details of litigation of the Group are set out in the "Directors' Report" of this annual report.

### 9.25 訴訟與仲裁

報告期內，本集團有關訴訟載於本年報的「董事會報告」內。



# Chapter X Environmental, Social and Governance Report

## 第十章 環境、社會及管治報告

### ABOUT THE ESG REPORT

#### Organization scope:

The report includes Luzhou Xinglu Water (Group) Co., Ltd. (the “**Company**”) and its subsidiaries (combined as the “**Group**” or “**we**”), including Luzhou Xinglu Wastewater Treatment Co., Ltd. (“**Xinglu Wastewater Treatment**”), etc. have no major changes from previous years. For ease of expression, “**The Company**” and “**we**” in the report also refer to the Group.

#### Report Period:

This report is an annual report, and the report time range is from 1 January 2022 to 31 December 2022. Some contents may exceed the above time range due to elaboration.

#### Preparation Basis:

This report complies with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”) appendix 27 Environmental, Social and Governance Reporting Guidelines (“**ESG**”), prepared with reference to the requirements of standards such as the Sustainability Reporting Standards (GRI Standards) issued by the Global Reporting Initiative.

#### About the information:

The monetary amounts involved in the report are measured in Renminbi (RMB), unless otherwise specified.

#### Method of publication:

The report is released in the form of an online version, and the language of the report is traditional Chinese and English. The online version is available on The Stock Exchange of Hong Kong Limited (“**HKEX**”) website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website ([www.lzss.com](http://www.lzss.com)) for reference.

### ESG報告說明

#### 組織範圍：

本報告覆蓋瀘州市興瀘水務(集團)股份有限公司(下稱「**本公司**」)及其下屬子公司(合稱「**本集團**」或「**我們**」),包括瀘州市興瀘污水處理有限公司(下稱「**興瀘污水處理**」)等,與以往年度相比沒有重大變化。為便於表達,在報告中的「**本公司**」、「**我們**」等亦指本集團。

#### 報告期：

本報告為年度報告,報告時間範圍為2022年1月1日至2022年12月31日,部分內容或因闡述需要超出上述時間範圍。

#### 編製依據：

本報告遵循《香港聯合交易所有限公司證券上市規則》(「**上市規則**」)附錄二十七《環境、社會及管治報告指引》(「**ESG**」)、參考全球報告倡議組織發佈的《可持續發展報告標準》(GRI Standards)等標準要求編寫。

#### 資料說明：

報告中涉及的貨幣金額以人民幣作為計量幣種,特別說明的除外。

#### 發佈形式：

報告以網絡線上版形式發佈,報告語言文字為中文繁體和英文。網絡線上版可在香港聯合交易所有限公司(「**香港聯交所**」)網站([www.hkexnews.hk](http://www.hkexnews.hk))和本公司網站([www.lzss.com](http://www.lzss.com))查閱

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### BOARD ESG STATEMENT

The board (the “Board”) of directors (“Directors”) of the Group attaches great importance to the ESG-related work of the Group. The Board assumes full responsibility for ESG strategies and reports, and is responsible for assessing and determining the ESG risks of the Group, and ensure that the Group has established appropriate and effective ESG risk management and internal control systems. This report discloses in detail the progress and effectiveness of the Group’s ESG work in 2022, and was reviewed and approved by the Board on 30 March 2023. The Board and all directors guarantee that there are no false records, misleading statements or major omissions in this report, and assume individual and joint responsibility for the authenticity, accuracy and completeness of its content.

In order to improve the level of ESG governance, we have established an ESG management system in which the Board has the highest responsible and decision-maker for ESG matters, the Board is responsible for reviewing and approving the resolution of the annual environmental, social and governance report; the process for identifying, assessing and managing material ESG-related issues, including risks to the Company’s business; and developing strategies around the risk reduction of environmental impact, products and services, employees, procurement, etc. We integrate ESG-related work into the Group’s daily operations and establish an ESG working Group, clarifying the implementation of ESG management and target responsibilities, and assign full-time personnel to carry out ESG-related affairs communication, data collection and report preparation, etc. At the annual board meeting, the management proposes and reports proposals on ESG reporting, which are reviewed by all directors and supervisors.

Based on the external environment and the Group’s development strategy, the Group communicated and investigated stakeholders during the reporting period and received a number of feedback and suggestions. Under the leadership of the Board, we assess the materiality of these issues, and then identify key ESG issues, so as to clarify the focus of future work.

### 董事會ESG聲明

本集團董事(「董事」)會(「董事會」)高度重視本集團的ESG相關工作，董事會對ESG策略及報告承擔全部責任，負責評估及確定本集團ESG方面的風險，並確保本集團設立合適及有效的ESG風險管理及內部監控系統。本報告詳盡披露本集團2022年ESG工作的進展與成效，並於2023年3月30日經由董事會審議通過。董事會及全體董事保證本報告內容不存在任何虛假記載、誤導性陳述或重大遺漏，並對其內容的真實性、準確性和完整性承擔個別及連帶責任。

為提高ESG管治水平，我們建立以董事會為ESG事宜的最高負責及決策者的ESG管理體系，董事會負責審核並通過年度環境、社會及管治報告的議案；識別、評估及管理重要的ESG相關事宜(包括對公司業務的風險)的過程；圍繞環境影響、產品及服務、員工、採購等風險降低制定的策略。我們將ESG相關工作融入到本集團的日常運營中，並建立ESG工作小組，明確ESG管理和目標的責任落實，由專職人員進行ESG相關的事務溝通、資料收集和報告籌備編製等工作，在年度董事會上，由管理層提請、彙報關於ESG報告的議案，並經各董事監事審議。

基於外部環境和本集團發展戰略，報告期內本集團對利益相關方進行溝通與調查，收到多項回饋建議。在董事會領導下，我們對這些議題進行重要性評估，進而識別出ESG關鍵議題，以此明確未來工作重點。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

In 2023, the Group will focus on reviewing and supervising the implementation of ESG issues such as the proposal on reviewing the 2022 annual report on safety, environmental protection and occupational health, and the proposal on reviewing corporate governance functions.

We have recognized the opportunities and challenges brought by the trend of green, safe and sustainable development to the industry and the Group's operations. In the future, we will continue to adjust the sustainable development management strategy and promotion method according to the expectations of stakeholders and the actual operation of the Group, so as to continuously improve the level of sustainable development.

### ESG management

#### *ESG management structure*

The Group has consistently adhered to the concept of sustainable development and implemented ESG management practices. For a long time, the Group has continuously improved ESG management and established an ESG management mechanism linked from top to bottom, actively communicating with stakeholders, carrying out key management on ESG material issues of concern to all parties, and continuously improving the effectiveness of sustainable development.

The Board of the Group attaches great importance to the Group's work related to environment, society and governance. In order to promote ESG-related work, the Group established an ESG working group to clarify the responsibilities of ESG management and target implementation, and full-time staff are responsible for ESG-related affairs communication, data collection and report preparation, including assessing and determining the Group's environmental, social and governance risks to ensure that the Group has established effective environmental, social and governance risk management and internal monitoring systems. Regularly review the performance of the Group, review the disclosure information in the Group's environmental, social and governance report, and report to the Executive Committee on a regular basis.

2023年，本集團將關於審議2022年度安全環保職業健康工作報告的議案、關於審議企業管治職能的議案等ESG議題作為核心工作進行重點審視並監督執行。

我們已認識到綠色安全可持續發展趨勢給行業和本集團的經營帶來的機遇和挑戰。未來，我們將持續根據利益相關方期望和本集團運營實際調整可持續發展管理策略及推進方式，不斷提升可持續發展水準。

### ESG管理

#### *ESG管治架構*

本集團一貫堅持可持續發展理念，落實ESG管理實踐。一直以來，本集團不斷完善ESG管理，建立上下聯動的ESG管理機制，積極與利益相關方溝通，針對各方關注的ESG重要性議題開展重點管理，不斷提高可持續發展成效。

本集團董事會高度重視本集團的環境、社會及管治相關工作，為推動ESG相關工作，本集團建立ESG工作小組，明確ESG管理和目標的責任落實，並由專職人員進行ESG相關的事務溝通、資料收集和報告籌備編製等工作，包括評估及釐定本集團有關環境、社會及管治的風險，確保本集團設立有效的環境、社會及管治風險管理和內部監控系統。定期檢討本集團的表現，並審議本集團環境、社會及管治報告內的披露資料，並定期向執行委員會匯報。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

The Strategy Committee formulates the Group's business objectives and long-term development strategies, makes recommendations for major issues, and supervises the implementation of annual business plans and proposals. The main duties of the nomination and remuneration committee are to provide recommendations to the Board on the appointment and removal of directors and senior management, formulate and review the remuneration policy and structure of directors and senior management, and provide recommendations to the Board on employee benefit arrangements. The primary duties of the Audit Committee are to oversee our internal control, risk management, financial information disclosure and financial reporting matters.

#### **ESG Reporting Principles**

**Materiality:** The materiality of our ESG matters is to be determined by the Board, the process of communicating with stakeholders and identifying material issues and the matrix of material issues are disclosed in this report.

**Quantitative:** The statistical standards, methods, assumptions and/or calculation tools of the quantitative key performance indicators in this report, as well as the sources of conversion factors, are explained in the report interpretation.

**Balance:** This report presents the Group's performance during the reporting period in an unbiased manner, avoiding choices, omissions or presentation formats that may inappropriately affect the decision-making or judgment of the report readers.

**Consistency:** The statistical methods used in the information disclosed in this report are maintained consistent.

戰略委員會制定本集團經營目標及長期發展策略，為主要事項作出建議，並監督實行年度經營計劃和提案。提名薪酬委員會的主要職責為就委任及罷免董事及高級管理層向董事會提供推薦建議，訂立及審查董事及高級管理層的薪酬政策及架構，並就僱員福利安排向董事會提供推薦建議。審計委員會的主要職責為監督我們的內部控制、風險管理、財務資料披露及財務報告事宜。

#### **ESG匯報原則**

**重要性：**我們的ESG事宜重要性由董事會擬定，利益相關方溝通及實質性議題識別的過程及實質性議題矩陣均在本報告中進行披露。

**量化：**本報告中定量關鍵績效指標的統計標準、方法、假設及／或計算工具，以及轉換因素的來源，均在報告釋義中進行說明。

**平衡：**本報告不偏不倚地呈報本集團報告期內的表現，避免可能會不恰當地影響報告讀者決策或判斷的選擇、遺漏或呈報格式。

**一致性：**本報告披露資料所使用的統計方法均保持一致。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Stakeholder communications

We understand the importance of interaction and communication with stakeholders, and maintaining an open and continuous dialogue with stakeholders and responding to their concerns are the Group's top priority. Therefore, the Group continues to maintain communication with stakeholders, establishes diversified communication channels, and continuously listens to the expectations and demands of stakeholders, and responds to the opinions of stakeholders in a timely manner, deepening the participation of stakeholders in the Group's ESG management, performing social responsibilities while operating in accordance with laws and regulations, and creating value for stakeholders. From the perspective of sustainable development, we sorted out and formed a communication table with stakeholders to provide a basis for the identification of material issues of the Group, so as to improve the sustainable development performance of the Group in a targeted manner and effectively respond to the expectations of all parties.

### 利益相關方溝通

我們深明與利益相關方互動及溝通的重要性，與利益相關方保持開放且持續的對話並對他們的關注點做出回應，是本集團的首要任務。因此，本集團持續保持與利益相關方的溝通，建立多元化溝通管道，持續聆聽利益相關方期望與訴求，並對利益相關方的意見及時做出回應，加深利益相關方對於本集團ESG管理的參與程度，在依法合規運營的同時，履行社會責任，為利益相關方創造價值。我們從可持續發展的角度，整理並形成利益相關方溝通情況表，為集團實質性議題識別工作提供基礎，從而有针对性地提升本集團的可持續發展表現並有效回應各方期望。

| Stakeholders<br>利益相關方                       | Issues focused<br>關注議題  | Communication channel<br>溝通管道   | Response measures<br>回應措施   |
|---|---|---|---|
| Shareholders and<br>Investors<br><br>股東與投資者 | <ul style="list-style-type: none"> <li>Continue to create value return</li> <li>Corporate governance and risk management</li> <li>Exercise the right to know and participate in decision-making</li> <li>ESG responsibility concept</li> <li>ESG responsibility governance framework</li> <li>Board of Directors statement</li> <li>Board engagement responsibility management</li> </ul> | <ul style="list-style-type: none"> <li>Shareholders meeting</li> <li>Regular disclosure of investor communication meetings</li> <li>Results conference</li> <li>Telephone conference</li> </ul> | <ul style="list-style-type: none"> <li>Stable operations</li> <li>Timely and effective information disclosure</li> <li>Investment management</li> </ul> |
|   | <ul style="list-style-type: none"> <li>持續創造價值回報</li> <li>企業管治與風險管理</li> <li>行使知情權和參與決策權</li> <li>ESG責任理念</li> <li>ESG責任管治架構</li> <li>董事會聲明董事會參與責任管理</li> </ul>  | <ul style="list-style-type: none"> <li>股東大會</li> <li>定期披露投資者溝通會議</li> <li>業績發佈會</li> <li>電話會議</li> </ul>  | <ul style="list-style-type: none"> <li>穩健經營</li> <li>及時有效資訊披露</li> <li>投資管理</li> </ul>  |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Stakeholders<br>利益相關方 | Issues focused<br>關注議題   | Communication channel<br>溝通管道  | Response measures<br>回應措施  |
|-----------------------|--|--|--|
| Government<br>政府      | <ul style="list-style-type: none"> <li>Compliance operation</li> <li>Paying taxes according to law</li> <li>Anti-corruption management</li> <li>Energy saving</li> <li>Support economic development</li> </ul>   | <ul style="list-style-type: none"> <li>Daily communication</li> <li>Information bulletin</li> <li>On-site visit</li> <li>Government-enterprise cooperation</li> <li>Government censorship</li> <li>日常溝通</li> <li>資訊公告</li> <li>現場考察</li> <li>政企合作</li> <li>政府審查</li> </ul>   | <ul style="list-style-type: none"> <li>Compliance management</li> <li>Law-abiding</li> <li>Pay taxes according to law</li> <li>Technological innovation</li> <li>合規管理</li> <li>遵紀守法</li> <li>依法納稅</li> <li>科技創新</li> </ul>   |
| Customers<br>客戶       | <ul style="list-style-type: none"> <li>Product quality and service</li> <li>Protection of consumer rights and interests</li> <li>Customer satisfaction</li> <li>產品品質及服務</li> <li>消費者權益保障</li> <li>客戶滿意度</li> </ul>   | <ul style="list-style-type: none"> <li>Daily service communication</li> <li>Portal website, WeChat official account, etc.</li> <li>Customer service hotline</li> <li>Customer symposium</li> <li>Satisfaction survey</li> <li>日常服務溝通</li> <li>門戶網站、微信公眾號等</li> <li>客戶服務熱線</li> <li>客戶座談會</li> <li>滿意度調查</li> </ul> | <ul style="list-style-type: none"> <li>Quality control</li> <li>Technological innovation</li> <li>品質管制</li> <li>技術創新</li> </ul>  |
| Employees<br>員工       | <ul style="list-style-type: none"> <li>Equal and diverse employment</li> <li>Reasonable salary and benefits</li> <li>Smooth development pipeline</li> <li>Safe and healthy work environment</li> <li>Prevention of child labor and forced labor</li> <li>Employee satisfaction</li> <li>COVID-19 employee health protection</li> <li>平等、多元化僱傭</li> <li>合理的薪酬與福利</li> <li>通暢的發展管道</li> <li>安全健康的工作環境</li> <li>防止童工及強制勞動</li> <li>員工滿意度</li> <li>新冠疫情員工健康保障</li> </ul> | <ul style="list-style-type: none"> <li>Labor contract</li> <li>Employee activities</li> <li>Workers congress</li> <li>Email, website and other communication platforms</li> <li>勞動合同</li> <li>員工活動</li> <li>職工代表大會</li> <li>郵件、網站等溝通平台</li> </ul>  | <ul style="list-style-type: none"> <li>Equal employment</li> <li>Diversity recruitment</li> <li>Career advancement channel</li> <li>Education system</li> <li>Occupational health management</li> <li>Employee care activities</li> <li>平等僱傭</li> <li>多元化招聘</li> <li>職業晉陞通道</li> <li>培訓體系</li> <li>職業健康管理</li> <li>員工關愛活動</li> </ul> |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Stakeholders<br>利益相關方              | Issues focused<br>關注議題  | Communication channel<br>溝通管道  | Response measures<br>回應措施  |
|------------------------------------|---|--|--|
| Suppliers and partners<br>供應商及合作夥伴 | <ul style="list-style-type: none"> <li>• Transparent procurement</li> <li>• Mutual benefits</li> <li>• Commitment</li> <li>• Supply chain risk management</li> <li>• Green procurement</li> </ul>   | <ul style="list-style-type: none"> <li>• Open tender</li> <li>• Project cooperation</li> <li>• Partner conference</li> <li>• Supplier site visit</li> <li>• Online service platform</li> </ul>   | <ul style="list-style-type: none"> <li>• Supply chain responsibility management</li> <li>• Sunshine procurement</li> <li>• Green procurement</li> </ul>  |
| Community<br>社區                    | <ul style="list-style-type: none"> <li>• Community charity</li> <li>• Rural revitalization</li> <li>• Voluntary activities</li> <li>• 社區公益</li> <li>• 鄉村振興</li> <li>• 志願活動</li> </ul>   | <ul style="list-style-type: none"> <li>• Charitable activities</li> <li>• Community services</li> <li>• 公益活動</li> <li>• 社區服務</li> </ul>  | <ul style="list-style-type: none"> <li>• Volunteer service</li> <li>• Charity activities</li> <li>• 志願者服務</li> <li>• 公益慈善活動</li> </ul>   |
| Environment<br>環境                  | <ul style="list-style-type: none"> <li>• Lowering emissions</li> <li>• Saving energy use</li> <li>• Environment and natural resource protection</li> <li>• Environmental compliance</li> <li>• Setting up of environmental targets</li> <li>• Facing climate change</li> <li>• 降低排放</li> <li>• 節約能源使用</li> <li>• 環境及天然資源保護</li> <li>• 環保合規</li> <li>• 環保目標設立</li> <li>• 應對氣候變化</li> </ul> | <ul style="list-style-type: none"> <li>• Environmental impact assessment</li> <li>• Environmental information disclosure</li> <li>• Project and environmental impact public survey</li> <li>• Environmental protection public welfare activities</li> <li>• Communication with environmental organizations</li> <li>• 環境影響評估</li> <li>• 環境資訊披露</li> <li>• 專案與環境影響公眾調查</li> <li>• 環保公益活動</li> <li>• 與環保組織的溝通</li> </ul> | <ul style="list-style-type: none"> <li>• Establish an environmental management system</li> <li>• Emission management</li> <li>• Efficient use of resources</li> <li>• Minimize environmental impact</li> <li>• 建立環境管理體系</li> <li>• 排放物管理</li> <li>• 資源有效利用</li> <li>• 最小化環境影響</li> </ul> |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Identification of materiality Issues

The Group refers to Appendix 27 “Environmental, Social and Governance (ESG) Reporting Guidelines” and international Standards of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, based on the actual business operation and development planning, combined with feedback from various stakeholders and external expert opinions, extensively referring to the industry’s leading practices and industry hotspots, sorted out the concerns of the mainstream ratings of the capital market on the industry in which the Group operates, and constructed the ESG report substantive issues database. During the year, the ESG working group of the Group took the lead in conducting interviews with a wide range of internal stakeholder groups, and combined with questionnaire surveys, stakeholders are sincerely invited to rate the 38 ESG issues in the issue bank, and evaluated from the two dimensions of “importance to stakeholders” and “importance to business management”, sorted out the substantive topic matrix of this report. The matrix presents the materiality of issues into two levels: very important and important.

### Xinglu Water’s 2022 ESG Report Substantial Issues Assessment Process

#### 01 ESG issue identification and confirmation

- Comprehensively sort out the key points of the Group’s sustainable development work and feedback from various stakeholders, benchmark industry hotspots and leading practices, and delineate the scope of topics;
- With reference to the ESG rating assessment elements in the capital market, combined with the relevant standards and objectives of sustainable development management, identify the industry’s focus in the field of sustainable development.

### 實質性議題識別

本集團參照《香港聯合交易所有限公司證券上市規則》附錄27《環境、社會及管治(ESG)報告指引》和國際標準，基於業務運營實際及發展規劃，結合各利益相關方回饋及外部專家意見，廣泛參考同業領先實踐與行業熱點，梳理資本市場主流評級對集團所在行業的關注議題構建了ESG報告實質性議題庫。本年度，本集團ESG工作小組牽頭面向廣泛的內部利益相關方群體開展訪談，並結合問卷調研的形式，誠邀相關方對議題庫中38項ESG議題進行打分，從「對利益相關方的重要性」和「對經營管理的重要性」兩個維度進行評估，梳理出本報告的實質性議題矩陣。矩陣將議題的實質性呈現為非常重要、重要兩個層級。

### 興瀘水務2022年度ESG報告實質性議題評估流程

#### 01 ESG議題識別和確認

- 全面梳理本集團可持續發展工作要點與各利益相關方的回饋，對標行業熱點與領先實踐，圈定議題範圍；
- 參考資本市場ESG評級評估要素，結合可持續發展管理相關標準和目標，識別行業在可持續發展領域的關注重點。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### 02 Stakeholder communication and research

- Conduct stakeholder interviews to collect feedback and suggestions from stakeholders on our sustainable development practices, as well as their views on future sustainable development strategies;
- Compiled an online survey questionnaire for the assessment of ESG materiality issues, and invited stakeholders to rate the materiality of corresponding ESG issues.

### 03 Assessment of materiality Issues

- According to the results of stakeholder survey questionnaires, combined with the development of the Company, from the two dimensions of “importance to stakeholders” and “importance to business management”, carrying out materiality issue assessment, sorting the materiality of each ESG issue according to the score, and generating a matrix.

This year, the Group paid more attention to the following ESG issues: compliance management, corporate governance and risk management, reduction and recycling of waste, environmental compliance, ecological environment and natural environment protection, employee management, supplier management, win-win cooperation, stable and efficient water services, customer satisfaction, consumer rights protection, continuously creating value returns, supporting the development of operating sites, anti-corruption supervision and management, anti-corruption training, rural revitalization, social welfare, and community building.

### 02利益相關方溝通與調研

- 開展利益相關方訪談，收集各相關方對我們可持續發展實踐的回饋和建議，以及對未來可持續發展策略的看法；
- 編製ESG實質性議題評估線上調研問卷，邀請各利益相關方對相應ESG議題的實質性進行打分。

### 03實質性議題評估

- 依據利益相關方調研問卷的結果，結合企業發展情況，從「對利益相關方的重要性」和「對經營管理的重要性」兩個維度，開展實質性議題評估，將各項ESG議題的實質性按照評分排序，生成矩陣圖。

本年度，本集團對下列的ESG議題給予更多關注：合規經營、企業管治與風險管理、減少和循環利用廢棄物、環保合規、生態環境及自然環境保護、員工管理、供應商管理、合作共贏、穩定高效水務服務、客戶滿意度、消費者權益保障、持續創造價值回報、支持運營地發展、反貪污監督管理、反貪污培訓、鄉村振興、社會公益、社區建設。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Xinglu Water's 2022 ESG Report Substantial Topics List

#### 興滙水務2022年ESG報告實質性議題列表

#### Very important

#### 非常重要

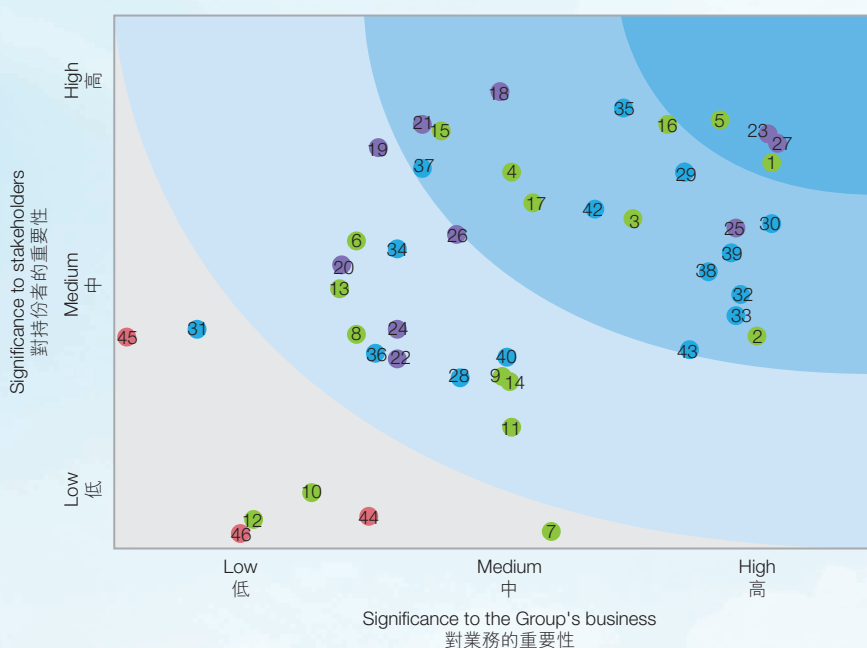
|  |   |   |   |
|--|---|---|---|
| 1 Environmental compliance                                   | 2 Exhaust gas management                | 3 Environmental goals established                     | 4 Sewage management                             |
| 1 環境合規   | 2 廢氣管理                                  | 3 環保目標成立  | 4 廢水管理  |
| 5 Noise management   | 6 Greenhouse gas emissions              | 9 Water resources use                                 | 13 Use of raw materials and packaging materials |
| 5 噪音管理   | 6 溫室氣體排放                                | 9 水資源使用   | 13 原材料及包裝材料使用                                   |
| 15 Ecological environment and natural environment protection | 16 Facing climate change                | 17 Prevention and handling of environmental accidents | 18 Employment compliance                        |
| 15 生態環境及自然環境保護   | 16 應對氣候變化                               | 17 環境事故預防及處理  | 18 僱傭合規   |
| 19 Salary and benefits                                       | 20 Working hours and holidays           | 21 Diversity and equal opportunity                    | 22 Occupational health and safety               |
| 19 薪酬及福利   | 20 工作時數及假期                              | 21 多元化與平等機會   | 22 職業健康與安全                                      |
| 23 Employee rights protection                                | 25 Employee care                        | 26 Training and development                           | 27 Prevention of child labor and forced labor   |
| 23 員工權益保護  | 25 員工關愛                                 | 26 培訓與發展  | 27 防止童工及強制勞工                                    |
| 28 Operational compliance                                    | 29 Open and fair procurement            | 30 Mutual benefits                                    | 32 Supply chain risk management                 |
| 28 營運合規  | 29 公開公平採購                               | 30 合作共贏   | 32 供應鏈風險管理                                      |
| 33 Green procurement   | 35 Customer service quality             | 36 Customer privacy protection                        | 37 Customer satisfaction                        |
| 33 綠色採購  | 35 客戶服務品質                               | 36 客戶隱私保護   | 37 客戶滿意度  |
| 38 Protection of consumer rights and interests               | 39 Protect intellectual property rights | 40 Continue to create value return                    | 41 Support the development of operations        |
| 38 消費者權益保障   | 39 保護智慧財產權                              | 40 持續創造價值回報   | 41 支持運營地發展                                      |
| 42 Anti-corruption supervision and management                | 43 Anti-corruption training             |   |   |
| 42 反貪污監督管理   | 43 反貪污培訓                                |   |   |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Important<br>重要                 |   |                          |                            |
|---------------------------------|---|--------------------------|----------------------------|
| 7 Reduce and recycle waste      | 8 Efficient use of energy and resources | 10 Green office          | 11 Green energy project    |
| 7 減少和迴圈利用廢棄物                    | 8 能源與資源有效利用                             | 10 綠色辦公室                 | 11 綠色能源項目                  |
| 12 Green building               | 14 Soil pollution management            | 24 Employee satisfaction | 31 Supply chain assessment |
| 12 綠色建築                         | 14 土壤污染管理                               | 24 員工滿意度                 | 31 供應鏈考核                   |
| 34 Stable and efficient service | 44 Rural revitalization                 | 45 Social welfare        | 46 Community building      |
| 34 穩定高效服務                       | 44 鄉村振興                                 | 45 社會公益                  | 46 社區建設                    |

**Xinglu Water's 2022 ESG Report Materiality Topics Matrix**  
**興滬水務2022年ESG報告實質性議題矩陣圖**



In the future, we will continue to pay attention to various stakeholders, constantly review and update important issues, and we planned to expand the scale of research on the basis of the original stakeholders involved in the evaluation of substantive issues when the conditions are ripe. With a more comprehensive and full understanding of the appeals of multiple parties, it provides guidance and direction for the development of corporate operations, environmental and social governance.

未來，我們將對各利益相關者保持持續關注，不斷覆核並更新重要議題，並計劃於條件成熟時在原有參與實質性議題評估的利益相關方基礎上擴大調研規模，以更加全面、充分地瞭解多方訴求，為企業經營與環境、社會管治工作的開展提供指引和方向。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### STANDARD-BASED, PERFECT SERVICE

### 標準為本，服務至善

The Group adheres to the core values of “Innovation and Excellence, Human-Water Harmony”, and is committed to adopting strict product quality and service management systems, continuously improves the quality of the Group’s products and services, actively undertakes social responsibilities, and provides citizens with high-quality, safe and secure tap water.

本集團堅持秉承「創新卓越、人水和諧」的核心價值觀，致力於通過嚴格的產品品質及服務管理制度，不斷提升本集團產品和服務的品質，積極承擔社會責任，為市民提供優質、安全、放心的自來水。

#### Case study: Awarded pennant for excellent management and continuous service provision

#### 案例：優秀經營持續提供服務而獲頒錦旗

Luzhou Xinglu Water (Group) Co., Ltd. Hejiang Water Industry Co., Ltd. (“**Hejiang Water**”), because of its positive service attitude, emphasis on various water projects and continuous improvement of service standards and efficiency in the water supply service, received a silk banner from Sunshine Land Real Estate Company of Hejiang County to affirm the work of Hejiang Water.

瀘州市興瀘水務(集團)股份有限公司合江水業有限公司(「**合江水業**」)在供水的服務中，因其積極的服務態度、對各項水務工程的重視及不斷提升服務水平及供水服務效率的表現，獲合江縣陽光大地房地產公司贈送錦旗對合江水業有限公司的工作以示肯定。





### Tap water supply

The Group strictly abides by the “Safe Production Law of the People’s Republic of China”, “Water Law of the People’s Republic of China”, “Water Pollution Prevention and Control Law of the People’s Republic of China”, “Environmental Protection Law of the People’s Republic of China”, “Drinking Water Source Water Quality Standards”, “Drinking Water Hygienic Standards”, “Sichuan Province Urban Water Supply Management Regulations”, “Urban Water Supply Quality Management Regulations”, “Drinking Water Sanitation Supervision and Management Measures” and other laws and regulations, formulating “Water Quality Management Measures”, “Water Quality Monitoring Management Measures”, “Water Quality Testing Regulations”, “Sanitary Protection Management Measures” and other relevant management regulations to ensure the quality of water supply. The Group has passed the ISO 9001 quality control system certification. In addition, the Group has formulated internal water quality control indicators and implemented stricter quality testing standards for the quality of factory water to ensure the provision of high-quality and safe tap water for urban development and public life.

During the reporting period, the total amount of water supplied by the Group was 161.7 million tons, and the inspections at all levels were performed well, with a 100% inspection pass rate.

### 自來水供應

本集團嚴格遵守《中華人民共和國安全生產法》《中華人民共和國水法》《中華人民共和國水污染防治法》《中華人民共和國環境保護法》《生活飲用水水源水質標準》《生活飲用水衛生標準》《四川省城市供水管理條例》《城市供水水質管理規定》《生活飲用水衛生監督管理辦法》等法律法規，制定《水質管理辦法》《水質監測管理辦法》《水質檢測規定》《衛生防護管理辦法》等相關管理規定保障供水品質。本集團已通過ISO 9001品質管制體系認證。此外，本集團制定水質內控指標，對出廠水品質執行更嚴格的品質檢測標準，保障為城市發展和市民生活提供優質安全的自來水。

報告期內，本集團供水總量161.7百萬噸，各級檢測執行情況良好，檢測合格率为100%。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### **Safe water provision**

Most of the Group's water intake comes from the Yangtze River. The Group conducts online monitoring and on-site testing of water quality throughout the entire process from water intake to water delivery, and installs online measurement equipment in all production links. The raw water, pre-filtered water, filtered water, factory water, etc. were measured for turbidity, residual chlorine, and pH, and the data were sent back to the central control room for record. On-duty staff record the results of online water quality tests every hour, and periodically calibrate the online meters, while staff at the water quality testing station conduct and record water quality tests on a daily basis to ensure water safety.

#### **Clean water production**

The Group conducts tap water production in strict accordance with the national "Drinking Water Sanitation Standard" (GB5749-2006) and other relevant regulations, and has formulated a series of mechanisms and measures to ensure clean water production:

1. **System management:** Formulating an internal quality control manual and managing it strictly in accordance with the quality control manual during the water production process;
2. **Level 3 test:** A three-level testing system is implemented for water quality, of which the first and second levels comply with the Group's "Water Quality Testing Regulations" standards, and the third level implements the national "Drinking Water Hygienic Standards" testing standards:

#### **安全取水**

本集團取水水源大部分來自長江。本集團對取水到送水全過程進行線上監控及現場檢測水質品質，在生產各環節安裝線上測量設備，分別對原水、濾前水、濾後水、出廠水等進行了濁度、餘氯、pH值測量並將資料回傳中控室記錄。當班人員每間隔一小時記錄線上水質檢測結果，定期對線上儀表進行校準，水質檢測站工作人員每天進行水質檢測並記錄，以確保水質安全。

#### **潔淨制水**

本集團嚴格按照國家《生活飲用水衛生標準》(GB5749—2006)等相關規定進行自來水生產，並制定了一系列確保制水潔淨的機制和措施：

1. **制度管理：**制定內部品質管制手冊，並在制水過程中嚴格按照品質管制手冊管理；
2. **三級檢定：**對水質實行三級檢測制度，其中第一、二級遵循本集團《水質檢測規定》標準，第三級執行國家《生活飲用水衛生標準》檢測標準：

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- At the first level, the main water quality indicators are tested by each of its production companies. The water quality online equipment monitors and records turbidity, residual chlorine, etc. for 24 hours, and regularly uses portable water quality monitoring equipment to conduct spot checks.
  - At the second level, our Group is responsible for sampling and monitoring.
  - At the third level, the Luzhou Monitoring Station of the Sichuan Provincial Water Supply and Drainage Water Quality Monitoring Network is responsible for sampling and monitoring.
3. **Indicator control:** Setting up a number of indicators and goals related to production, such as self-use water rate, chemical consumption, power consumption, water turbidity, etc., and strictly follow the indicators to control;
  4. **Daily review control mechanism:** The person in charge of each water plant reports various indicators to the headquarters every day, explains the reasons for abnormal indicators, and finds and resolves abnormalities in time;
  5. **Comprehensive monitoring:** Implementing whole-process monitoring, and carry out testing from raw water, production process water, factory water and pipe network terminal water to ensure drinking water safety;
  6. **Multi-party detection:** Combining online monitoring and personnel testing, enterprises and government departments conduct regular inspections and irregular random inspections.
- 第一級由旗下各生產企業自行對主要水質指標進行檢測，水質線上設備24小時對濁度、餘氯等進行監督記錄，定時使用可攜式水質監測設備抽檢
  - 第二級由本集團負責抽樣檢測
  - 第三級由四川省供水排水水質監測站負責抽樣檢測
3. **指標管控：**設立多項與生產相關的指標與目標，如自用水率、藥耗、電耗、水濁度等，嚴格按指標進行管控；
  4. **日複盤管控機制：**各水廠負責人每日向總部彙報各項指標資料，解釋異常指標原因，及時發現並解決異常；
  5. **全面監控：**實施全過程監控，從原水、生產過程水、出廠水和管網末梢水的均開展檢測，保障飲水安全；
  6. **多方檢測：**線上監測和人員檢測結合，企業和政府部門進行定期巡檢和不定期抽檢。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### **Stable water supply**

In order to further improve the water supply capacity, the Group achieved stable water supply by planning water supply scheduling, emergency plan management, implementing water meter audits, and water supply with high-efficiency pump units. The specific measures include:

- Before the peak water supply period comes, prepare the water supply scheduling plan and drill in advance to ensure the smooth scheduling of the water supply peak period, and before the summer comes, do a good job of equipment maintenance and water production material storage in advance to ensure smooth water supply;
- Organize various emergency plans and emergency supplies related to production safety, equipment failure, abnormal raw water, etc., responding to emergencies in a timely manner, and ensuring normal and orderly water supply;
- Carrying out water meter audit and inspection work every month, such as meter management, pipe network inspection (leakage detection), water meter weekly inspection, secondary water supply, global water supply, etc., and rectify problems in a timely manner;
- Combined operation of high-efficiency units is used to fully ensure stable water supply while reducing energy consumption;
- Strengthening the inspection during the production process, and introducing a smart inspection system;
- The central control voice alarm system is introduced, and the voice system monitors and broadcasts fault conditions in real time.

### **穩定供水**

為進一步提升供水能力，本集團通過規劃供水調度、應急預案管理、落實水錶稽核以及高效率水泵機組供水等方式，實現穩定供水，具體舉措有：

- 在供水高峰期來臨前，提前做好供水調度方案並演練，確保供水高峰期的調度順暢，並在夏季來臨前，提前做好設備維護保養、制水材料的儲備工作，保障供水順利；
- 組織涉及生產安全、設備故障、原水異常等各項應急預案以及應急物資，及時應對突發事件，確保正常有序供水；
- 每月進行水錶稽核檢查工作，如表務管理、管網巡視(探漏)、水錶周檢、二次供水、全域供水等，發現問題及時整改；
- 使用高效率機組組合運行，在減少耗能的同時，充分保障穩定供水；
- 加強生產過程中的巡視巡檢，引入智慧巡檢系統；
- 引入中控語音報警系統，語音系統即時監控並播報故障情況。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Case study: Water supply increased by 20% over the same period of the previous year

##### 案例：供水量比前年同期增加20%

In August 2022, the temperature in Luzhou continued to rise above 40 degrees. As the temperature rose, the water consumption also increased sharply. The Company adheres to the strict working attitude and the concept of serving the public to maintain water supply and the needs of the public. With the establishment of multiple emergency teams and full-coverage inspections of the water supply pipe network, the normal operation of the water supply system has been stabilized. At one point, the regional water supply increased by 20%, and in some areas it exceeded 40%.

2022年8月，瀘州地區氣溫持續高達40度以上，隨著氣溫升高，用水量也急劇增加。本公司堅守嚴謹的工作態度以及服務大眾的理念，保持供水及市民所需。在成立多個應急小隊及供水管網全覆蓋巡查的情況下，穩定了供水系統的運作正常，一度令區域供水量上升20%，而部分地區更超過40%。



#### Case study: Paying tribute to the employees who work in high temperature day after day

##### 案例：對連日高溫工作的員工表達敬意

The hot and sunny weather lasted for several days. In the face of the “baked” experience of the sweltering heat wave, the staff of Xinglu Water Affairs always stayed on the front line, and even the users with limited mobility brought water to their residences to effectively guarantee the water demand of users in the supply area.

連續數日持續晴熱的高溫天氣，面對滾滾熱浪的「烤」驗，興瀘水務員工始終堅守在一線，更為行動不便的用戶擔水至其住所，切實保障供區用戶用水需求。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Quality services

“Refresh the customer experience with true feelings, and interpret the harmony between human and water with actions” is the service concept that the Group continues to follow. In order to better carry out business work and improve the ability of business personnel, the Group has formulated normative systems such as “Management Measures for Customer Service Hotline”, “Service Management Standards for External Service Posts”, and “One-stop Service Work Manual for Service Hall”. And through continuous follow-up, the Group continues to revise relevant specifications and manuals, and requires employees of all business units to follow this, so as to be customer-centric, standardizes service processes, strengthens customer communication, and continuously improves service standards.

During the reporting period, we took a number of measures to continuously optimize customer service:

- **System specification:** Clarifying the complaint handling norms, strictly abide by the customer complaint handling process and procedures, standardize and efficiently solve customer problems, and improve service standards;
- **Establish scientific indicators:** Setting up a number of KPIs to evaluate service management standards, such as service quality standard KPI (ratio of effective complaints to total business volume), timely processing rate of user repair requests, timely repair rate of emergencies such as pipe bursts, etc.;
- **Training:** Organizing training activities on relevant systems and policies. During the reporting period, the Group organized several training sessions on one-stop service work and optimizing the business environment. Through these trainings, business personnel can better understand their job responsibilities and work processes, and be able to do their jobs with ease;

#### 品質服務

「以真情刷新客戶體驗，行動詮釋人水和諧」是本集團持續遵循的服務理念。為了更好地開展業務工作，提升業務人員能力，本集團制定了《客戶服務熱線管理辦法》、《對外服務崗位服務管理規範》、《服務大廳一站式服務工作手冊》等規範性檔，並通過持續跟進，不斷對相關規範、手冊進行修訂，要求各經營單位員工照此執行，做到以客戶為中心，規範服務流程，加強客戶溝通，不斷完善服務水準。

報告期內，我們採取多項措施，持續優化客戶服務：

- **制度規範：**明確投訴處理規範，嚴格遵守客戶投訴處理流程及程式，規範高效解決客戶問題，提升服務水準；
- **設立科學指標：**設立多項KPI指標用以評估服務管理標準，如服務品質標準KPI(有效投訴與業務總量之比)，用戶報修的及時處理率，爆管等突發事件的搶修及時率等；
- **開展培訓：**組織相關制度、政策的培訓活動，報告期內，本集團多次組織了關於一站式服務工作及優化營商環境的培訓會，通過這些培訓，使業務人員更好瞭解自己的工作職責和工作流程，在工作中做到遊刃有餘；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- **Customer satisfaction survey:** Regularly engaging third-party vendors to conduct satisfaction surveys on customers to truly understand customer feelings and evaluations, and conducting in-depth analysis of customer feedback to improve service quality;
- **Monthly summary:** Summarize and analyze the complaint situation every month, complete the “Complaint Work Summary”, and continue to optimize the service process and improve the work according to the summary situation;
- **Improve after-sales service:** Continue to improve the level of after-sales service, strengthen the management of water quality and water pressure, and communicate and deal with users’ repair reports and consultations, and establish a good service image;
- **Optimizing the business environment:** Optimizing water services from five aspects: process, material, time, cost and convenience. Carrying out various service improvement work such as “online business hall”. Simultaneously carrying out various activities to benefit the people and enterprises of “Human-Water Harmony”.
- **客戶滿意度調查：**定期通過聘請協力廠商對客戶進行滿意度調查，切實瞭解客戶感受與評價，並深入分析客戶回饋，改善服務品質；
- **月度總結：**每月總結並分析投訴情況，完成《投訴工作小結》，根據總結情況持續優化服務流程和改善工作；
- **提升售後服務：**持續提升售後服務水準，加強對供水水質、水壓的管理，以及對用戶的報修、諮詢的溝通處理，建立良好服務形象；
- **優化營商環境：**從流程、材料、時間、成本和便利度等五個方面優化用水服務。推行「網上營業廳」等各項服務提升工作。同步開展「人水和諧」各項惠民、惠企活動。

The Group attaches great importance to communication with customers, and has developed multiple communication and complaint channels for customers, formulating management measures such as “Municipal Affairs Service Hotline Management Measures” and “Customer Service Hotline Management Measures”, customers can report problems through the mayor’s hotline, call center, online business hall, WeChat public account and government affairs center. For each user call, a special person is arranged to track the whole process from incoming call acceptance to user return visit, forming a closed-loop management; performing a great job on the control of the time limit for user calls, put forward suggestions for handling the deficiencies found, and urge relevant departments to make rectifications.

本集團高度重視與客戶的溝通，開拓多個面向客戶的溝通與投訴渠道，制定了《市政務服務熱線管理辦法》、《客戶服務熱線管理辦法》等管理辦法，客戶可以通過市長熱線、呼叫中心、網上營業廳、微信公眾號和政務中心反映問題。對每一起用戶來電，從來電受理至用戶回訪均安排專人進行全程跟蹤，形成閉環管理；抓好用戶來電時限辦結的控制，針對發現的不足，提出處理意見，並督促相關部門進行了整改。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

During the reporting period, we received 34 valid user complaints and reports, and the processing completion rate was 100%. No dissatisfaction with the 12345 government affairs hotline.

報告期內，我們收到34條有效用戶投訴和舉報，處理完結率為100%。無12345政務熱線不滿意事件。

#### Case study: Experiencing warmth in hot weather

##### 案例：酷熱的天氣下更能體驗人間溫暖

Knowing that the water supply pipe was broken due to road subsidence, the Naxi District Water Supply Branch of Luzhou Xinglu Water (Group) Co., Ltd. urgently organized maintenance work. The emergency repair personnel rushed to repair the pipeline regardless of the scorching heat, and at the same time provided emergency water to the public. The citizens of the neighborhood were even worried about the health of the staff, and kept reminding the staff to pay attention to cooling down, so as to achieve a harmonious scene of "human and water harmony".

得悉供水管因道路沉降導致破裂，瀘州市興瀘水務(集團)股份有限公司納溪區供水分公司緊急組織維修工作。搶修人員顧不上酷暑地搶修管道，同時亦向市民提供緊急用水，市民更一度擔心工作人員的身體，不斷提醒著工作人員注意降溫，達至「人水共融」的和諧之景。

#### Case study: Prevention is better than cure, leak detection works to ensure normal water supply

##### 案例：預防勝於治療，探漏工作確保供水正常

The best time to detect leaking pipes is at night when there are no noise from vehicles or crowds. After repeated inspections and leaks are found, repairs will be carried out immediately. On the one hand, it avoids more serious damage accidents, on the other hand, it prevents the loss of water sources and state-owned assets, and ensures the health of the water supply system and the stability of water supply for citizens.

沒有車輛及人群嘈雜聲的晚間是最佳的檢測漏水管道時機，反覆檢查發現漏水點後便隨即展開維修工程，一方面避免更嚴重的破損事故，另一方面防止了水源及國有資產的流失，保障供水系統的健康及市民的供水穩定。





## Sewage management

The Group strictly abides by the “Environmental Protection Law of the People’s Republic of China”, “Water Pollution Prevention and Control Law of the People’s Republic of China”, “Product Quality Law of the People’s Republic of China”, “Standardization Law of the People’s Republic of China”, “Implementation Rules of the Metrology Law of the People’s Republic of China”, and other laws and regulations to carry out product quality control work; strictly follows the national “Urban Sewage Treatment Plant Pollutant Discharge Standard” (GB18918-2002), “Urban Sewage Treatment Plant Operation, Maintenance and Safety Technical Regulations” (CJJ60-2011), “Interim Measures for Assessment of Urban Sewage Treatment Work” (Jiancheng [2017] No. 143), “Opinions on Deepening Environmental Monitoring Reform and Improving the Quality of Environmental Monitoring Data”, “Sichuan Province Drainage Management Regulations”, “Urban Drainage and Sewage Treatment Regulations”, “Technical Specifications for Operation and Assessment of Water Pollution Source Online Monitoring System (Trial)” (HJT355- 2007), “Technical Specifications for Anaerobic-Anoxic-Aerobic Activated Sludge Process Sewage Treatment Engineering” (HJ576-2010) and other normative documents, and has established the “Compilation of Production Management Systems” to achieve efficient sewage treatment through advanced treatment technologies.

During the Reporting Period, the total amount of sewage treated by the Group reached 150.2 million tons, representing an increase of 4.09% over the previous year (total amount of sewage treated in 2021: 144.29 million tons).

## 污水處理

本集團嚴格遵守《中華人民共和國環境保護法》《中華人民共和國水污染防治法》《中華人民共和國產品品質法》《中華人民共和國標準化法》《中華人民共和國計量法實施細則》等法律法規開展產品品質管制工作；嚴格遵循國家《城鎮污水處理廠污染物排放標準》(GB18918-2002)《城鎮污水處理廠運行、維護及安全技術規程》(CJJ60-2011)《城鎮污水處理工作考核暫行辦法》(建城[2017]143號)《關於深化環境監測改革提高環境監測資料品質的意見》《四川省排水管理條例》《城鎮排水與污水處理條例》《水污染源線上監測系統運行與考核技術規範(試行)》(HJT355-2007)《厭氧-缺氧-好氧活性污泥法污水處理工程技術規範》(HJ576-2010)等規範性檔，並建立《生產類管理制度彙編》，通過先進處理技術，實現污水高效處理。

報告期內，本集團污水處理總量達150.2百萬噸，較上一年度上升4.09%（2021年污水處理總量：144.29百萬噸）。

## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

### High efficiency processing techniques

The Group pays attention to the development of sewage treatment technology, formulates the “Administrative Measures for New Technology Test and Promotion”, regulates the test, promotion and follow-up management of new sewage treatment technologies, and actively explores advanced technologies in the field. The Group took the lead in implementing the “Internet + Production Management” system in the water supply business segment. Since the first implementation, the system has been continuously optimized, during the reporting period, the “Internet + Production Management” system was introduced in the sewage treatment business segment, fully realizing the full coverage of the system in the Group.

### 高效處理技術

本集團注重污水處理技術的發展，制定《新技術試驗推廣管理辦法》，規範污水處理新技術的試驗、推廣以及後續管理，積極探索領域先進技術。本集團在自來水供應業務板塊率先推行「互聯網+生產管理」系統，自首次推行以來，持續優化該系統，於報告期內在污水處理業務板塊引入了「互聯網+生產管理」系統，全面實現該系統在本集團的全覆蓋。

#### Case study: Xinglu Sewage Company launched special training on laboratory skills

##### 案例：興瀘污水公司開展化驗技能專項培訓

In order to strengthen the professional ability of laboratory technicians, Xinglu Sewage Company organized special training on professional skills of laboratory technicians. Lectures are taught by experienced professionals, and the content includes routine laboratory testing operations, analysis of typical laboratory cases, and assessment of laboratory theory knowledge. The training not only improves the personal business and knowledge level of laboratory technicians, but also consolidates the construction of laboratories and increases the company's competitiveness.

為加強化驗員的業務能力，興瀘污水公司組織開展化驗員職業技能專項培訓。由資深化驗員授課，內容包括常規化驗檢驗操作、典型化驗案例剖析及化驗理論知識測評。培訓不僅提升化驗員個人業務及知識的水平，同時亦鞏固了化驗室的建設，增加公司的競爭力。



### **Water quality assurance**

The Group has always been committed to standardizing the management of sewage treatment, and has adopted various measures to ensure that the water quality meets the standards.

- Established the “Compilation of Production Management System” to clarify the control content of the production and operation process, effectively ensure the production and operation, and the water output is stable and up to standard;
- A water quality early warning management system has been formulated. When the discharge water quality reaches the warning line (80% of the discharge standard), the factory will adjust production and operation parameters to further ensure that the effluent water reaches the standard;
- Each branch factory has a laboratory, which is responsible for the daily testing of water quality and the replacement of agents for online monitoring equipment;
- Configuring monitoring equipment on the water inlet and outlet to timely grasp the water quality indicators of the inlet and outlet water;
- The production and operation sites are equipped with instruments for the main parameters of production and operation, such as dissolved oxygen, sludge concentration, redox potentiometer, etc., which can instantly reflect the production and operation conditions.

During the Reporting Period, the quality of the effluent from the Group’s sewage treatment reached Standard A of the first-class standard of the “Pollutant Discharge Standards for Urban Wastewater Treatment Plants” (GB18918-2002), and the Group did not experience any lawsuits arising from violations of laws and regulations related to products and services.

### **保障水質達標**

本集團始終致力於規範管理污水處理，通過多種措施保障，確保水質達標。

- 建立有《生產類管理制度彙編》，明確生產運行過程管控內容，有效保證生產運行，出水穩定達標；
- 已制定水質預警管理制度，當排放水質達預警線（排放標準的80%），廠內會採取調整生產運行參數，進一步確保出水穩定達標；
- 各分廠設置化驗室，負責水質的日常檢測和線上監測設備的藥劑更換；
- 配置進出水線上監測設備，以時掌握進、出水水質指標；
- 生產運行現場均配置有生產運行主要參數儀錶，如溶解氧、污泥濃度、氧化還原電位計等，即時反映生產運行工況。

報告期內，本集團污水處理出水水質達到《城鎮污水處理廠污染物排放標準》(GB18918-2002)一級標準的A標準，且本集團未發生因違反產品和服務相關法律法規而導致的訴訟。



## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

During the Reporting Period, the Group also introduced a smart inspection system in the wastewater treatment business segment to enhance inspection of the production process. The system has been implemented in the water supply business segment on a trial basis since 2020, and full coverage of the system in the Group's water supply and wastewater treatment business was achieved during the Reporting Period.

報告期內，本集團在污水處理業務板塊亦引入了智慧巡檢系統，加強對生產過程中的巡視巡檢。該系統自2020年開始在自來水供應業務板塊試行，於報告期內已實現該系統對本集團自來水供應和污水處理業務的全覆蓋。

### Case study: The Department of Environmental Protection inspects the sewage treatment plant in Changchong Village, Danlin Town

#### 案例：環保廳巡視丹林鎮長沖村污水處理廠

Gong Min, director of the Provincial Environmental Protection Department, an expert in ecological and environmental protection in Sichuan Province, led a team to inspect the sewage treatment plant in Changchong Village, Danlin Town, Jiangyang District. Gong Min said that the wastewater treatment plant in Changchong Village, Danlin Town, as one of the model wastewater treatment plants in Sichuan, shall step up efforts in the daily work to make rural areas more beautiful.

四川省生態環境保護專家省環保廳處長龔敏帶隊檢查江陽區丹林鎮長沖村污水處理廠。龔敏表示丹林鎮長沖村污水處理廠作為四川污水處理廠的模範廠站之一，要在日常工作要更下功夫，把鄉鎮農村變得更加美麗。



## GREEN OPERATIONS, SUSTAINABLE DEVELOPMENT

The Group has always adhered to the concept of green development. As an environment-friendly enterprise, it has continuously strengthened ecological and environmental protection, improved its sustainable development capabilities, and actively assumed the corporate responsibility of green development.

## 綠色運營，持續發展

本集團始終堅持綠色發展的理念，作為環境友好型企業，不斷加強生態和環境保護力度，提高可持續發展能力，積極承擔綠色發展的企業責任。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Emission management focus

The Group strictly abides by the Environmental Protection Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and the Discharge of Pollutants from Urban Sewage Treatment Plants. Standard" (GB18918-2002) "Urban Sewage Treatment Plant Operational Quality Evaluation Standard" (CJJ/T228-2014) and other laws and regulations, discharge standards, and optimize discharge management.

During the reporting period, the Group had no major violations or lawsuits caused by environmental issues.

### Greenhouse gases and exhaust management and reduction

#### Tap water supply business

Greenhouse gas emissions from the Group's tap water supply business mainly come from power consumption for production and office use. During the reporting period, we adopted a number of measures to reduce greenhouse gas emissions. For specific measures, please refer to the "Enhancing Resource Management" section of this report.

### 注重排放管理

本集團嚴格遵守《中華人民共和國環境保護法》《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》《中華人民共和國固體廢物污染環境防治法》《城鎮污水處理廠污染物排放標準》(GB18918-2002)《城鎮污水處理廠運營品質評價標準》(CJJ/T228-2014)等法律法規、排放標準，優化排放物管理工作。

報告期內，本集團未發生因環境問題而導致的重大違規事項或訴訟。

### 溫室氣體及廢氣管理及減排

#### 自來水供應業務

本集團自來水供應業務溫室氣體排放主要來自於生產及辦公使用的電力消耗。報告期內，我們採取多項減少溫室氣體排放的措施。具體措施詳見本報告「加強資源管理」部分。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

In terms of exhaust emissions, the Group's tap water supply business does not consume fuel during the water supply process, and the main source of certain impact on the surrounding environment is the fugitive emission of chlorine gas that may be generated during the storage and chlorination process. The main measures we have taken include:

- Take the method of preparing chlorine dioxide on site to effectively avoid the leakage of liquid chlorine and raw materials for preparing chlorine dioxide;
- Rationally storing raw materials for chlorine dioxide production, storing them independently and setting up cofferdams, and establishing a tight storage environment to prevent leakage of raw materials;
- In order to monitor and detect leakage, we installed vacuum sealing devices, chlorine leakage alarms and absorption treatment devices in the chlorine storage, and took effective measures to deal with leakage problems in a timely manner.

#### *Sewage management business*

Greenhouse gas emissions from the Group's sewage treatment business mainly come from electricity consumption and fuel use for production and office use, as well as methane gas generated during the sewage treatment process. In response to such emissions, the Group adopted a number of energy-saving measures. For details, please refer to "Strengthening Resource Management" in this report.

The waste gas emission from the sewage treatment business of the Group is mainly the malodorous gas generated during the sewage treatment process. We take measures such as setting a safe distance, increasing the green area, and installing odor elimination devices to reduce the pollution of such odorous gases and protect the ecological environment.

廢氣排放方面，本集團自來水供應業務在供水過程中並不消耗燃料，對周圍環境產生一定影響的主要來源是儲存和加氯過程環節可能產生的氯氣無組織排放。我們採取的主要措施包括：

- 採取現場製備二氧化氯的方式，有效避免液氯及為製備二氧化氯生產原料洩露；
- 合理存放二氧化氯生產原料，獨立存放並設置圍堰，建立嚴密的存儲環境，防止原料洩露；
- 為監控檢測洩露情況，我們在氯庫安裝真空封閉裝置、漏氯報警和吸收處理裝置，及時對洩露問題採取有效措施應對。

#### *污水處理業務*

本集團污水處理業務的溫室氣體排放主要來自於生產及辦公使用的電力消耗及燃料使用，以及污水處理過程中產生的甲烷氣體。針對此類排放，本集團採用多項節能措施，詳見本報告「加強資源管理」。

本集團污水處理業務的廢氣排放主要為污水處理過程中產生的惡臭氣體。我們通過設定安全距離、增加綠化面積、安裝臭氣消除裝置等措施，降低此類惡臭氣體污染，保護生態環境。

### **Waste management and reduction**

The Group strictly abides by the “Management Measures for Hazardous Waste Transfer Forms”, “Sichuan Province Hazardous Waste Pollution Prevention Measures”, “General Rules for Hazardous Waste Identification Standards” (GB 5085.7-2007), “Hazardous Waste Storage Pollution Control Standard” (GB18597-2001), “Technical Specification for Identification of Hazardous Waste” (HJ/T298-2007) and other relevant laws and regulations, internally formulating the “Hazardous Waste Management System”, “Hazardous Waste Emergency Plan”, “Xinglu Wastewater Treatment Co., Ltd. Hazardous Waste Management System” and other systems, establishing a sound waste management mechanism, and achieve compliant and orderly disposal.

The Group has established a complete waste management mechanism, which clearly implements regular declaration, classified collection, centralized storage, standardized records, consistent accounts and compliance, and compliant disposal of waste. We establish a waste reporting and registration system to investigate and register waste types, quantities, concentrations, discharge methods and whereabouts, etc., and establish pollution source files for declaration and registration. Implementing a waste discharge quantitative management system, formulating waste discharge quota indicators, and incorporating them into production plans and process technology management.

### **廢棄物管理及減排**

本集團嚴格遵守《危險廢物轉移聯單管理辦法》《四川省危險廢物污染防治辦法》《危險廢物鑒別標準通則》(GB 5085.7-2007)《危險廢物貯存污染控制標準》(GB18597-2001)《危險廢物鑒別技術規範》(HJ/T 298-2007)等相關法律法規，內部制定《危險廢物管理制度》《危險廢物應急預案》《興瀘污水處理有限公司危險廢物管理制度》等制度，建立完善的廢棄物管理機制，實現合規有序處理。

本集團已建立完善的廢棄物管理機制，明確對廢棄物做到定期申報、分類收集、集中貯存、規範記錄、賬實相符、合規處置。我們建立排放廢棄物申報登記制度，調查登記廢棄物種類、數量、濃度、排放方式和去向等，並建立污染源檔案進行申報登記；實行廢棄物排放定量管理制度，制定廢棄物排放定額指標，並納入生產計劃和工藝技術管理。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Tap water supply business

Hazardous wastes generated by the Group's tap water supply business mainly include organic solvents, inorganic cyanides, strong acids, strong alkalis, total phosphorus and total nitrogen, heavy metals, chromium-containing substances, and volatile phenols. For the management of hazardous waste in the water supply business, we have developed a number of treatment measures:

- Setting up of page-proof and leak-proof hazardous waste storage rooms, and build cofferdams at corresponding storage points, Classify and store hazardous waste in specified containers, and mark the category, hazardous nature and weight, reagent bottles containing hazardous waste shall be uniformly disposed of according to the hazardous waste disposal method;
- Hazardous waste management system and hazardous waste emergency plan shall be carried out to individuals through meeting publicity and implementation;
- Establishing a "Hazardous Waste Record Form", and inspectors fill in the amount of waste produced truthfully, and the monitoring station will make statistics every quarter, and make secondary statistics at the end of the year based on the actual production volume, and hand them over to qualified third-party manufacturers for centralized processing.
- The non-hazardous wastes from the tap water supply business of the Group mainly include dried sludge sludge cakes, containers containing non-toxic reagents and domestic garbage generated during the production process. For the management of non-hazardous waste in the water supply business, we have adopted a number of measures to effectively deal with it:
- Concentrate and dehydrate the high-turbidity wastewater discharged from the sedimentation tank and filter, and dehydrate and dry the sludge through a vacuum filter or centrifuge, and transport it to the construction waste landfill for disposal;

### 自來水供應業務

本集團自來水供應業務產生的有害廢棄物主要包括有機溶劑、無機氰化物、強酸、強鹼、總磷總氮、重金屬、含鉻類、揮發酚等。針對自來水供應業務有害廢棄物管理，我們制定了多項處理措施：

- 設置防滲防漏的危險廢物貯存間，並在相應存放點砌築圍堰，用規定容器對危險廢物分類貯存，並標明類別、危險性質和重量，盛裝危險廢物的試劑瓶等均按危險廢物處置方法統一處理；
- 危險廢物管理制度和危險廢物應急預案，通過會議宣貫等實行責任落實到個人；
- 建立《危險廢物記錄表》，檢測人員如實填寫廢物產生量，並由監測站每季度進行統計，年終再根據實際產生量作二次統計，統一交由有資質的協力廠商機構集中處理。
- 本集團自來水供應業務無害廢棄物主要為生產過程中產生的幹化污泥泥餅、盛裝無毒試劑的容器和生活垃圾。針對自來水供應業務無害廢棄物管理，我們採取多項措施有效處理：
- 將沉澱池與濾池排放的高濁度廢水濃縮脫水後的污泥進行濃縮，通過真空過濾機或離心機進行脫水乾化，運至建築垃圾填埋場處置；



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- The containers containing the reagents should be washed and transported to the waste treatment plant as domestic waste for disposal.

#### *Sewage treatment business*

Hazardous wastes generated by the Group's sewage treatment business mainly include 11 types of hazardous wastes generated in the process of water quality testing and testing: COD, ammonia nitrogen, total phosphorus, total nitrogen, BOD, coliform bacteria, petroleum, anionic surfactants, waste packaging, waste chemicals, and waste engine oil are uniformly handed over to third-party processing agencies for transfer and disposal.

The non-hazardous waste generated by the Group's sewage treatment business is mainly domestic sludge generated during the sewage treatment process. Although domestic sewage treatment residue sludge is not a specific category in the National Hazardous Waste List, the Group still implements hazardous waste management by referring to it, and strictly follows relevant requirements for centralized collection, classified storage, consistency of accounts and facts, standardized records, and compliant disposal.

The management of non-hazardous waste mainly adopts the following treatment measures:

- After the sludge is concentrated and dehydrated, it is transported to a qualified landfill for unified sanitary landfill to realize the harmless disposal of the sludge;
- The method of drying and centralized treatment of sludge reduces the water content of sludge, reduces the quality and volume of sludge, and realizes the reduction of sludge.

- 對盛裝試劑的容器，洗淨後作為生活垃圾一同運送至垃圾處理廠進行處置。

#### *污水處理業務*

本集團污水處理業務所產生的有害廢棄物主要包括水質檢測和化驗過程中產生的11類危廢：COD、氨氮、總磷、總氮、BOD、大腸菌群、石油類、陰離子表面活性劑、廢棄包裝物、廢棄化學藥品、廢機油，統一交由協力廠商處理機構進行轉移與處置。

本集團污水處理業務產生的無害廢棄物主要為污水處理過程中產生的生活污水泥。儘管生活污水處理殘餘物污泥並非國家危險廢物名錄內明確種類，但本集團仍參照執行危廢管理，嚴格按照相關要求進行集中收集、分類貯存、賬實相符、記錄規範、合規處置。

對無害廢棄物的管理主要採取以下處理措施：

- 對污泥進行濃縮、脫水等處理後，外運至有資質的填埋場進行統一衛生填埋，實現污泥無害化處置；
- 將污泥乾化、集中處理的方式使污泥的含水率下降，降低污泥品質和體積，實現污泥的減量化。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱                                   | Unit<br>單位   | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|--|--|----------------|----------------|----------------|
| Total greenhouse gas emissions<br>溫室氣體排放 <sup>1</sup> 總量 | million tons of carbon dioxide equivalent<br>萬噸二氧化碳當量      | <b>3.20</b>    | 12.87          | 17.44          |
| Direct greenhouse gas emissions<br>—直接溫室氣體排放量            | million tons of carbon dioxide equivalent<br>萬噸二氧化碳當量      | <b>0.12</b>    | 4.03           | —              |
| Indirect greenhouse gas emissions<br>—間接溫室氣體排放量          | million tons of carbon dioxide equivalent<br>萬噸二氧化碳當量      | <b>3.07</b>    | 8.84           | —              |
| Greenhouse gas emission density<br>溫室氣體排放密度              | million tons of carbon dioxide equivalent<br>噸二氧化碳當量/百萬元營收 | <b>22.57</b>   | 93.68          | 69.16          |
| Hazardous waste generation<br>有害廢棄物產生量                   | tons<br>噸  | <b>34.4</b>    | 48.08          | 42.84          |
| Hazardous waste generation density<br>有害廢棄物產生密度          | Kilograms/million revenue<br>千克/百萬元營收                      | <b>24.28</b>   | 34.98          | 16.99          |
| Amount of non-hazardous waste generated<br>無害廢棄物產生量      | Million tons<br>萬噸   | <b>0.76</b>    | 11.65          | 21.34          |
| Non-hazardous waste generation density<br>無害廢棄物產生密度      | Tons/million revenue<br>噸/百萬元營收                            | <b>5.34</b>    | 84.79          | 84.62          |

<sup>1</sup> Greenhouse gas emission calculation method:

Direct greenhouse gas emissions: the Company's energy consumption multiplied by the corresponding emission factor, the emission factor refers to ① China Energy Statistics Yearbook ② IPCC 2006;

Indirect greenhouse gas emissions: the company's outsourced power consumption is multiplied by the corresponding emission factor, and the emission factor refers to the Ministry of Ecology and Environment's "Guidelines for the Verification of Enterprise Greenhouse Gas Emission Reports (Trial)";

Total greenhouse gas emissions: the sum of direct greenhouse gas emissions and indirect greenhouse gas emissions.

<sup>1</sup> 溫室氣體排放量計算方法：

直接溫室氣體排放量：公司能源消耗量乘以對應的排放因數，排放因數參考①《中國能源統計年鑒》②《IPCC2006》；

間接溫室氣體排放量：公司外購電力用量乘以對應排放因數，排放因數參考生態環境部《企業溫室氣體排放報告核查指南(試行)》；

溫室氣體排放總量：直接溫室氣體排放量和間接溫室氣體排放量求和。

### Noise management and reduction

Noise is an important factor that causes environmental pollution and damages the health of employees. We are aware of the hazards of noise, and we also control and prevent this source of danger. The Group complies with the “Law of the People’s Republic of China on the Prevention and Control of Environmental Noise” and strictly manages the noise emissions generated by the Group. The Group’s main source of noise is construction noise, which can be specifically classified into machinery noise, construction operation noise and construction vehicle noise. The construction machinery used in the construction projects of the Group mainly includes excavators; construction operation noise mainly refers to some sporadic beating sounds, impact sounds of loading and unloading vehicles, impact sounds of dismantling templates, etc., and are mostly short-lived noise; noise of construction vehicles belongs to traffic noise. Among these construction noises, mechanical noise has the greatest impact on the acoustic environment.

The Group has formulated a series of measures for noise control:

- When selecting equipment, try to use low-noise pollution equipment, arrange construction time reasonably, and prohibit night construction. If the process requires continuous construction with strong noise, the consent of the local environmental protection, urban management and other competent departments should be sought first, and the surrounding residents and units should be notified in time to avoid noise disturbance disputes.
- During the construction of the project, the construction method with low construction noise shall be adopted as far as possible, and the construction vehicles shall be transported at night to use light warning, and honking is prohibited;
- Concrete mixers are not installed on site, and other fixed construction machinery cannot avoid surrounding sensitive points, temporary noise reduction measures should be taken, such as setting up temporary sound barriers;

### 噪音管理及減排

噪音是造成環境污染和損害員工健康的重要因素，我們知曉噪音危害，對這一危險源也加以控制和防範。本集團遵守《中華人民共和國環境噪防治法》，嚴格管理本集團產生的噪音排放。本集團噪音來源主要是施工噪音，具體可分為機械噪音、施工作業噪音和施工車輛噪音。本集團建設項目使用的施工機械主要有挖土機；施工作業噪音主要指一些零星的敲打聲、裝卸車輛的撞擊聲、拆卸範本的撞擊聲等，多為短暫噪音；施工車輛的噪音屬於交通噪音。在這些施工噪音中，對聲環境影響最大的是機械噪音。

本集團制定了一系列措施進行噪音管控：

- 在設備選型時儘量採用低噪音污染設備，合理安排施工時間，禁止夜間施工。如果工藝要求必須連續作業的強噪音施工，應首先徵求當地環保、城管等主管部門的同意，並及時公告周圍的居民和單位，以免發生噪音擾民糾紛。
- 工程在施工時儘可能採用施工噪音低的施工方法，工程施工汽車夜間運輸應用燈光示警，禁鳴喇叭；
- 現場不設置混凝土攪拌機，其他固定施工機械在無法避開周圍敏感點的情況下，應採取臨時降噪措施，如設置臨時聲屏障；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Strengthen the maintenance and repair of equipment, strengthen the management of construction transport vehicles, and try to reduce the number of cars and the density of traffic in the work area.
- The construction unit should strengthen communication and contact with units and households around the construction, clarify the necessity and significance of the project construction, do a good job in the ideological work of the affected people, and win the understanding and support of the masses. At the same time, the construction unit should strengthen the education of employees, improve the environmental protection awareness of operators, and insist on scientific organization and civilized construction.
- 加強設備的維護和維修工作，加強對施工運輸車輛的管理，儘量壓縮工區汽車數量和行車密度。
- 施工單位要加強與施工周圍單位和住戶的溝通和聯繫，講清專案建設的必要性和重要意義，做好受影響群眾的思想工作，爭取群眾的理解和支持。同時施工單位要加強對職工的教育，提高作業人員的環保意識，堅持科學組織、文明施工。

#### ***Sewage management and reduction***

The Group strictly abides by the “Pollutant Discharge Standards for Urban Sewage Treatment Plants” (GB18918-2002), “Technical Regulations for Operation, Maintenance and Safety of Urban Sewage Treatment Plants” (CJJ60-2011), “Interim Measures for Assessment of Urban Sewage Treatment Work” (Jiancheng [2017] No. 143), “Opinions on Deepening Environmental Monitoring Reform and Improving the Quality of Environmental Monitoring Data”, “Sichuan Province Drainage Management Regulations”, “Urban Drainage and Sewage Treatment Regulations” and other laws and regulations, conducting drainage management. We discharge the sediment water generated during the water production process in strict accordance with the regulations, and recover the supernatant after the sediment water is concentrated, after the lower layer of mud is centrifugally dehydrated, it is made into a mud cake and shipped out for harmless treatment, reducing the pollution of water resources during the drainage process. The two major segments of the Group’s tap water supply business and sewage treatment business are both engaged in waste water management and emission reduction. The tap water supply business mainly improves the efficiency of water use by increasing the control of self-use water rate. The sewage treatment business segment mainly discharges waste water into the sewage treatment system for centralized treatment and discharge after reaching the standard.

#### ***廢水管理及減排***

本集團嚴格遵循《城鎮污水處理廠污染物排放標準》(GB18918-2002)《城鎮污水處理廠運行、維護及安全技術規程》(CJJ60-2011)《城鎮污水處理工作考核暫行辦法》(建城[2017]143號)《關於深化環境監測改革提高環境監測資料品質的意見》《四川省排水管理條例》《城鎮排水與污水處理條例》等法律法規，進行排水管理。我們將制水過程中產生的底泥水嚴格按照規定進行排放，底泥水進行濃縮處理後回收上清液，將下層泥漿經過離心脫水後製成泥餅外運無害處理，減少排水過程中對水資源的污染。本集團自來水供應業務及污水處理業務兩大板塊均進行廢水管理及減排工作，自來水供應業務主要是通過加大對自用水率的管控，提高水的使用效率。污水處理業務板塊主要是通過將廢水排入污水處理系統進行集中處理達標後排放。



### Strengthening resource management

The Group strictly abides by laws and regulations such as the “Environmental Protection Law of the People’s Republic of China”, “Safe Production Law of the People’s Republic of China”, “Water Pollution Prevention and Control Law of the People’s Republic of China”, “Standardization Law of the People’s Republic of China”, “Water Law of the People’s Republic of China” and other laws and regulations to optimize the use of resources. Through the implementation of effective resource management, the Group not only provides clean water resources for the environment and society, but also improves the efficiency of resource use, so as to realize the comprehensive and sustainable development of enterprises, industries and society.

The main energy consumption of the Group is the electricity consumed in the production process and daily office work, and a number of conservation and optimization measures have been carried out in terms of energy use and water resources management. The Group is mainly engaged in tap water supply and sewage treatment business, which does not involve the consumption of finished products and packaging materials.

### Tap water supply business

- The Group pays attention to strengthening process supervision, and requires all water supply plants to establish daily tracking record sheets, so as to deal with abnormalities in a timely manner;
- Conduct comparative analysis of the power consumption of each water plant on a year-on-year, month-on-month basis, and theoretical power consumption every month to ensure that the energy consumption indicators are normal;
- Strengthening the transformation, update and maintenance of equipment to improve production efficiency and reduce water and electricity consumption;

### 加強資源管理

本集團嚴格遵守《中華人民共和國環境保護法》《中華人民共和國安全生產法》《中華人民共和國水污染防治法》《中華人民共和國標準化法》《中華人民共和國水法》等法律法規開展優化資源使用工作。本集團通過實施有效的資源管理，在為環境與社會提供清潔水資源的同時，提升資源使用效率，實現企業、行業和社會的全面可持續發展。

本集團的主要能源消耗為生產過程和日常辦公消耗的電力，並在能源使用與水資源管理方面開展多項節約優化舉措。本集團主要從事自來水供應及污水處理業務，不涉及製成品及包裝材料消耗。

### 自來水供應業務

- 本集團注重加強過程監管，要求各制水廠建立日跟蹤記錄表，發現異常及時處置解決；
- 每月對各水廠電耗進行同比、環比、與理論電耗等對比分析，確保能耗指標的正常；
- 加強對設備的改造、更新維護，以提高生產效率，降低取水電耗；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- According to the efficiency of the water pumps in each water plant, combined with the measurement and calculation of the partial pressure water supply in each area, the power consumption target is formulated, and the monthly and annual target assessment of power consumption is carried out;
- Through the Internet + production management, real-time supervision and control of power consumption and data acquisition can be realized, and abnormal data can be found and dealt with in time. Through the statistical analysis of the data over the years, it is easy to find out the data rules, reducing power consumption in a more targeted manner, and greatly improving work efficiency.
- 根據各水廠水泵效率，結合分區分壓供水水量測算制定電耗目標，並進行電耗月度及年度目標考核；
- 通過互聯網+生產管理實現電耗的即時監督控制和資料獲取，及時發現資料異常並作出處理。通過歷年資料的統計分析，便於找出資料規律，更有針對性地降低電耗，極大提高了工作效率。

#### Sewage treatment business

- Establishing the “Compilation of Production Management System” and “Monthly Report System of Production Energy Consumption”, and holding production operation analysis meetings every month to analyze the reasons for the increase or decrease of energy consumption, reducing energy consumption, and promoting the rational use of resources;
- Strengthening the use of new process technology, reducing energy consumption in process operation, and reduce greenhouse gas emissions;
- Controlling low dissolved oxygen and sludge concentration during production and operation, and reduce power consumption;
- The lifting pump limited at high liquid level to reduce power consumption;
- In terms of energy and other raw materials, the Group conducts daily monitoring, statistics and analysis of consumption on a monthly basis, establishes a target assessment mechanism at the beginning of the year, strictly supervises the process, and is committed to improving resource utilization.
- 建立《生產類管理制度彙編》及《生產能耗月報表制度》，每月召開生產運行分析會，分析能耗增加或降低原因，減少能耗的消耗，促進資源合理使用；
- 加強新工藝技術的使用，減少工藝運行中的能源消耗，降低溫室氣體排放；
- 控制生產運行過程中低溶解氧、污泥濃度，減少電能消耗；
- 提升泵高液位開停，減少電能消耗；
- 集團在能源和其他原材料方面，進行日常監控，按月統計、分析消耗情況，年初建立目標考核機制，嚴格過程監管，致力於提高資源利用率。

#### 污水處理業務

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Case study: Sewage treatment was affirmed and won the title of “Double Excellence, Double Selection”

#### 案例：污水處理獲肯定，榮獲「雙優雙選」等稱號

On January 12, 2023, the Sichuan Provincial Village Sewage Operation and Maintenance and Sludge Treatment and Disposal Seminar and the Sichuan Provincial Water Industry “Double Excellence, Double First” Selection Result Commendation Conference were grandly held in Ziyang City. Xinglu Wastewater Treatment is improving the urban water environment, protecting urban high-quality water resources, promoting the utilization of recycled water, developing green new energy, remarkable achievements have been made in promoting the transformation of resource-based cities and radiating and driving the development of the drainage industry in surrounding counties and urban areas. At the meeting, the sewage company was awarded the “Excellent Operation and Maintenance Unit of Urban Domestic Sewage in Sichuan Province”, “Excellent Operation and Maintenance Enterprise of Village and Township Domestic Wastewater in Sichuan Province”, “Advanced Unit for Smart Water Application in Sichuan Province” and “Advanced Unit for Water Environment Innovation and High-quality Development in Sichuan Province” 4 honorary titles.

2023年1月12日，四川省村鎮污水運維暨污泥處理處置研討會和四川省水務行業「雙優雙先」評選結果表彰大會在資陽市隆重召開。興瀘污水處理改善城市水環境、保護城市優質水資源、推進再生水利用、開發綠色新能源、促進資源型城市轉型、輻射帶動周邊縣市區排水行業發展等方面，取得了令人矚目的成績。會上，污水公司被授予「四川省城鎮生活污水優秀運維單位」「四川省村鎮生活污水優秀運維企業」「四川省智慧水務應用先進單位」「四川省水環境創新與高品質發展先進單位」4項榮譽稱號。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Green Operations

The Group actively practiced green and environmental protection practices and made various efforts to realize green office. In order to ensure the effective implementation of green office, the Group has improved the warehouse management, materials and articles requisition system, so that the requisition has records; clearly stipulate the air-conditioning temperature of each office, purchase of required materials in accordance with the bidding requirements, and all bidding records have been made; formulate specific measures to reduce energy consumption and waste and set up control indicators.

The Group's requirements for employees to implement green office in their daily office life:

- Prohibition of permanent lights, reasonable setting of computer operation mode and air-conditioning temperature, so as to avoid the waste of electricity caused by the operation of lighting, air-conditioning and computers when no one is in use;
- Encouraging employees to travel low-carbon and use public transportation to commute to help save energy and reduce emissions;
- Advocating the use of online office management systems and platforms, optimizing the group's online approval process, and promoting paperless office;
- The printer uses reusable toner cartridges and ink cartridges, and actively promotion of the recycling of office supplies.

### 綠色辦公

本集團積極踐行綠色環保實踐，為實現綠色辦公做出多項努力。為保障綠色辦公的有力實施，本集團完善倉庫管理、物資和物品領用制度，做到領用有記錄；明確規定各辦公室開空調溫度；要求按照招投標要求對所需物資進行採購，並均已做好招投標記錄；制定降低能耗和浪費的具體措施並設立控制指標。

本集團對員工日常辦公生活中也進行綠色辦公的要求：

- 禁止長明燈，合理設立電腦運行模式及空調開啟溫度，避免因照明、空調及電腦等設備在無人時運行而造成的電力浪費；
- 鼓勵員工低碳出行，使用公共交通通勤，助力節能減排；
- 提倡使用線上辦公管理系統和平台，優化集團線上審批流程，推進無紙化辦公；
- 印表機採用可循環再用的碳粉盒及墨水匣，並積極推行辦公用品循環利用。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱                                   | Unit<br>單位  | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|--|---|----------------|----------------|----------------|
| Diesel consumption<br>柴油消耗量                              | Million liters<br>萬升                                  | 0.049          | 4.70           | 3.35           |
| Gasoline consumption<br>汽油消耗量                            | million liters<br>萬升                                  | 2.97           | 25.87          | 11.30          |
| Natural gas consumption<br>天然氣消耗量                        | million cubic meters<br>萬立方米                          | 0.976          | 6.18           | 3.12           |
| Acetylene consumption <sup>2</sup><br>乙炔消耗量 <sup>2</sup> | Kilograms<br>千克                                       | 0              | 271            | 390            |
| Purchased electricity<br>外購電力                            | Million watts<br>萬度                                   | 5,842.5        | 14,493.15      | 13,399.76      |
| LPG consumption <sup>3</sup><br>液化石油氣消耗量 <sup>3</sup>    | Kilogram<br>千克  | 0              | 1,268.00       | 2,161.00       |
| Comprehensive energy consumption<br>綜合能源消耗量              | million tons of standard coal<br>萬噸標煤                 | 0.479          | 1.82           | 1.66           |
| Comprehensive energy consumption density<br>綜合能源消耗密度     | Tons of standard coal/million<br>revenue<br>噸標煤/百萬元營收 | 3.382          | 13.27          | 6.60           |

<sup>2</sup> The Group's acetylene is used in the pipeline inspection and maintenance business. Due to the gradual outsourcing of the inspection and maintenance industry, the consumption of acetylene has decreased.

<sup>3</sup> Due to business-related impacts, the Group's liquefied petroleum gas consumption has decreased.

<sup>2</sup> 本集團乙炔用於管道檢維修業務使用，由於檢維修業務逐步外包，因此乙炔用量有所下降。

<sup>3</sup> 本集團液化石油氣受業務相關影響，使用量有所降低。

## ENVIRONMENT AND NATURAL RESOURCES PROTECTION

### Water environment protection

As a water enterprise, the Group pays great attention to water environment protection. We strictly abide by relevant laws and regulations such as the “Water Law of the People’s Republic of China”, “Sichuan Provincial Water Drawing License and Water Resource Fee Collection Management Measures” and “Luzhou City Water Conservation Management Measures”, combined with its own business characteristics, integrating the protection of the environment and natural resources into business operation management, and carry out all-round and whole-process identification and evaluation of environmental impact factors, fully reducing the impact of business operations on the environment and respond to the country’s call for “green water and green mountains”.

During the reporting period, the Group had no investigations, major penalties, lawsuits or negative media reports arising from water intake or sewage discharge problems.

### Water resources usage and management

In order to ensure the efficient and safe use of water resources, various measures have been taken to strengthen the water resources management of the Group, the tap water supply business segment, and the sewage treatment business segment:

#### *The Group*

- Carrying out energy-saving publicity during the annual water conservation publicity week to let employees know water-saving methods and measures;
- Regularly arrange maintenance workers to overhaul toilet faucets and other related appliances to avoid waste of resources such as water tank leakage;

## 環境及天然資源保護

### 水環境保護

本集團作為水務企業，對水環境保護予以極大關注。我們嚴格遵循《中華人民共和國水法》《四川省取水許可和水資源費徵收管理辦法》和《瀘州市節約用水管理辦法》等相關法律法規，結合自身業務特點，將環境及天然資源保護融入業務運營管理，對環境影響因素進行全方位、全過程的識別和評估，充分降低業務運營對環境的影響，響應國家「綠水青山」的號召。

報告期內，本集團未發生因取水或排污問題產生的調查、重大處罰、訴訟或負面媒體報導。

### 水資源使用及管理

為保障水資源的高效、安全使用，並採取多項措施加強本集團、自來水供應業務板塊、污水處理業務板塊的水資源管理：

#### *本集團*

- 在每年一度的珍惜用水宣傳周開展節能措施，讓廣大員工知道節水方法和措施；
- 定期安排檢修工人對廁所水龍頭等相關器具進行檢修，避免水箱漏水等浪費資源情況發生；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Vigorously popularize water-saving domestic water appliances;
- In the event of a water outage or other emergencies, check whether the faucet is turned off to prevent the loss of tap water when no one is working.
- 大力普及節水型生活用水器具；
- 發生停水或其他突發情況等，檢查水龍頭是否關閉，防止沒人辦公時自來水流失。

#### *Tap water supply business*

- The water supply plant strengthens the management and control of self-use water, and adopts the method of recycling backwash water and sludge water after passing through the sludge system to reuse the supernatant to reduce the use of self-use water;
- Establish a daily tracking record table to monitor the self-use water rate in the production process, conduct monthly comparison and analysis year-on-year and month-on-month to ensure that the index data is normal, and conduct target assessment in combination with the monthly and annual goals of the self-use water rate.

#### *Sewage treatment business*

- For the use of water resources, daily monitoring is carried out, monthly statistics and analysis of consumption are carried out, strict process supervision is carried out, and efforts are made to improve the utilization rate of water resources;
- Greening and water supply for production are carried out through the reclaimed water reuse system to reduce water resource consumption.

#### *自來水供應業務*

- 供水廠加強對自用水管理控制，採用盡可能回收利用反衝洗水、排泥水經污泥系統後回用上清液的方式，減少自用水使用；
- 建立日跟蹤記錄表，對生產過程中的自用水率進行監管，每月進行同比、環比的對比分析，確保指標資料正常，並結合自用水率月度及年度目標，進行目標考核。

#### *污水處理業務*

- 對水資源使用方面，進行日常監控，按月統計、分析消耗情況，嚴格過程監管，致力於提高水資源利用率；
- 通過中水回用系統進行綠化及供給生產用水，減少水資源消耗。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Water resource protection

In response to issues such as water source protection, the Group has formulated the “Health Protection Management Measures” to improve the water source protection management mechanism and effectively protect the water source and ecological environment where it operates. During the reporting period, the Group adopted a number of water source protection measures:

- Carry out drills for sudden water pollution accidents, formulate relevant emergency plans and conduct training drills for employees to improve emergency response capabilities. During the flood peak period, arrangement of relevant persons in charge to be on duty, and require the on-duty personnel of each production site to strengthen inspections, and the main persons in charge of each production site and the group to maintain unimpeded communication and strengthen water source protection;
- The personnel on duty at the water intake pumping station conduct daily inspections of the first-level water source protection area to assist government departments in cleaning up white garbage. In 2022, the water source protection area will clean up a total of about 9 tons of garbage and sundries;
- Actively publicize the knowledge and related systems of drinking water source protection areas, carry out the themed activities of “green travel, low-carbon environmental protection”, and provide training on relevant knowledge, laws and regulations such as “Water Pollution Prevention and Control Law” and “Water Source Inspection System” for water plant employees.

### 水源保護

針對水源保護等問題，本集團制定《衛生防護管理辦法》，完善水源保護管理機制，切實保護運營所在地水源及生態環境。報告期內，本集團採取多項水源保護措施：

- 開展水質突發性污染事故演練，制定相關應急預案並對員工進行培訓演練，提升應急處置能力。在洪峰期間，安排相關負責人進行值班，並要求各生產網站值班人員加強巡視，各生產網站、本集團主要負責人保持通訊暢通，加強水源保護；
- 取水泵站值班人員每日對一級水源保護區進行巡視，協助政府部門清理白色垃圾，2022年，水源保護區共清理垃圾、雜物約9噸；
- 積極宣傳飲用水源保護區知識及相關制度，開展「綠色出行、低碳環保」主題活動，並對水廠員工進行了《水污染防治法》《水源巡查制度》等相關知識、法律法規培訓。



### Environmental and ecological protection

The Group is fully aware of the importance of environmental protection and biodiversity protection, and has incorporated environmental protection and biodiversity protection factors into the project site selection stage, carrying out environmental assessment and fish assessment to fundamentally reduce the impact of project construction and post-operation on the environment and biodiversity.

In order to reduce other environmental pollution during the operation process, the Group has formulated a series of environmental protection measures to fully protect the living environment around the construction site.

- **Reduce traffic impact:** Project construction will inevitably affect traffic in this area. The project developer fully takes this factor into consideration when formulating the implementation plan, and requires avoidance of peak hours for roads with particularly heavy traffic (such as using night transportation to ensure smooth flow during the day).
- **Dust reduction:** Wind dust and mechanical dust during the construction of the project will cause dust to fly along the line, affecting nearby residents and factories. In order to reduce the impact of project dust and the surrounding environment, in the case of continuous fine weather and windy conditions during construction, sprinkle some water on the surface of the piled soil, so as to prevent dust and cover with protective screening, set atomizing lights and take dust-proof net cover, install atomization cannon and builders should implement a cleaning system for the land environment.
- **Disposal of construction site waste:** Project developers and project contractors should contact the local sanitation department to clean up domestic waste at the construction site in time; the project contracting unit should strengthen the education of construction personnel, not to litter waste at random, and ensure the quality of workers' working and living environment hygiene.

### 環境及生態保護

本集團充分認識到環境保護與生物多樣性保護的重要性，從專案選址階段就將環境保護與生物多樣性保護因素納入其中，開展環評及魚評工作，從根本上降低專案建設和後期運營對環境和生物多樣性的影響。

為減少運營過程中的產生的其他環境污染，本集團制定了一系列環境保護措施，全力保障施工地周圍生活環境。

- **減小交通影響：**工程建設將不可避免地影響該地區的交通。專案開發者在制訂實施方案時充分考慮到此因素，對於交通特別繁忙的道路要求避讓高峰時間(如採用夜間運輸，以保證白天暢通)。
- **減少揚塵：**工程施工中旱季風揚塵和機械揚塵導致沿線塵土飛揚，影響附近居民和工廠，為了減少工程揚塵和周圍環境影響，在施工中遇到連續的晴好天氣又起風的情況下，對堆土表面灑上一些水，防止揚塵及防護網覆蓋、設置霧化燈，同時施工者應對土地環境實行保潔制度。
- **處理施工現場廢棄物：**專案開發者及工程承包單位應與當地環衛部門聯繫，及時清理施工現場的生活廢棄物；工程承包單位應對施工人員加強教育，不隨意亂丟廢棄物，保證工人工作生活環境衛生品質。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- **Formulate waste disposal and transportation plan:** The project construction unit, together with relevant departments, shall formulate a disposal plan for the waste of this project. The transportation plan can be contacted with the transportation department. The vehicle transportation avoids the traffic peak. The project development unit and the transportation department cooperate in the professional ethics education of the drivers, transport according to the prescribed route, and check the implementation of the plan from time to time. When toxic and hazardous wastes are encountered during construction, the construction should be temporarily stopped and the local environmental protection and health departments should be contacted in time, and the construction can only be continued after taking measures to deal with them.
- **制定廢棄物處置和運輸計劃：**工程建設單位將會同有關部門，為本工程的廢棄物制定處置計劃。運輸計劃可與交通部門聯繫，車輛運輸避開行車高峰，專案開發單位與運輸部門共同做好駕駛員的職業道德教育，按規定路線運輸，並不定期地檢查執行計劃情況。施工中遇到有毒有害廢棄物應暫時停止施工並及時與地方環保、衛生部門聯繫，經其採取措施處理後才能繼續施工。
- **Advocate civilized construction:** require the construction unit to minimize the impact on surrounding residents, factories and schools during the construction process, and advocate civilized construction, achieving the “Love the People Project”, organize liaison meetings with construction units, streets and owners, and negotiate and mediate in a timely manner to solve environmental impact problems during construction.
- **宣導文明施工：**要求施工單位盡可能地減少在施工過程中對周圍居民、工廠、學校影響，提倡文明施工，做到「愛民工程」，組織施工單位、街道及業主聯絡會議，及時協商調解決施工中對環境影響問題。
- **Desilting and odor:** Wet dredging is adopted to minimize construction disturbance. After the dredging is completed, the construction site and working surface shall be cleaned in time to reduce the generation of dredging and odor. Cleaning in time after dredging is completed. When the biochemical pool is dismantled, open the existing airtight pool cover according to the order of transformation and closing it in time to reduce the exposure time.
- **清淤臭氣：**採用濕式清淤並儘量減少施工擾動，清淤完成後及時對施工地以及作業面進行清洗，減少清淤臭氣的產生。清淤完成後及時清洗。生化池拆除時，按改造順序打開現有密閉池蓋並及時關閉，減少裸露時間。

## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

The Group promotes and pays attention to guiding employees to establish the concept of green environmental protection, actively carries out tree planting work, and protects the water and soil environment of the operation site.

本集團弘揚並注重引導員工樹立綠色環保理念，積極開展植樹工作，保護運營地水土環境。

### Case Study: Xinglu Sewage Company Naxi Branch enhances citizens' awareness of environmental protection 案例：興瀘污水公司納溪分公司增強市民環境保育意識活動

The Ecological Environment Bureau of Naxi District, Luzhou City organized employees of various sub-district offices, education and sports bureaus, housing construction bureaus and other departments to go to the Naxi Branch of Xinglu Sewage Company on May 17, 2022 to carry out the 2022 "Environmental Protection Facilities Open to the Public" Activity. The purpose of inviting the public to visit the sewage treatment process of the sewage plant is to promote the concept of green life and protect the citizens' rights to know, participate and monitor public environmental issues.

瀘州市納溪區生態環境局組織各街道辦事處、教育體育局、住建局等部門職工於2022年5月17日到興瀘污水公司納溪分公司開展2022年「環保設施向公眾開放」活動。邀請市民參觀污水廠的污水處理工序，目的為宣揚綠色生活理念及保障市民在公眾環境議題上的知情、參與及監督等權利。





## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Case Study: Xinglu Sewage Company organizes and promotes the 6th Five-Year World Environment Day 案例：興瀘污水公司組織宣傳六五世界環境日

Xinglu Sewage Treatment attaches great importance to the development of ecology. On June 2, 2022, it will launch a publicity campaign for the 6th Five-Year World Environment Day. It will attract citizens to participate by distributing related books, reusable bags, folding fans and other souvenirs. The staff took this opportunity to explain the knowledge of sewage and its ecological relationship to the public, and stimulate everyone's enthusiasm for building a beautiful ecology together.

興瀘污水處理重視生態的發展，於2022年6月2日展開六五世界環境日的宣揚活動，通過發放相關書籍、環保袋及摺扇等紀念品，吸引市民參與。工作人員借此機會向市民講解污水知識及其生態關聯，激發大家共同建設美麗生態的熱情。





# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱  | Unit<br>單位                      | 2022<br>2022年度   | 2021<br>2021年度 | 2020<br>2020年度 |
|---|---------------------------------|------------------|----------------|----------------|
| Total amount of water drawn from water sources for water supply business<br>制供水業務水源取水總量 | million tons<br>萬噸              | <b>20,221.00</b> | 18,309.68      | 17,971.00      |
| Total production and office water consumption<br>生產及辦公耗水總量                              | million tones<br>萬噸             | <b>597.00</b>    | 554.44         | 742.90         |
| Water consumption density<br>耗水密度   | Million tons/millions<br>萬噸/百萬元 | <b>14.69</b>     | 0.40           | 0.29           |
| Consumption of water purifier<br>淨水劑耗用量   | tons<br>噸                       | <b>1697.7</b>    | 1,774.27       | 1,916.03       |
| Utilization rate of bottom wastewater in water supply process<br>制供水過程中的底層廢水利用率         | %                               | <b>25.82</b>     | 23.76          | 16.12          |
| Urban sewage COD emission reduction<br>城鎮污水COD減排量                                       | Million tons<br>萬噸              | <b>0.19</b>      | 2.87           | 2.05           |
| Urban sewage BOD emission reduction<br>城鎮污水BOD減排量                                       | tons<br>萬噸                      | <b>0.01</b>      | 1.42           | 0.92           |
| Urban sewage ammonia nitrogen emission reduction<br>城鎮污水氨氮減排量                           | tons<br>萬噸                      | <b>0.004</b>     | 0.33           | 0.23           |
| Total Phosphorus Emission Reduction in Urban Sewage<br>城鎮污水總磷減排量                        | tons<br>噸                       | <b>30</b>        | 429.60         | 299.17         |
| Office sewage discharge<br>辦公污水排放量  | Million cubic meters<br>萬立方米    | <b>0.67</b>      | 19.30          | 19.01          |
| Number of environmental trainings organized or participated<br>組織或參與的環保培訓次數             | times<br>次                      | <b>174</b>       | 233            | 79             |
| Number of people who participated in environmental protection training<br>參與環保培訓人次      | people<br>人次                    | <b>3,142</b>     | 6,348          | 2,422          |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Facing Climate Change

Global climate change has become the most significant environmental and development challenge faced by mankind in the 21st century, and addressing climate change is the core task of achieving global sustainable development at present and for a long time to come.

As a responsible enterprise, the Group actively responds to the national carbon peak target and carbon neutral vision, responds to climate change with corporate power, builds an ecological civilization, and promotes high-quality green development. The content of this section refers to the recommendations of TCFD and the “Guidelines for Reporting Climate Information Disclosure According to TCFD Recommendations” issued by the Hong Kong Stock Exchange. According to the division of governance, strategy, risk management, indicators and goals, we will explain our efforts and achievements in addressing climate change and the future direction.

#### *Climate change governance*

TCFD has developed two disclosure recommendations around the governance of climate-related risks and opportunities, one focused on the board and the other on management. According to the ESG governance framework formulated by the Group, it is clear that on the issue of climate change.

The board of directors reviews and guides strategies, important action plans, risk management policies, annual budgets and business plans, as well as formulating organizational performance goals, monitoring implementation and execution, and the need to consider climate-related issues when overseeing significant capital expenditures, acquisitions and divestitures; the board is also required to oversee and monitor the achievement of its objectives when addressing climate-related issues.

The Strategy Committee formulates the Group’s business objectives and long-term development strategies, makes recommendations for major issues, and supervises the implementation of annual business plans and proposals. At the same time, the Group established an ESG working group to clarify the responsibility for climate change management and target implementation, and report to the Executive Committee on a regular basis.

### 應對氣候變化

全球氣候變化已成為21世紀人類共同面臨的最重大的環境與發展挑戰，應對氣候變化是當前乃至今後相當長時期內實現全球可持續發展的核心任務。

本集團作為負責任的企業，積極回應國家碳達峰目標和碳中和願景，以企業力量應對氣候變化，建設生態文明，推動高品質綠色發展。本節內容參考TCFD的建議及香港交易所發佈的《按照TCFD建議彙報氣候資訊披露指引》，按管治、策略、風險管理及指標和目標的劃分，闡述我們在應對氣候變化方面已做的努力和將來的方向。

#### *氣候變化管理*

圍繞氣候相關風險與機遇的治理，TCFD制定了兩項披露建議，一項關注董事會，另一項關注管理層。根據本集團制定的ESG管治架構，明確了在氣候變化議題上。

董事會在審查和指導戰略、重要行動計劃、風險管理政策、年度預算和商業計劃以及制定組織機構的業績目標、監控實施和執行情況、以及監督重要資本支出、收購和資產剝離時需要考慮氣候相關問題；董事會亦需監督和監控在處理氣候相關問題時其目標的實現情況。

戰略委員會制定本集團經營目標及長期發展策略，為主要事項作出建議，並監督實行年度經營計劃和提案。同時，本集團成立ESG工作小組，明確氣候變化管理和目標的責任落實，定期向執行委員會彙報。

### **Climate change strategy**

Climate-related risks include transition risks related to a low-carbon economy and physical risks related to climate change impacts. Transformation risk can be divided into policy and regulation risk, technology risk, market risk, reputation risk. Physical risks include acute physical risks (mainly single events, such as extreme weather such as typhoons and floods) and chronic physical risks (referring to long-term changes in climate patterns such as persistent high temperatures).

As far as transition risks are concerned, in terms of policy and regulatory risks, with the deepening awareness of climate change from all walks of life and the implementation of relevant policies, the locations where we operate may increase energy prices, set energy use caps, expand the coverage of compensated greenhouse gas emissions or enhance other environmental regulatory requirements, all of which will lead to an increase in our operating costs. In this regard, we will continue to pay attention to the impact of climate change on the Group's business and fully respond to policy requirements.

As far as acute physical risks are concerned, we pay attention to the impact of extreme weather on production operations, and identify various natural disasters, extreme weather or adverse meteorological conditions that operations may face, which are mainly manifested in:

- When extreme rainfall occurs, it may affect the water quality of the Group's water sources, resulting in an increase in water turbidity, which will directly affect the production plan and product delivery on the workplace, production facilities, personnel commuting and transportation caused by extreme weather events;
- If the temperature drops suddenly due to extreme weather, the pipes of the Group may burst due to thermal expansion and contraction, which may affect our production guarantee and make us unable to produce as planned.

### **氣候變化策略**

氣候相關風險包括與低碳經濟相關的轉型風險和與氣候變化影響相關的實體風險。轉型風險可分為政策和法規風險、技術風險、市場風險、聲譽風險，實體風險包括急性實體風險(以單一事件為主，如颱風、洪水等極端天氣)和慢性實體風險(指氣候模式的長期變化如持續性高溫)。

就轉型風險而言，在政策和法規風險方面，隨著社會各界對於氣候變化的認知深入、相關政策的推行落實，經營所在地可能提高能源價格，設定能源使用上限，擴大溫室氣體有償排放的覆蓋面或提升環境方面的其他監管要求，這些均會導致我們運營成本的增加，對此，我們將持續關注氣候變化對本集團業務的影響，充分回應政策要求。

就急性實體風險而言，我們關注極端天氣對生產運營帶來的影響，並識別到運營可能面臨的各種自然災害、極端天氣或不利氣象條件，這主要表現在：

- 當出現極端降雨情況可能影響本集團水源水質，導致水的濁度上升，使生產計劃和產品交付受到極端天氣事件對作業場所、生產設施、人員通勤和交通運輸產生的直接影響；
- 如因極端天氣導致氣溫驟降的情況，因熱脹冷縮，本集團管道可能有爆管的風險，進而可能影響到我們的生產保障，使我們無法按計劃生產。

## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

### **Climate change risk identification and management**

Based on the characteristics of the industry in which the Group operates and the actual situation, we have identified and assessed the management process of climate-related risks. The Group recognizes that environmental and climate risks may lead to operational and financial risks. For the identified climate-related risks, the Group has formulated an emergency plan to clarify the methods and mechanisms for responding to emergencies, and conducts emergency drills once a year to strengthen the response speed and emergency handling level of emergencies, and ensure that Handle various emergencies quickly and effectively to prevent events from causing greater impact.

### **氣候變化風險識別及管理**

根據本集團所處行業特性，結合實際情況，我們識別和評估了氣候相關風險的管理流程。本集團認識到環境及氣候風險將可能導致運營風險及財務風險。針對已識別的與氣候相關的風險，本集團制定了應急預案，明確應對突發事件的方法和機制，並每年開展1次應急演練，以加強對突發事件的反應速度和應急處理水準，確保迅速有效地處理各類突發事件，防止事件帶來更大影響。

#### **Case study: Dechang County Xinglu Water Co., Ltd. conducted a geological disaster drill**

##### **案例：德昌縣興瀘水務有限公司進行地質災害演習**

Climate change affects personal safety at any time. Dechang County Xinglu Water Co., Ltd. planned for a rainy day and launched emergency drills for company employees under dangerous conditions such as heavy rain and falling rocks. Let employees understand their own responsibilities and how to ensure their own safety when danger occurs, so as to achieve the state of prevention, detection, evacuation and recovery at any time in order to reduce the losses caused by disasters.

氣候變化隨時影響人身安全，德昌縣興瀘水務有限公司未雨綢繆，設定暴雨及落石等危險情況而展開了公司員工的應急演習。讓員工瞭解當危險發生時自身的責任及如何保障自己的安全等等，務求做到隨時預防、檢測、撤離及復原的狀態才能降低災難帶來的損失。





### **Indicators and targets**

In order for the climate change process to be measured, it is crucial to select appropriate parameters and indicators, and to set response goals. According to the requirements of the ESG reporting guidelines of the Hong Kong Stock Exchange, combined with the actual situation, the Group clarified the climate-related risk indicators related to energy use efficiency, water resource efficiency, waste discharge and greenhouse gas emission management. At the same time, the Group sets targets for energy efficiency, water resource efficiency, greenhouse gas emissions (scope 1) and greenhouse gas emissions (scope 2), and regularly reviews the implementation of the targets.

The Group's goals in terms of energy and water resources management: to improve the effective utilization of energy and water resources, to maximize the environmental and economic benefits of energy and water resources on the premise of satisfying business activities, and to formulate self-use water rate management policies for tap water supply business.

The Group continues to implement the concept of energy saving, consumption reduction, green and environmental protection, and reduces emissions from the source. We will always take the promotion of emissions management and environmental protection as the long-term goal, and finally realize the concept of circular economy and take the road of sustainable development.

In view of the changing nature of the Group's operating and marketing environment, we will conduct on-going review of our implementation, and adjust our targets and proposed measures when necessary. Going forward, we will continue to improve strategy development, risk management and identification and management of metrics and targets, to tackle climate change in pursuit of sustainable development with various sectors of society.

### **指標與目標**

為了讓氣候變化過程能夠被度量，選擇合適的參數和指標，並設立響應的目標至關重要。根據香港交易所ESG報告指引之要求，結合實際情況，本集團明確了能源使用效益、水資源效益、廢棄物排放和溫室氣體排放管理有關的氣候相關風險指標。同時，本集團對能源使用效益、水資源使用效益、溫室氣體排放(範圍一)和溫室氣體排放(範圍二)制定目標，並定期回顧目標的施行情況。

本集團在能源和水資源管理方面的目標：提高能源和水資源的有效利用率，在滿足經營活動的前提下，使能源和水資源發揮最大的環境、經濟效益，對於自來水供應業務制定自用水率的管理目標。

本集團持續推行節能降耗、綠色環保的理念，從源頭減少排放物產生。我們將始終以促進排放物管理及環境保護進程為長期目標，最終實現迴圈經濟理念，走可持續發展道路。

考慮到本集團所處的運營和市場環境是不斷變化的，我們會不斷地審視實踐活動，並適時調整目標與擬採取的措施。未來，我們進一步完善策略制定、風險管理、指標和目標識別與管理，攜手各界一起應對氣候變化，實現共同的可持續發展。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### GATHER EMPLOYEES, GROW TOGETHER

The Group actively providing a broad platform for the development of employees, caring about the health and rights of employees, integrating the realization of employees' self-worth with the development goals of the company to form an equal, mutually beneficial, harmonious and united corporate atmosphere of "happy work, happy life".

#### Employment regulations

##### *Equal employment*

The Group strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and the Law of the People's Republic of China on the Protection of Minors, and formulates and improves internal systems such as the Management of Employee Recruitment, the Management of Labor Contracts and the Management for Persons in Charge of Functional Departments and the Group's Enterprises", so as to implement the principle of equal employment, and protect the legitimate rights and interests of employees.

The Group strictly regulates the recruitment, introduction, selection and appointment work to ensure the fairness and transparency of the recruitment work. The Group formulates a recruitment implementation plan, clarifies the recruitment conditions and implementation steps, and conducts preliminary screening of candidates according to the recruitment needs, from the aspects of work professional ability, work attitude, stability and compliance, etc., resolutely oppose discrimination based on gender, age, health and other factors, and strive to achieve employment equality and diversity.

As of the end of the Reporting Period, the Group has 9 members of the board of directors, including 3 women, accounting for about 33.3% of the total number; the Group has 7 members of the board of supervisors, including 1 woman, accounting for about 14.3% of the total number.

### 聚合員工，助力成長

本集團積極為員工發展提供廣闊平台，關心維護員工的健康與權益，把員工自我價值的實現與企業的發展目標相融合，形成「快樂工作，幸福生活」的平等互利、和諧團結的企業氛圍。

#### 規範僱傭

##### *平等僱傭*

本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國未成年人保護法》，並制定完善《員工招聘管理辦法》《勞動合同管理辦法》《職能部門及旗下企業負責人管理辦法》等內部制度，落實執行平等僱傭原則，切實為員工合法權益保駕護航。

本集團嚴格規範招聘引進、選拔任用工作，保障招聘工作公正透明。本集團制定招聘實施方案，明確招聘的條件及實施步驟，按照招聘需求對應聘人員進行初步篩選，從工作專業能力、工作態度、穩定性及合規性等方面進行考察，堅決反對基於性別、年齡、健康程度等因素的歧視行為，努力實現僱傭平等及多元化。

截止至本報告期末，本集團有董事會成員9名，其中有女性3名，約佔總人數的33.3%；本集團監事會成員共7名，其中有女性1名，約佔總人數的14.3%。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

By deepening the reform of the three systems of state-owned enterprises and improving the social recruitment mechanism for employees, the Group has achieved full coverage of public recruitment of employees. In accordance with the “Employee Recruitment Management Measures”, the Group’s public recruitment ratio for social recruitment has reached 100%. Recruitment announcements are released to the public through South Sichuan Talent Network and other information disclosure platforms above the city level. There are no discriminatory recruitment conditions for recruitment, and the recruitment process is sufficient. It reflects fairness and competition, and there is no illegal recruitment.

深化國有企業三項制度改革，完善員工社會化招聘機制，本集團實現面向社會公開招錄員工全覆蓋。按照《員工招聘管理辦法》，本集團社會招聘公開招錄比例達到100%，招聘公告通過川南人才網和其他市級以上資訊公開平台面向社會公開發佈，招聘未設置歧視性錄用條件，招聘過程充分體現公平性和競爭性，未出現違規招聘行為。

Meanwhile, in accordance with the “Administrative Measures for Persons in Charge of Functional Departments and Subsidiary Enterprises”, the recruitment, introduction, selection and appointment work is standardized, the operation is transparent, and the results are fair.

同時，根據《職能部門及旗下企業負責人管理辦法》規範招聘引進、選拔任用工作、操作透明、結果公正。

| Indicator name<br>指標名稱   |                 | Unit<br>單位     | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|--|-----------------|----------------|----------------|----------------|----------------|
| Total employees<br>僱員總數  |                 | personnel<br>人 | 933            | 1,178          | 1,142          |
| Total number and proportion of employees by gender<br>按性別劃分的員工總數及比例      | Male<br>男性      | personnel<br>人 | 630            | 792            | 761            |
|  |                 | %              | 67.5           | 67.2           | 66.6           |
|  | Female<br>女性    | personnel<br>人 | 303            | 386            | 381            |
|  |                 | %              | 32.5           | 32.8           | 33.4           |
| Number and percentage of employees by employment type<br>按僱傭類型劃分的員工數量及比例 | Full-time<br>全職 | personnel<br>人 | 933            | 1,178          | 1,142          |
|  |                 | %              | 100            | 100.0          | 100.0          |
|  | Part-time<br>兼職 | personnel<br>人 | 0              | 0              | 0              |
|  |                 | %              | 0              | 0              | 0              |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱   |  | Unit<br>單位     | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|--|--|----------------|----------------|----------------|----------------|
| Number and proportion of employees by age group<br>按年齡組別劃分的員工數量及比例                         | Aged 30 and below<br>30歲及以下                                | personnel<br>人 | <b>140</b>     | 209            | 198            |
|  |  | %              | <b>15.0</b>    | 17.7           | 17.3           |
|  | Aged 31-50<br>31-50歲                                       | personnel<br>人 | <b>603</b>     | 756            | 733            |
|  |  | %              | <b>64.6</b>    | 64.2           | 64.2           |
|  | Aged 50 or above<br>50歲以上                                  | personnel<br>人 | <b>190</b>     | 213            | 211            |
|  |  | %              | <b>20.4</b>    | 18.1           | 18.5           |
| The number and proportion of employees divided by academic qualifications<br>按學歷劃分的員工數量及比例 | PhD<br>博士  | personnel<br>人 | <b>1</b>       | 1              | 1              |
|  |  | %              | <b>0.1</b>     | 0              | 0.1            |
|  | Master<br>碩士   | personnel<br>人 | <b>8</b>       | 10             | 10             |
|  |  | %              | <b>0.8</b>     | 1.0            | 0.9            |
|  | Undergraduate<br>本科  | personnel<br>人 | <b>297</b>     | 296            | 266            |
|  |  | %              | <b>31.8</b>    | 25.0           | 23.3           |
|  | Below undergraduate<br>本科以下                                | personnel<br>人 | <b>627</b>     | 871            | 865            |
|  |  | %              | <b>67.2</b>    | 74.0           | 75.7           |
| Number and proportion of employees by region<br>按地區劃分的員工數量及比例                              | Sichuan province<br>四川省                                    | personnel<br>人 | <b>870</b>     | 1,178          | 1124           |
|  |  | %              | <b>93.2</b>    | 100            | 98.4           |
|  | Chongqing<br>重慶市   | personnel<br>人 | <b>24</b>      | 0              | 7              |
|  |  | %              | <b>2.6</b>     | 0              | 0.6            |
|  | Outside Sichuan Province and Chongqing City<br>四川省及重慶市以外地區 | personnel<br>人 | <b>39</b>      | 0              | 11             |
|  |  | %              | <b>4.2</b>     | 0              | 1.0            |
| Number and proportion of minority employees<br>少數民族員工數量及比例                                 | Total Number of Minority Employees<br>少數民族員工的總人數           | personnel<br>人 | <b>35</b>      | 41             | 32             |
|  | Proportion of Minority Employees<br>少數民族員工的所佔比例            | %              | <b>3.8</b>     | 3.5            | 2.8            |



### **Protecting employee rights**

In order to fully mobilize the enthusiasm and creativity of the majority of employees and build a harmonious labor relationship, the Group has formulated internal systems such as the “Remuneration Management Measures”, “Management Measures for Adjustment of Employee Salary Levels” and “Administrative Measures for Total Wages”. Strictly following the above normative files to implement the salary distribution and adjustment of employees and the salary verification of enterprises, etc. Ensuring that the legitimate rights and interests of employees are fully protected in terms of salary management, working hour’s management, employee benefits, etc., and creating a good platform for the growth and development of employees.

In terms of remuneration management, while formulating the employee remuneration system and setting up multi-level employee salary levels, the Group also established a remuneration structure including basic salary and performance bonus.

In terms of employee benefits, the Group provides employees with education and training, labor insurance benefits, birthday condolences, holiday condolences, employee canteens, labor unions and other benefits. In addition, while providing five social insurances and one housing fund for employees who have signed labor contracts according to law, additionally apply for “Employee Medical Mutual Insurance” for each employee, and provide employees with transportation subsidies, annual medical examinations, etc. to protect employees’ rights and interests.

### **保障員工權益**

為充分調動廣大員工的積極性和創造性，構建和諧勞動關係，本集團制定《薪酬管理辦法》《員工薪等薪檔調整管理辦法》和《工資總額管理辦法》等內部制度，嚴格按照以上規範性檔執行員工的薪酬發放、調整和企業的工資核定等，確保在薪酬管理、工時管理、員工福利等方面，充分保障員工的合法權益，為員工的成長髮展創造良好平台。

在薪酬管理方面，本集團在制定員工酬體系、設置多層次員工薪級的同時，設立包含基本工資、績效獎金的薪酬結構。

在員工福利方面，本集團為員工提供教育培訓、勞保福利、生日慰問、節日慰問、員工食堂、工會組織等福利。此外，在依法為簽訂勞動合同的員工辦理五險一金的同時，額外為每位員工辦理「職工醫療互助保險」，並為員工提供交通費補貼、年度體檢等，保障員工權益。

## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

### **Preventing child labor and forced labor**

We resolutely eliminate child labor and forced labor. The Group strictly abides by relevant laws and regulations such as the Law of the People's Republic of China on the Protection of Minors and the Provisions on the Prohibition of Using Child Labor. It is clearly stipulated that the employment of persons under the age of 18 is strictly prohibited, and the identity of candidates is carefully checked during the recruitment process, and the real age of candidates is identified to ensure that candidates' entry qualifications meet statutory requirements. If violations are found, actions will be taken to deal with them actively to ensure the smooth operation of the Group's talent system.

In terms of working hour's management, the Group guarantees employees the right to enjoy various rest and vacations stipulated by the state, and eliminates forced labor, carrying out the employee's request and change leave system according to the system. If the working hours exceed the statutory working hours stipulated by the state, overtime wages will be calculated for the excess part in combination with the relevant systems of the Group.

During the Reporting Period, the Group had no violations such as the use of child labor and forced labor.

### **杜絕童工及強制勞工**

我們堅決杜絕童工及強制勞工行為。本集團嚴格遵守《中華人民共和國未成年人保護法》、《禁止使用童工規定》等相關法律法規，明確規定禁止聘用年齡未滿18週歲者，在招聘過程中謹慎查驗候選人身份、鑒別候選人的真實年齡，確保候選人入職資格符合法定要求。若發現違規情況，將會採取行動積極進行處理，保障本集團人才體系平穩運行。

在工時管理方面，本集團保障員工享受國家規定的各項休息、休假的權利，杜絕強制勞工，制定了《加班及加班費管理辦法》《員工請假管理辦法》等規範性檔，並嚴格按照制度執行員工的請、換休假制度。若工作時數超過國家規定的法定工作時間，將結合本集團相關制度，對超過部分計算加班工資。

報告期內，本集團未發生使用童工及強制勞工等違規情況。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱                            |  | Unit<br>單位 | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|---|--|------------|----------------|----------------|----------------|
| Annual employee turnover rate<br>僱員年度流失比率         |  | %          | 2.49           | 2.86           | 1.77           |
| Employee turnover rates by gender<br>按性別劃分的員工流失比率 | Male<br>男性   | %          | 2.14           | 2.84           | 1.22           |
|   | Female<br>女性   | %          | 3.21           | 2.89           | 2.98           |
| Employee turnover rate by age<br>按年齡劃分的員工流失比率     | Aged 30 below<br>30歲以下                                       | %          | 4.01           | 3.68           | 3.91           |
|   | Aged 30-50<br>30-50歲   | %          | 2.69           | 3.10           | 1.83           |
|   | Aged 50or above<br>50歲以上                                     | %          | 0.50           | 1.35           | 0.00           |
| Employee turnover rate by region<br>按地區劃分的員工流失比率  | Sichuan province<br>四川省                                      | %          | 2.57           | 2.86           | 1.77           |
|   | Chongqing city<br>重慶市  | %          | 0.00           | 0.00           | 0.00           |
|   | Outside Sichuan Province<br>and Chongqing City<br>四川省及重慶市外地區 | %          | 0.00           | 0.00           | 0.00           |

### Employee development

The Group has always been committed to building a platform for the growth of employees, firmly establishing the awareness of common progress between the enterprise and employees, continuously improving the working ability of employees, innovating talent training methods, and promoting the long-term development of the Group.

### 員工發展

本集團始終致力於為員工成長搭建平台，牢固樹立企業與員工共同進步的意識，不斷提高員工的工作能力，創新人才培養方式，推動促進本集團長遠發展。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### **Employee training**

In order to strengthen the internal education and training of employees of the Group and continuously improve the quality of the workforce, the Group has formulated the “Management Measures for Internal Trainers” based on the actual situation, clarifying the selection, assessment, management and motivation of internal trainers, and effectively play the important role of internal trainers in the Group’s employee training.

The Group attaches great importance to the development of industry-university-research cooperation, and has signed “industry-university-research” school-enterprise cooperation agreements with the School of Environment of Tsinghua University, the School of Environment and Ecology of Chongqing University, and Sichuan Vocational and Technical College of Chemical Industry to promote the Group’s high-quality development and transformation and upgrading.

During the Reporting Period, the Group also adopted a training method combining internal training, external training, and on-site inspections to exchange and learn, and provided comprehensive training for employees in terms of comprehensive management capabilities, safety knowledge, professional knowledge, laws and regulations, etc. Enhancing the cohesion and centripetal force of cadres and workers. In 2022, we organized 374 training sessions for our employees, with 8,025 participants. Among them: 162 training sessions for the middle-level cadres and above and leading groups, with 623 participants.

#### **員工培訓**

為加強本集團員工內部教育培訓工作，不斷提高員工隊伍素質，本集團結合實際情況制定了《內訓師管理辦法》，明確內訓師的選拔、考核、管理與激勵等，有效發揮內部培訓師在本集團員工培訓工作中的重要作用。

本集團注重產學研合作發展，與清華大學環境學院、重慶大學環境與生態學院、四川化工職業技術學院簽訂「產學研」校企合作協定，推動本集團實現高品質發展和轉型升級。

報告期內，本集團同時採取內訓、外訓、實地考察交流學習相結合的培訓方式，從綜合管理能力、安全知識、專業知識、法律法規等方面對職工進行全方面培訓，增強幹部職工隊伍凝聚力和向心力。2022年組織員工各類培訓374場，參加人數8,025人次。其中：中層幹部以上及領導班子共培訓162場，623人次。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Case Study: Xinglu Water Group launches project construction management training

##### 案例：興瀘水務集團展開工程建設管理培訓

Xinglu Water Group held a special training course on the basic management system of engineering construction projects for management personnel. The content includes bidding, management and settlement projects. The purpose is to strengthen the pace of state-owned enterprise reform, pay attention to the necessity of project management, and improve its own communication, etc., so as to improve the overall efficiency of the company.

興瀘水務集團針對管理人員舉辦工程建設項目基本管理制度專題培訓班，內容包括招標、管理及結算項目，目的是加強國企改革的步伐、重視工程管理的必要性以及提升自身的溝通交流等，令公司整體的效益得到提升。



This year, compared with the previous year, the Group's sewage treatment business segment has made great progress in training activities, and the training work has achieved good results throughout the year, laying the foundation for the strong promotion of Xinglu Wastewater Treatment management and control model. The specific training work carried out includes:

- In order to promote employees to be familiar with and master the meta-operation process of relevant positions, effectively cultivate compound talents, and improve the comprehensive quality and ability of employees, Xinglu Wastewater Treatment drafted the "Notice on Relevant Regulations on Exchange and Learning", which clarified the implementation process and requirements of exchange and learning; implemented the DingTalk online learning platform, and has released 18 courses on the platform, including production safety, administration, and business etiquette etc., trained 3,997 employees times;
- 為了促進員工熟悉和掌握相關崗位作業流程，有效培養複合型人才，提高員工的綜合素質和能力，興瀘污水處理擬定了《關於交流學習相關規定的通知》，明確了交流學習實施流程和要求；實行釘釘線上學習平台，已在平台上發佈18個課程，包含安全生產類、行政類、商務禮儀類等，培訓員工3,997人次；

本年度較上一年度，本集團下屬污水處理業務板塊在培訓活動開展上有較大提高，全年培訓工作取得了較好成效，為興瀘污水處理管控模式的強力推進奠定了基礎。具體開展的多項培訓工作包括：

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Actively promoting various departments, branches (subsidiaries), and trusteeship companies to carry out internal and external training, and strengthen the training of sewage treatment knowledge and professionalism for new employees;
- The company leaders led a team to Chongqing University, Chengdu University of Information Engineering, Suzhou Drainage Company, etc. to conduct exchanges and study to promote the company's high-quality development;
- Organize middle and high-level management personnel to go to Chongqing University to participate in five-day management ability and professional knowledge training, improve management ability and leadership, and build scientific management thinking;
- Signed a strategic cooperation framework agreement with Chengdu University of Information Science and Technology, and signed an agreement with the School of Environment of Tsinghua University to jointly build a student practice base. The signing of the two agreements promoted the cultivation of environmental protection talents, promoted the transformation of scientific and technological achievements in the sewage treatment industry, and improved the water environment governance of Luzhou City effect;
- 積極推動各部門、分(子)公司、託管公司開展內、外訓，對新進員工加強污水處理知識及職業素養的培訓；
- 公司領導率隊到重慶大學、成都資訊工程大學、蘇州市排水公司等進行交流學習，推動公司高品質發展；
- 組織中高層管理人員前往重慶大學參加五天的管理能力及專業知識培訓，提高管理人員管理能力、領導力，構建科學管理思維；
- 與成都資訊工程大學簽訂戰略合作框架協議，與清華大學環境學院簽訂共建學生實習基地協定，兩個協定的簽訂促進了環保人才培養，推進污水處理行業的科技成果轉化，提升瀘州市水環境治理成效；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Carry out training activities related to vocational skills: In order to improve the professional knowledge and basic operation skills of the company's mechanics in electromechanical maintenance, three special skill training sessions for electromechanical personnel were organized. In order to improve the theoretical and practical ability of laboratory quality inspectors, special training for laboratory personnel is carried out for laboratory safety knowledge and detailed rules; in order to improve the daily operation and maintenance management and hands-on ability of online monitoring of employees, a total of four special training sessions on self-control monitoring were organized; in order to improve the financial management ability of employees and the business knowledge level of financial personnel, three times organized employees to go to Chengdu to participate in investment and financing, digital era funds Management, innovation cost strategy and other financial related knowledge training;
- 開展與職業技能相關的培訓活動：為提高公司機修工在機電維修方面的專業知識和基本操作技能，共組織三期機電人員專項技能培訓；為提升化驗質檢員理論及實際操作能力，針對化驗室安全常識及其細則，開展化驗員專項培訓；為提高員工線上監測日常運維管理和動手操作能力，共組織四期自控監測專項培訓；為提高員工財務管理能力，提升財務人員業務知識水準，三次組織員工前往成都參加投融資、數位化時代資金管理、創新成本戰略等財務相關知識培訓；
- Completed the declaration of vocational skill level identification and evaluation agencies for cooperative manufacturers. This time, a total of five types of work were declared, including electricians, fitters, instrumentation maintenance workers, chemical inspectors, and sewage treatment workers, which have now passed expert review.
- 完成職業技能等級認定協力廠商評價機構申報工作，此次共申報五個工種，包括電工、鉗工、儀器儀錶維修工、化學檢驗工、污水處理工，現已通過專家評審。

#### **Employee promotion and assessment**

In order to clarify the career development path of employees, the Group has established a dual-channel system for career development to provide smooth career development channels. Employees can reasonably choose a career development path that suits them based on factors such as job rank, ability and willingness. According to the "Employee Performance Management Measures", the Group conducts assessments and uses them on a monthly, quarterly and annual basis.

In addition, the Group strictly implements the "Administrative Measures for the Adjustment of Employee Salary Levels", clarifies the staff's salary adjustment standards to implement dynamic management, and organizes the supplementary evaluation of the skill level of production operations and business service positions to ensure the fairness and transparency of employee promotion.

#### **員工晉陞及考核**

為說明員工明晰職業發展路徑，本集團建立職業發展的雙通道體系，提供暢通的職業發展通道。員工可結合職位職級、能力意願等因素，合理選擇適合自己的職業發展路徑。本集團根據《員工績效管理辦法》，以月度、季度和年度為單位進行考核並運用。

此外，本集團嚴格落實《員工薪等薪檔調整管理辦法》，明確員工的薪酬調整標準實施動態管理，並組織開展生產操作、經營服務崗位技能等級補評工作，確保員工晉陞的公允性及透明化。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

The Group attaches great importance to the cultivation of senior management personnel, and has formulated internal systems such as the “Management Measures for Persons in Charge of Functional Departments and Subsidiary Enterprises” and “Reserve Talent Management Measures” to standardize the process of hiring and promoting management personnel. The Group adopts the method of external introduction as the main method and internal job competition as a supplementary method to attract talents, and the selection is fair and determined in strict accordance with the Group’s review process.

During the reporting period, in order to encourage employees to improve themselves, the Group carried out a number of system revisions:

- In order to further standardize the management of the Group’s employees’ professional titles and professional qualification certificates, promote the cultivation of various professional and technical personnel of the Group, optimize the talent team, and improve management standards, according to relevant national regulations and actual work needs, the Group’s “The Management Measures of Employee Professional Titles and Professional Qualification Certificates” has been revised, reviewed and approved by the party committee and general manager office meeting of the group, and issued for implementation.
- The development of the group needs more middle and high-level professional talents. In order to encourage the internal personnel of the company to actively study and take exams, The Group issued the “Notice on Clarifying the Subsidy Standards for Employee Registration Certificates and the Reward Standards for Newly Obtained Certificates”, clearly proposing that all types of registration (certificate holders) (registered safety engineer, registered fire engineer, registered constructor, certified accountant), registered tax accountant, registered electrical engineer, etc.) talent demand and incentive policies after obtaining such qualification certificates.

本集團注重高級管理人才的培養，制定《中層幹部選拔任用管理辦法》、《後備人才管理辦法》等內部制度，規範管理人員聘用、晉陞流程。本集團採用以外部引進為主，內部競崗為輔的方式吸納人才，公平選拔並嚴格按照本集團審議流程確定。

報告期內，為鼓勵員工自我提升，本集團進行了多項制度修訂：

- 為進一步規範集團員工職稱及職業資格證書的管理，促進集團各類專業技術人才的培養，優化人才隊伍、提高管理水準，根據國家相關規定及實際工作需要，本集團對《員工職稱及職業資格證管理辦法》進行了修訂，經本集團黨委會、總經理辦公會審議通過，並下發執行。
- 本集團的發展需要更多中高級專業人才，為鼓勵公司內部人員積極再學習和考試，本集團下發《關於明確員工註冊類證書補貼標準和新取得證書獎勵標準的通知》，明確提出對各類註冊類(持證類)(註冊安全工程師、註冊消防工程師、註冊建造師、註冊會計師、註冊稅務師、註冊電氣工程師等等)人才的需求以及獲得該類資格證書後的獎勵政策。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Improve the job requirements for middle-level and executives with professional management, promulgate the "Post Qualification Management Measures", add registration requirements, and replace traditional comprehensive management with professional management. Providing more suitable talents to support the development of the Group.
- 健全對於專業管理的中層、主管人員的任職要求，出台《崗位任職資格管理辦法》，增加註冊類的要求，用專業管理代替傳統的綜合管理。為本集團提供更多合適的人才支撐發展。

| Indicator name<br>指標名稱   | Unit<br>單位           | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|--|----------------------|----------------|----------------|----------------|
| Total training sessions<br>培訓總場次                                   | times<br>次           | 374            | 847            | 537            |
| Total number of trainees<br>培訓總人次                                  | person-time<br>人次    | 8,025          | 14,675         | 10,040         |
| Amount of training expenses<br>培訓經費支出金額                            | RMB '0,000<br>萬元人民幣  | 44.32          | 74.03          | 63.93          |
| Average hours of training per employee<br>每名僱員受訓平均時數               | hours/person<br>小時/人 | 1.2            | 68.76          | 103.83         |
| Average hours of training for male employees<br>男性員工受訓平均時數         | hours/person<br>小時/人 | 1.82           | 90.85          | 114.40         |
| Average hours of training for female employees<br>女性員工受訓平均時數       | hours/person<br>小時/人 | 3.48           | 69.03          | 82.70          |
| Average hours of training for grassroots employees<br>基層員工受訓平均時數   | hours/person<br>小時/人 | 1.33           | 63.07          | 100.67         |
| Average hours of training for middle-level employees<br>中層員工受訓平均時數 | hours/person<br>小時/人 | 16.3           | 181.34         | 170.43         |
| Average hours of training for senior staff<br>高層員工受訓平均時數           | hours/person<br>小時/人 | 21.75          | 203.43         | 141.50         |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Occupational safety and health

The Group attaches great importance to safe production and employee health and safety, and strictly abides by laws and regulations such as the Fire Protection Law of the People's Republic of China, the Safety Production Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, and the Regulations on the Supervision and Administration of Occupational Health in Workplaces, improve production safety and occupational health and safety systems, improve safety production and occupational health system management, fully do a good job in safety risk prevention and control, and ensure production safety and employee occupational health.

#### **Implementing safety production**

The Group formulated the "Safety Production Policy and Target Management Measures", "Safety Production Responsibility Performance Assessment Management Measures", "Occupational Health Supervision and Management Measures" and other systems to continuously improve the safety production standardization system:

- The Group obtained the "Occupational Health and Safety Management System Certification" issued by the Quality Assurance Center of China Association for Quality;
- The Group Headquarters, Hejiang Water Industry, Nanjiao Water Industry, Beijiao Water Industry, Sewage Company, and Fanxing Company have all obtained the second-level enterprise certificate of safety production standardization, and continue to carry out safety and environmental protection work in accordance with the enterprise safety production standardization (level two);

### 職業健康安全

本集團重視安全生產及員工健康安全，嚴格遵守《中華人民共和國消防法》《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》《工作場所職業衛生監督管理規定》等法律法規，健全生產安全和職業健康安全體系，完善安全生產及職業健康制度管理，充分做好安全風險防控，保障生產安全及員工職業健康。

#### **落實安全生產**

本集團制定《安全生產方針和目標管理辦法》《安全生產責任履職考核管理辦法》《職業衛生監督管理辦法》等制度，不斷完善安全生產標準化體系：

- 本集團取得中質協品質保證中心頒發的《職業健康安全管理体系認證證書》；
- 本集團本部、合江水業、南郊水業、北郊水業、污水公司、繁星公司均取得安全生產標準化二級企業證書，持續按照企業安全生產標準化(二級)開展安全環保工作；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- The sewage treatment business enterprises under the Group strictly follow the safety and environmental protection hazard screening work plan, and carry out comprehensive, holiday, seasonal, professional and daily safety and environmental protection occupational health inspections and hidden danger management work on schedule. During the reporting period, the “Two Festivals and Two Sessions” Safety and Environmental Protection Comprehensive Inspection and Spring Seasonal Inspection”, “May 1st” Pre-holiday Safety and Environmental Protection Comprehensive Inspection and Summer Seasonal Safety Inspection”, “Mid-Autumn Festival “National Day” pre-holiday safety and environmental protection comprehensive inspection and autumn seasonal inspection “etc.
- 本集團下屬污水處理業務企業嚴格按照安全環保隱患排查工作方案，按期開展綜合性、節假日、季節性、專業性、日常性安全環保職業健康檢查和隱患治理工作，報告期內主要開展了、《「兩節·兩會」安全環保綜合性檢查暨春季季節性檢查》、《「五一」節前安全環保綜合性檢查暨夏季季節性安全大檢查》、《「中秋·國慶」節前安全環保綜合性檢查暨秋季季節性檢查》等。

During the Reporting Period, there were 2 work-related accidents in the Group, which occurred when employees went out to work, and were diagnosed as minor injuries. After the accident, all employees have been reminded to pay attention to safety. In 2022, the Group will lose 67 days of working hours due to work-related injuries.

報告期內，本集團共發生2起工傷事故，是員工外出作業時發生，經診斷確認為輕傷。意外發生後，已提醒全體員工注意安全。2022年本集團因工傷耽誤工作時數為67天。

#### Case Study: Holding safety production training courses for employees

##### 案例：為員工舉行安全生產培訓課

Weiyuan Qingxi Company invited a law firm to explain the legal provisions, related responsibilities, and prevention work to employees, reminding employees to give the highest attention to safety production in order to protect their own safety and clean drinking water for citizens.

威遠清溪公司邀請律師事務所為員工講解安全生產等法律條文、相關責任及預防工作等知識，再次提醒從業員對安全生產應給予最高的重視，才能保障自己的安全及在市民清潔飲用水事宜上提供信心。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### **Ensuing employee safety**

The Group strictly abides by relevant laws and regulations such as the Labor Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, and the Management Regulations on Labor Protection Articles for Employers, established a sound occupational health and safety system, and continuously improved the working environment and office environment for employees. During the reporting period, we took a number of measures to effectively implement safety responsibilities:

- Organize employees to sign the "Safety and Environmental Protection Occupational Health Responsibility Letter" every year;
- Conduct safety education and training for personnel responsible for occupational health, including training for new employees and annual retraining for old employees;
- Formulate an annual work plan for employee occupational health training, and carry out occupational health-related training according to the plan. The training content includes training on hazardous waste disposal, special training on improving water quality, etc.;
- Regularly hold safety education training and safety emergency drills, including anti-terrorism emergency drills, Yangtze River raw water pollution emergency plan drills, production emergency double-blind drills, etc., to improve employees' safety production awareness and self-protection capabilities;
- At each relevant production site, provide employees with necessary protective equipment, such as oxygen respirators, protective clothing and other protective equipment;

### **保障員工安全**

本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國職業病防治法》《用人單位勞動防護用品管理規範》等相關法律法規，建立了完善的職業健康安全體系，不斷改善職工作業環境與辦公環境。報告期內，我們採取多項措施，有效落實安全責任：

- 每年組織員工簽訂《安全環保職業健康責任書》；
- 對職業健康相關負責人員進行安全教育培訓，包括新員工培訓，及老員工每年的複訓；
- 制定員工職業健康培訓年度工作計劃，並按計劃開展職業健康相關的培訓，培訓內容包括危廢處理培訓、提升水質的專項培訓等；
- 定期舉辦安全教育培訓及安全應急演練，包括反恐應急演練、長江原水污染應急預案演練、生產應急雙盲演練等，提高員工安全生產意識和自我保護能力；
- 在各相關生產網站，為員工提供必要的防護設備，如氧氣呼吸器、防護服等防護用具；



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Organize employees to conduct annual comprehensive physical examinations, insist on monitoring occupational disease hazard factors and employee health examinations every year, and effectively protect employees' occupational health. Combined with the actual situation of the Group, organize front-line employees to conduct occupational health examinations before, during and after work every year;
- In strict accordance with the requirements of the "Technical Specifications for Occupational Health Monitoring" (GBZ188-2014), the Group established an occupational health management team to strictly implement the Group's occupational health management system;
- Every year, a testing organization with relevant qualifications is hired to test the occupational hazard factors of each production site. The test results show that the occupational hazard factors encountered in the production process of the Group meet the safety standards;
- 組織員工進行年度全面體檢，堅持每年開展職業病危害因素監測和員工健康體檢，切實保障員工職業健康。結合本集團實際情況每年組織一線員工進行上崗前、在崗期間、離崗職業健康體檢工作；
- 本集團嚴格按照《職業健康監護技術規範》(GBZ188-2014)要求，成立職業健康管理小組，嚴格執行本集團職業衛生管理制度；
- 每年聘請具有相關資質的檢測機構對各個生產網站進行職業危害因素檢測，檢測結果顯示本集團生產過程中接觸的職業病危害因素符合安全標準；

| Indicator name<br>指標名稱  | Unit<br>單位          | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|---|---------------------|----------------|----------------|----------------|
| Safety production input<br>安全生產投入                                     | RMB '0,000<br>萬元人民幣 | 569.67         | 643.73         | 769.94         |
| Number of safety education and training<br>安全教育培訓次數                   | times<br>次          | 429            | 219            | 169            |
| Number of participants in safety education and training<br>安全教育培訓參與人次 | person-time<br>人次   | 3,142          | 3662           | 3,612          |
| Employee medical examination coverage<br>員工體檢覆蓋率                      | %                   | 100            | 100            | 100            |
| Coverage rate of special physical examination for women<br>女性專項體檢覆蓋率  | %                   | 100            | 100            | 100            |
| Occupational disease medical examination coverage<br>職業病體檢覆蓋率         | %                   | 100            | 100            | 100            |
| Number of industrial accidents<br>工傷事故數                               | times<br>次          | 2              | 1              | 2              |
| Number of Work-related Injuries and Fatalities<br>工傷工亡人數              | persons<br>人        | 2              | 1              | 2              |
| Lost work days due to work injury<br>因工傷損失工作日數                        | days/year<br>天/年    | 67             | 85             | 255            |

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Employee care focus

The Group always adheres to people-oriented. During the Reporting Period, we strengthened employee care, enhanced employees' enthusiasm for work, and promoted the sustainable and healthy development of the company by organizing cultural and sports activities, festival condolences, and helping needy employees.

#### *Establishment of Democratic communication*

The Group pays attention to the construction of democratic management and continues to strengthen democratic management. The labor union of the Group has established the "Administrative Measures for the Workers' Representative Conference" to smooth the channels for democratic management.

We regularly hold employee representative meetings, and organize employee representatives to participate in the group's leadership team's first report, two comments and evaluations, middle-level executives' presentation of work and honesty, etc.; organize employee supervisors to participate in relevant meetings of the group's operation and management; carrying out monthly regular meetings, encourage employees to offer suggestions and suggestions at the regular meetings, and listen to the voices of employees.

All major matters involving the vital interests of employees will be held to discuss and vote at the employee representative meeting, fully listen to the opinions of employee representatives, give full play to their right to participate in and discuss state affairs, effectively protect the legitimate rights and interests of employees, and ensure the overall stability of the workforce. In 2022, there will be no petitions and mass incidents. In 2022, the Group held a total of 12 trade union committees and 1 employee congress to elect the second session of directors of the water affairs group, employee directors and employee supervisors of the board of supervisors and other issues.

#### 聚力員工關愛

本集團始終堅持以人為本。報告期內，我們通過舉辦文體活動、節日慰問、幫扶困難員工等多項活動，加強員工關愛，提升員工的工作積極性，促進企業的可持續健康發展。

#### 民主溝通建設

本集團注重民主管理建設，持續強化民主管理。本集團工會建立了《職工代表大會管理辦法》，暢通民主管理管道。

我們定期召開職工代表大會，並組織職工代表參加本集團領導班子一報告兩評議測評、中幹述職述廉等工作；組織職工監事參加集團經營管理相關會議；開展月度例會，鼓勵員工在例會上獻言薦策，傾聽員工心聲。

凡涉及職工切身利益的重大事項，均召開職工代表大會討論表決，充分聽取職工代表意見，發揮其參政議政權利，切實保障員工合法權益，確保職工隊伍整體穩定，2022年無上訪及群體事件發生。2022年本集團共召開工會委員會12次，職代會1次，選舉水務集團第二屆董、監事會職工董事和職工監事等議題。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

We implement a combination of internal and external disclosure, and timely disclose information on the company's production, operation, and management development, so that employees can understand the group's dynamics and obtain hotspot information of concern, so that employees can effectively integrate into the development and management of the group, and jointly promote the long-term development of the group.

#### Helping employees in need

Implement precise assistance. We pay attention to the suffering of employees, insist on helping those in need, dedicate love to them with practical actions, reduce the pressure of life, and form a corporate culture of mutual help and love. During the reporting period, the labor union of the group further clarified the main causes of difficulties and assistance needs of the employees in difficulty in accordance with the filing standards of the ACFTU's "Administrative Measures for the Files of Difficult Employees", and implemented assistance measures and persons responsible for assistance; implement file management personnel, standardize the management of difficult employee files, and the Group will provide precise assistance to difficult employees, aiming to seek greater benefits for employees and build an emotional bridge between the labor union and employees. In 2022, all employees in difficulties will be relieved of difficulties.

Strengthen inclusive services. The trade union of the group actively promotes the inclusive service work for members, conducts mobile phone photography training, and organizes employees to participate in inclusive service activities and hobby classes carried out by the Municipal Federation of Trade Unions; for 487 employees, "Employee Hospitalization Medical Mutual Insurance", "Female Employee Critical Illness Mutual Insurance", "Female Employee Critical Illness Plan B", "Employee Accidental Injury Insurance" and "Employee Critical Illness Insurance". In 2022, compensation applications have been processed for 40 sick and hospitalized employees, and 40 of them have received compensation, totaling about 60,141 yuan.

我們實行內外結合的公開形式，及時公開企業生產經營、管理發展方面的資訊，使員工可以瞭解本集團動態，獲取關注的熱點資訊，讓員工切實融入本集團發展管理工作中，共同推動本集團長遠發展。

#### 幫扶困難員工

落實精準幫扶。我們關注員工疾苦，堅持對困難員工進行幫扶，以實際行動為困難員工奉獻愛心，減輕生活壓力，形成互幫互愛的企業文化。報告期內，集團工會按照全總《困難職工檔案管理辦法》的建檔標準，進一步明確困難職工主要致困原因及幫扶需求，落實幫扶措施、幫扶責任人；落實檔案管理人員，規範管理困難職工檔案，本集團做實做細困難職工精準幫扶，旨在為員工謀取更大福利，架起工會與員工之間的感情橋樑。2022年已完成困難職工全部脫困。

加強普惠服務。集團工會積極開展會員普惠性服務工作宣傳，開展手機攝影培訓，組織員工參加市總工會開展的普惠服務活動及興趣愛好班；為487名職工辦理「職工住院醫療互助保險」、「女職工大病互助保險」、「女職工大病B計劃」、「職工意外傷害險」、「職工重大疾病險」。2022年，已為40位生病住院職工辦理賠付申請，其中40人已領取賠付金，共計約60,141元。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Organizing art activities

In order to enrich the cultural life of employees and benefit their physical and mental health, the Group organized a number of cultural and sports activities during the reporting period to establish a good corporate culture atmosphere and continuously enhance team cohesion.

#### Tap water supply business

- Set up a column with the theme of “Salute to the most beautiful workers” and “Flying the glorious party flag for a century”. Through WeChat official account, website and other carriers, we will do a good job in publicizing the company’s model workers, outstanding Communist Party members, and job experts, and vigorously promote the spirit of model workers and craftsmanship;
- On the basis of extensive solicitation of employees’ opinions, three new interest groups of “basketball, table tennis, and badminton” were established to enliven the cultural and sports life of employees, stimulate employees’ interest in learning, promote the physical and mental health of cadres, and enhance team spirit;
- Combining with the construction of “five modernizations” of employees’ voluntary service, actively carry out the voluntary service activity of “I do practical things for the masses”; in March, the Group organized the March 8th Women’s Day event of “Gathering strength and showing style”. In May, the “Model Worker” and “Excellent Trade Union Organization” commendation activities were organized, and the “job training” skills competition was carried out. Combined with the current actual needs of the company, the energy consumption of water plants and excellent engineering projects were included in the content of the competition, and 8 “water plant skill consumption reduction teams” and 6 “excellent engineering projects” were selected. Competition promotes industry, making skill competition an important measure to improve labor skills and promote technological innovation, further enrich the cultural life of employees, and enhance employees’ physical fitness and cohesion.

#### 組織文體活動

為豐富員工的文化生活，有益員工身心健康，報告期內，本集團舉辦多項文體活動，建立良好的企業文化氛圍，不斷增進團隊凝聚力。

#### 自來水供應業務

- 以「致敬最美勞動者」「百年輝煌黨旗飄揚」為主題開設專欄，通過微信公眾號、網站等載體，做好公司勞模、優秀共產黨員、崗位能手宣傳，大力弘揚勞模精神和工匠精神；
- 在廣泛徵求職工意見的基礎上新組建「籃球、乒乓球、羽毛球」三類興趣小組，活躍職工文體生活，激發職工的學習興趣、促進幹部的身心健康、增強團隊精神；
- 結合職工志願服務「五化」建設，積極開展「我為群眾辦實事」志願服務活動；3月組織開展了「凝聚力量展現風採」三八婦女節活動；5月組織開展了「勞動模範」「優秀工會組織」表彰活動，開展「崗位練兵」技能大比武活動，結合企業當前實際需要，將水廠耗能和優秀工程項目納入比賽內容，評選出「水廠技能降耗班組」8名，「優秀工程項目」6個，讓技能比武進水廠、進工地，以賽促學、以賽促業，讓技能比武成為提升勞動技能、促進技術創新的重要舉措，進一步豐富了員工文化生活，增強員工身體素質及凝聚力。



### *Sewage treatment business*

- Carry out physical examinations for all employees, special physical examinations for female employees, physical examinations for occupational health hazards, and carry out physical fitness activities
- In March, the March 8th theme event of “Women’s Heart to the Party, Together to the Future” was launched, and the production of handicrafts and small life skills were displayed. In March, the tree planting activity of “spring breeze urges new greenery, tree planting is the right time” was carried out. In March, the voluntary service activity of “Learning Lei Feng Spirit and Keeping Yan’an Clean” was carried out. In April, the voluntary blood donation activity of “Non-stop blood, dedication is the most glorious” was carried out. In May, the party building work exchange and learning activity of “study hard, strengthen business and promote improvement” was carried out. In June, the World Environment Day publicity campaign was carried out. In July, the August 1st Army Day sympathy interaction was carried out to “carry forward the glorious tradition of double support, and the military and civilians jointly build clear water and blue sky”. In July, the activity of “sending love in the hot sun to the front line, and refreshing items to warm people’s hearts” was carried out.

### ***Caring for female employees***

In order to further inherit the corporate caring culture, protect the legal rights and special interests of female employees in accordance with the law, improve the happiness index of female employees, and enhance the sense of belonging and happiness of female employees. With the concept of “health, happiness, passion, and fun”, the Group helps female employees develop the spirit of “self-esteem, self-confidence, self-reliance, and self-improvement”. During the reporting period, the Group carried out a number of caring activities for female employees:

### *污水處理業務*

- 開展全員健康體檢、女職工專項體檢、職業健康危害崗位人員體檢，開展強身健體活動
- 3月開展「巾幗心向黨一起向未來」三八節主題活動，製作工藝品、生活小技能展示。3月開展「春風催新綠，植樹正當時」植樹活動。3月開展「學習雷鋒精神守護延安潔淨」志願服務活動。4月開展「熱血不停歇，奉獻最光榮」無償獻血活動。5月開展「勤學習強業務促提升」黨建工作交流學習活動。6月開展世界環境日宣傳活動。7月開展「弘揚雙擁光榮傳統，軍民共建碧水藍天」八一建軍節慰問互動。7月開展「驕陽摯愛送一線，清涼物品暖人心」活動。

### ***關愛女性員工***

為進一步傳承企業關愛文化，依法維護女職工合法權益和特殊利益，提升女職工幸福指數，增強女職工的歸屬感和幸福感，本集團以「健康、快樂、激情、趣味」為理念，幫助女職工樹立「自尊、自信、自立、自強」的精神，於報告期內開展多項關愛女性員工活動：

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Carry out the theme activity of the March 8th Festival of “Gathering strength and showing style”;
- Carry out female employees to participate in cervical cancer screening to effectively protect the physical and mental health of employees;
- To create a lounge for female employees, we will always put our care and care for female employees into practice.
- 開展「凝聚力量展現風採」三八節主題活動；
- 開展女職工參加宮頸癌篩查，切實保障職工的身心健康；
- 打造女職工休息室，始終將關心關愛女職工落到實處。

### ADVANCED MANAGEMENT, MUTUAL BENEFITS

The Group focuses on strengthening supply chain management, and actively conducts business exchanges and collaborations with suppliers and partners for mutual benefit and strives to achieve common progress. At the same time, the Group is actively committed to public welfare undertakings, and establishes a responsible and responsible corporate image by participating in activities such as community and targeted poverty alleviation.

As a leading water company in southern Sichuan, the Group is committed to actively promoting the common progress of the industry and assisting peers in controlling indicators. In the process of continuously improving production quality and efficiency control, the Group made full use of automation, information technology and other technological means to continuously improve the level of refined management of the enterprise, and achieved the production management goals of saving energy, reducing consumption, reducing staff and increasing efficiency, developed smart water related products and services such as the “Internet + production management” system and the “smart inspection” system. The Group hopes to share excellent practical results with the industry, drive the industry to make progress together, and expects to provide peers with a one-stop solution for smart water operation.

### 卓越管理，多方共贏

本集團注重加強供應鏈管理，積極與供應商及合作夥伴開展業務交流協作，互利互惠，努力實現共同進步。同時，本集團積極致力於公益事業，通過參與社區、精準扶貧等活動，樹立有責任、有擔當的良好企業形象。

本集團作為川南地區領先的水務公司，致力於積極推動行業共同進步，協同業管控指標。在持續完善生產品質及效率管控的過程中，本集團充分利用自動化、資訊化等科技手段，不斷提升企業精細化管理水準，實現了節能降耗、減員增效的生產管理目標，開發了「互聯網+生產管理」系統、「智慧巡檢」系統等智慧水務相關產品及服務。本集團希望向行業分享優秀實踐成果，帶動行業共同進步，期望為同行提供智慧水務運營的一站式解決方案。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Supplier management system

During the reporting period, the Group continued to strictly follow internal systems such as the “Supplier Management Measures” and “Material Management Measures” to optimize the material procurement process. During the reporting period, the Group revised the relevant systems of materials management, deleted the original “Materials Purchasing Management Measures”, “Materials Statistics and Analysis Management Measures” and other systems, and its provisions were unified into the “Materials Management Measures”, further Standardize material management and supplier management.

The Group optimizes the selection and assessment process of suppliers from multiple perspectives such as supplier admission, supplier supervision, supplier evaluation, and supplier environmental and social responsibility performance, and makes progress together with supplier partners.

### Supplier Access system

The Group has established a supplier screening process, adopting methods such as public bidding and comprehensive review, from the supplier’s compliance procedures, corporate strength, supply quality, delivery cycle, product price, after-sales service, as well as whether to obtain ISO9001, ISO14001 management system certification, etc., evaluate and grade suppliers. Suppliers that have been approved are included in the “Trial Supplier List” for a one-year trial period, tracking material quality services, and are included in the “Qualified Supplier List” after passing the test, and a supplier file is established. Conduct on-site visits and inspections of main material suppliers or important material suppliers as needed.

During the Reporting Period, the Group conducted public bidding for suppliers of main materials such as thin-walled stainless steel pipes, cast pipes, large valves, and water-making materials to determine shortlisted suppliers, and conducted annual evaluations for various suppliers to establish qualified suppliers and Trial provider list.

### 供應商管理系

本集團在報告期內繼續嚴格遵循《供應商管理辦法》《物資管理辦法》等內部制度，優化物資採購流程。報告期內，本集團對物資管理相關制度進行了修訂，將原《物資採購管理辦法》《物資統計分析管理辦法》等制度作刪減，其規定內容統一併入《物資管理辦法》中，進一步規範物資管理和供應商管理。

本集團從供應商准入、供應商監督、供應商評價以及供應商環境社會履責層面等多個角度，優化對供應商的選拔和考核流程，與供應商夥伴共同進步。

### 供應商准入制度

本集團建立供應商篩選流程，採用公開招標與綜合評審等方式，從供應商的合規手續、企業實力、供貨品質、交貨週期、產品價格、售後服務，以及是否取得ISO9001、ISO14001管理體系認證等方面，對供應商進行考核評分和等級劃分。經審批通過的供應商列入《試用供應商名單》，進行為期一年的試用，開展物資品質服務跟蹤，合格後列入《合格供應商名單》，並建立供應商檔案。根據需要對主材類供應商或重要材料供應商進行現場參觀、考察。

報告期內，本集團對薄壁不銹鋼管、鑄管、大閥門、制水材料等主材類供應商進行公開競爭性磋商公開招標確定入圍供應商，對各類供應商進行年度評審確定，建立合格供應商及試用供應商名單。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### *Supplier Review and Supervision*

The Group implements dynamic management of qualified suppliers, mainly supervising suppliers from the following aspects:

- When suppliers invite suppliers to build databases or invite bids, specify the technical/quality requirements for the products provided by the suppliers in the bidding documents, and reflect the product technical/quality standard terms when signing the procurement contract.
- Quality inspection of incoming products.
- Collect performance bond and quality bond, and notify the supplier to deal with product quality problems during the warranty period.
- Carry out dynamic management of suppliers, formulate a daily assessment mechanism, and review suppliers in combination with annual reviews to ensure survival of the fittest.

In addition, in order to respond to the price adjustment demands of suppliers brought about by the increase in raw material market prices in 2022, the Group has strengthened daily communication and negotiations with suppliers, achieved stability in raw material prices, and guaranteed material supply at the same time.

### **Supplier Performance Evaluation**

The Group's Material Purchasing Management Committee reviews suppliers every year, and revises the "Qualified Supplier List" based on the review results. Suppliers that fail to meet production and procurement requirements will be eliminated from the supplier list. At the same time, the Group conducts regular follow-up surveys on the quality of suppliers' products as a basis for daily evaluation and assessment of suppliers.

### 供應商評審監督

本集團對合格供應商實施動態管理，主要從以下幾方面監督供應商：

- 在供應商公招建庫或邀請招標時，在招標檔中明確對供應商提供的產品需滿足的技術／品質要求，並在簽訂採購合同時體現產品技術／品質標準條款。
- 對到貨產品進行品質驗收。
- 收取履約保證金和品質保證金，質保期內出現產品品質問題，通知供應商進行處理。
- 對供應商進行動態管理，制定日常考核機制，結合年度評審對供應商進行審查，優勝劣汰。

此外，為應對2022年原材料市場價格上漲帶來的供應商調價訴求，本集團加強了與供應商的日常溝通和談判，爭取到了原材料價格的穩定，同時保障了物資供應。

### 供應商績效評價

本集團物資採購管理委員會每年對供應商進行評審，根據評審結果對《合格供應商名單》進行修訂，經確認達不到生產及採購要求的供應商，將淘汰出供應商名單。同時，本集團定期對供應商產品進行品質跟蹤調查，作為對供應商日常評審考核的依據。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

During the reporting period, the Group further strengthened the daily assessment of suppliers, not only deducting points and fines, but also rewarding suppliers with positive cooperation points. For example: during the lockdown period of the epidemic on October 8, Sichuan Rongsu Co., Ltd. actively responded to the company's procurement needs. When transport vehicles were restricted from entering and leaving the city, they actively contacted Sichuan Jingdong Logistics, and through Jingdong Materials, urgently needed maintenance materials (PE \ PPR) was delivered to Luzhou as required, which ensured the company's need for emergency repair materials and stockpiles. An additional 5 points were awarded.

#### **Environmental and Social Responsibility Management of Suppliers**

The Group pays attention to the environmental and social responsibility performance of suppliers, and formulates a number of measures to optimize the environmental and social management of suppliers:

- According to the "Material Management Measures" and "Supplier Management Measures" formulated by the group, suppliers with high reputation, strong comprehensive strength, products that meet environmental protection requirements, quality assurance, and timely after-sales service are selected through comprehensive scoring;
- Suppliers are required to provide quality (environmental) management system certification certificates, special equipment design or manufacturing licenses, certification certificates that must be included in compulsory certification products stipulated by the state, water sanitation license approval documents, etc.;
- The Group has formulated the "Material Management Measures" to identify ESG risks in planning, procurement, acceptance, warehousing, contracts, and assessment;
- When signing a procurement contract, sign environmental and occupational safety and health management agreements with suppliers to effectively control environmental factors and occupational health and safety risks involved in products and transportation;

報告期內，本集團進一步加強對供應商的日常考核，不僅是扣分與罰款，對積極協作的供應商給予加分獎勵。例如：10月8日疫情封控期間，四川榮塑公司積極響應公司採購需求，在運輸車輛被限制出入城的情況下，積極聯繫四川京東物流，通過京東物資將急需要的搶維修物資(PE\PPR)按要求送達瀘州，保證了公司搶修物資備庫需要給予加5分獎勵。

#### **供應商環境社會履責管理**

本集團關注供應商的環境與社會責任履責情況，制定多項措施優化供應商環境及社會方面的管理：

- 根據集團制定的《物資管理辦法》和《供應商管理辦法》，通過綜合評分選擇信譽度高、綜合實力強、產品符合環保要求、品質有保證、售後服務及時的供應商；
- 要求供應商提供品質(環境)管理體系認證證書、特種設備設計或製造許可證、國家規定的必須納入強制認證產品的認證證書、涉水衛生許可證批件等有效證明文件；
- 集團制定有《物資管理辦法》，對計劃、採購、驗收、入庫、合同、考核各環節的ESG風險進行識別；
- 在簽訂採購合同時，同時與供應商簽訂環境、職業安全健康管理協定，對產品及運輸所涉及的環境因素、職業健康安全風險進行有效控制；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- If a supplier has environmental pollution, violation of labor standards, etc., we will downgrade or cancel his supplier qualification depending on the degree of violation.
- 若供應商出現環境污染、違反勞工準則等情況，我們將視違規程度對其供應商資格進行降級或取消處理。

| Indicator name<br>指標名稱  | Unit<br>單位   | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |      |
|---|--|----------------|----------------|----------------|------|
| Total suppliers<br>供應商總數  | (unit)<br>(個)  | <b>237</b>     | 194            | 198            |      |
| Number of suppliers by region<br>按地區劃分的供應商數量  | Number of suppliers in Sichuan Province<br>四川省供應商數目  | (unit)<br>(個)  | <b>182</b>     | 131            | 153  |
|   |  | (%)            | <b>77</b>      | 68             | 77   |
|   | Number of suppliers in Chongqing<br>重慶市供應商數目   | (unit)<br>(個)  | <b>21</b>      | 12             | 12   |
|   |  | (%)            | <b>9</b>       | 6              | 6    |
|   | Number of suppliers in mainland China other than Sichuan and Chongqing<br>四川及重慶以外大陸地區供應商數目 | (unit)<br>(個)  | <b>34</b>      | 51             | 33   |
|   |  | (%)            | <b>14</b>      | 26             | 17   |
| Number and proportion of suppliers by category – sewage treatment business<br>按類別劃分的供應商數量及比例 – 污水處理業務 | General equipment<br>通用設備類   | (unit)<br>(個)  | <b>30</b>      | 20             | 30   |
|   |  | (%)            | <b>13</b>      | 16.5           | 22.7 |
|   | Professional equipment<br>專業設備類  | (unit)<br>(個)  | <b>5</b>       | 16             | 21   |
|   |  | (%)            | <b>2</b>       | 13.2           | 15.9 |
|   | Special equipment<br>特種設備類   | (unit)<br>(個)  | <b>0</b>       | 0              | 0    |
|   |  | (%)            | <b>0</b>       | 0              | 0    |
|   | Safety materials<br>安全物資類  | (unit)<br>(個)  | <b>3</b>       | 3              | 4    |
|   |  | (%)            | <b>1</b>       | 2.5            | 3.0  |
|   | Production of medicines<br>生產藥劑  | (unit)<br>(個)  | <b>14</b>      | 14             | 10   |
|   |  | (%)            | <b>6</b>       | 11.6           | 7.6  |
|   | Production aids, logistical materials<br>生產輔助、後勤物資   | (unit)<br>(個)  | <b>39</b>      | 45             | 50   |
|   |  | (%)            | <b>16</b>      | 37.2           | 37.9 |
|   | service outsource<br>服務外包  | (unit)<br>(個)  | <b>34</b>      | 23             | 17   |
|   |  | (%)            | <b>14</b>      | 19.0           | 12.9 |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱  | Unit<br>單位                   | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|---|------------------------------|----------------|----------------|----------------|
| Number and proportion of suppliers by category<br>– water supply business<br>按類別劃分的供應商數量及比例 – 自來水業務 | Main material<br>(unit)      |                |                |                |
|   | (個)                          | <b>48</b>      | 46             | 40             |
|   | (%)                          | <b>20</b>      | 63.0           | 60.6           |
|   | Accessories<br>(unit)        |                |                |                |
|   | (個)                          | <b>12</b>      | 11             | 7              |
|   | (%)                          | <b>5</b>       | 15.1           | 10.6           |
|   | Important material<br>(unit) |                |                |                |
|   | (個)                          | <b>4</b>       | 6              | 4              |
|   | (%)                          | <b>2</b>       | 8.2            | 6.1            |
|   | Equipment<br>(unit)          |                |                |                |
|   | (個)                          | <b>11</b>      | 12             | 13             |
|   | (%)                          | <b>5</b>       | 16.4           | 19.7           |
|   | Electrical<br>(unit)         |                |                |                |
|   | (個)                          | <b>2</b>       | 2              | 2              |
|   | (%)                          | <b>1</b>       | 2.7            | 3.0            |
| Implementation of annual evaluation rates on practices to suppliers<br>向供應商執行有關慣例的年度評價率             | (%)                          | <b>100</b>     | 100            | 100            |

### Anti-corruption

Enterprises should operate with integrity, abide by business ethics, and be responsible for business conduct. We strive to establish a compliance management system in line with industry-leading practices. The Group strictly abides by the “Company Law of the People’s Republic of China”, “Anti-Money Laundering Law of the People’s Republic of China” and other national laws and regulations related to anti-corruption and anti-bribery. “Management Measures for Project Cost Editing and Examination”, “Management Measures for Construction Projects”, “Material Management Measures”, “Tendering Comparison and Selection Management Measures”, “Three Important and One Large” Matters Decision-Making Management Measures, and “Implementation Measures for Pursuing Responsibility for Illegal Operation and Investment” are firmly opposed and rejected. Corruption is explicitly prohibited, hoping to create a clean, honest, and honest cultural atmosphere within the group.

### 反腐倡廉

企業應誠信經營，恪守商業道德，對商業行為負責，我們努力建立符合業界領先實踐的合規管理體系。本集團嚴格遵守《中華人民共和國公司法》《中華人民共和國反洗錢法》等反貪污、反賄賂相關國家法律法規，制定《預防職務犯罪工作制度》《廉潔談話制度》《工程項目招標管理辦法》《工程造價編審管理辦法》《建設工程項目管理辦法》《物資管理辦法》《招標比選管理辦法》《「三重一大」事項決策管理辦法》《違規經營投資責任追究實施辦法》堅決反對並明令禁止貪腐行為，希望在集團內部營造風清氣正廉潔誠信的文化氛圍。

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

During the year, in order to effectively implement the main responsibility of strictly governing the party in an all-round way, build a supervision mechanism of “don’t dare to be corrupt, can’t be corrupt, and don’t want to be corrupt”, and promote the modernization of the group’s governance system and governance capabilities, the group company took the opportunity of “promoting reform with cases” to carry out in-depth special work on the “three major promotion actions”, “four special rectifications” and “five education warnings”;

#### **Anti-corruption management**

For anti-corruption management, the Group not only pays attention to the implementation of relevant integrity responsibilities, but also pays attention to strengthening the ideological construction of employees, and adopts various measures to implement anti-corruption management to ensure the efficient and orderly operation of the Group:

- The Group signed integrity-related responsibility letters with corresponding organizations and individuals, such as signing the annual “Integrity Practice Objective Responsibility Letter” with personnel in integrity risk positions, and each party branch of the Group signed the “Party Construction and Party Style Integrity Construction Objective Responsibility Letter” etc.;
- Introduced the “Integrity Conversation System” to improve the integrity risk prevention and control system and effectively prevent integrity risks;
- For middle and low-level management personnel, the Group organized an oath of integrity, and held integrity talks with them before and during their tenure, to strengthen employees’ integrity awareness, strengthen the Group’s integrity building and the education of the workforce management, and improve the supervision and restriction mechanism of clean and honest employment;

本年度，為切實落實全面從嚴治黨主體責任，構建「不敢腐、不能腐、不想腐」的監督機制，推進集團治理體系和治理能力現代化，集團公司以「以案促改」為契機，深入開展「三大提升行動」、「四項專項整治」和「五個教育警示」專項工作；

#### **反貪污管理**

針對反貪污管理，本集團既關注相關廉潔責任的落實，又注重加強對員工的思想建設，採取多種措施落實反貪污管理，保障本集團高效有序運營：

- 本集團與相應組織和個人簽訂廉潔相關的責任書，如與廉潔風險崗位人員簽訂了年度《廉潔從業目標責任書》，本集團各黨支部與黨委簽訂《黨建及黨風廉潔建設目標責任書》等；
- 出台了《廉潔談話制度》，完善廉潔風險防控體系，有效防範廉潔風險；
- 對於中、基層管理人員，本集團組織開展了廉潔宣誓，並在其任職前和任期內分別對其進行廉潔談話，致力於強化員工的廉潔意識，加強本集團黨風廉潔建設和員工隊伍的教育管理，健全廉潔從業監督制約機制；



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- Carrying out social evaluation work on the construction of a clean and honest government, and enhance the integrity awareness of the group's party members and leading cadres;
- Carrying out post integrity risk investigations, and establish integrity risk point investigation tables and prevention and control measures;
- 開展黨風廉政建設社會評價工作，增強集團黨員、領導幹部廉潔意識；
- 開展崗位廉潔風險排查工作，建立廉潔風險點排查表和防控措施；

Making full use of the Company's WeChat public account, website and other media to report in a timely manner on the integrity construction work and major measures to combat corruption and promote integrity, and enhance the publicity and effect of the integrity culture.

充分利用公司微信公眾號、網站等載體及時報道廉潔建設工作和反腐倡廉的重大舉措，增強廉潔文化的宣傳聲勢和效果。

#### **Reporting channel**

The Group actively encourages the public to strengthen supervision, and has set up a reporting hotline (0830-2367075) and a reporting mailbox (397027037@qq.com) to facilitate timely and accurate feedback from the public and promote the healthy operation and steady development of the Group.

#### **舉報管道**

本集團積極鼓勵群眾加強監督，設立舉報電話(0830-2367075)，舉報郵箱(397027037@qq.com)等，方便群眾及時準確地進行回饋，促進本集團健康運行、穩步發展。

#### **Anti-corruption training**

In order to effectively strengthen the construction of the Group's party style and integrity, the Group has comprehensively carried out a number of anti-corruption trainings and strengthened the warning education of honesty:

#### **反貪污培訓**

為切實加強本集團黨風廉潔建設，本集團全面開展了多項反貪污培訓，強化廉潔從業警示教育：

- Invite lawyers and other external experts to carry out relevant training on anti-corruption and honesty for members of the board of directors;
- Invite people from government agencies in the place of operation to conduct anti-corruption training for middle and high-level managers of the headquarters and managers of key units;
- 邀請律師等外部專家對董事會成員開展反腐倡廉的相關培訓；
- 邀請經營所在地的政府機構人士對總部中高層管理人員、重點單位的管理人員進行反貪污培訓；

## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

- The party committee of the Group organizes a monthly study and training meeting for the central group of the party committee. Members of the party committee, team members, members of the discipline inspection committee, and branch secretaries of each party (general branch) of the group participate in the training sessions, and each training lasts for 2 hours;
- Held monthly party branch study (expansion) meetings to learn laws and regulations on integrity and related typical cases.
- 本集團黨委每月組織黨委中心組學習培訓會，本集團黨委委員、班子成員、紀委委員、各黨(總支)支部書記參加，每次培訓時長2小時；
- 每月召開黨總支學習(擴大)會，學習廉潔方面的法律法規及相關典型案例。

#### **Anti-corruption advertisement**

Before holidays, the Group sends integrity text messages to group leaders and middle managers, pushes integrity WeChat messages to all members of the group, and establishes a “three mornings and three cards” system to issue integrity reminder cards to important positions. During the reporting period, the Group produced the “Professional Ethics and Integrity Practice Manual” and sent it to each employee to convey the bottom line awareness of anti-corruption to employees, establish a correct direction of public opinion, and create a “proud of honesty and shame of corruption” atmosphere.

During the reporting period, the Group had no violations of law and discipline such as corruption, commercial bribery, extortion, fraud and money laundering.

For the key areas of internal audit, that is, the internal audit of the Group’s engineering projects, we have formulated the “Management Measures for the Editing and Review of Engineering Costs”, and audit work is carried out according to the amount of the project. The key points are reviewed, and third-party manufacturers are hired to review and issue project budget and final account reports.

#### **反貪污宣傳**

本集團在節假日前向集團領導、中層管理人員推送廉潔短信，向集團全體人員推送廉潔微信，並建立了「三早三卡」制度，向重要崗位人員發放廉潔提醒卡。報告期內，本集團製作了《職業道德暨廉潔從業手冊》，並發送到每位員工，向員工傳達反貪污的底線意識。

報告期內，本集團未發生貪污、商業賄賂、勒索、欺詐及洗黑錢等違法違紀案件。

針對內審關注的重點領域，即集團工程項目的內審方面，我們制定了《工程造價編審管理辦法》，根據工程項目的金額大小分級進行審計工作，集團法審部按審核許可權，針對專案關鍵點進行複審，並聘請協力廠商審核出具工程預算、決算報告。

## Intellectual Property Innovative Technology

### *Intellectual Property Management*

Technological innovation is an important support for the improvement of product and service quality. The Group supports technological innovation and attaches great importance to the protection of property rights. The Group strictly abides by laws and regulations such as the “Patent Law of the People’s Republic of China”, “Trademark Law of the People’s Republic of China” and “Copyright Law of the People’s Republic of China”, and issued the “Intellectual Property Management Measures” to protect the intellectual property rights held by the Group, standardize the management of intellectual property rights, encourage employees’ enthusiasm for invention and creation, and promote the promotion and application of scientific and technological achievements.

The “Administrative Measures for Intellectual Property Rights” has five chapters and eighteen articles. It provides management regulations in terms of the definition of intellectual property rights, management institutions and responsibilities, management content, rewards and punishments, etc., so as to do a good job in the development and management of intellectual property rights, management of operation and use, etc.

As of the end of the reporting period, the Group has been approved for 1 intellectual property right, including 1 utility model patent for technology research and development in 2022. The Group has made remarkable achievements in scientific research and innovation, which has enhanced the Group’s core competitiveness.

## 智慧財產權創新技術

### *智慧財產權管理*

技術創新是產品和服務品質提升的重要支撐，本集團支援技術創新，並高度重視產權保護工作。本集團嚴格遵守《中華人民共和國專利法》、《中華人民共和國商標法》及《中華人民共和國著作權法》等法律法規，並出臺《智慧財產權管理辦法》，以保護本集團持有的智慧財產權，規範智慧財產權管理工作，鼓勵員工發明創造的積極性，促進科技成果的推廣應用。

《智慧財產權管理辦法》共五章十八條，從智慧財產權的定義、管理機構和職責、管理內容及獎懲等方面進行了管理規定，以便做好對智慧財產權的開發管理、經營使用管理等工作。

截至報告期末，本集團共獲批智慧財產權1項，其中2022年在技術研發方面獲批1項實用新型專利，集團科研創新成效顯著，提升了集團核心競爭力。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Technology led innovation and development

### 技術引領創新發展

Innovation drives development. The Group continues to promote the exploration of new technologies and new projects, and cooperates with partners such as universities and industries to carry out a number of new projects.

創新驅動發展。本集團持續推進新技術新項目的探索，與高校、行業等夥伴合作開展多個新項目。

#### Case Study: Successfully tested zero-discharge electrolysis of waste water to produce green hydrogen technology

##### 案例：成功試驗廢水零排放電解製綠氫技術

Xie Longfei, general manager of Qingbaijiang Company, led the technical backbone of the company to cooperate with the scientific research team of Professor Tang Junlei, the executive vice president of the Carbon Neutral Research Institute of Southwest Petroleum University, the vice president of the School of Chemistry and Chemical Engineering, and the academic backbone of Tianfu Yongxing Laboratory to jointly develop advanced electrolytic green hydrogen technology. The integrated system of wastewater treatment and hydrogen production of Southwest Petroleum University was used for testing, and the results showed that the water quality after electrocatalytic treatment was significantly improved.

Based on the existing research and breaking the traditional thinking mode, on the one hand, the coupling of water treatment and electrolytic hydrogen production shortens the water treatment process; The cost and the dependence of hydrogen production on high-quality water sources have realized the energy conversion of wastewater.

青白江公司總經理謝龍飛帶領公司技術骨幹與西南石油大學碳中和研究院常務副院長、化學化工學院副院長、天府永興實驗室學術骨幹唐鑑磊教授的科研團隊合作共同研發先進電解制綠氫技術。利用西南石油大學的廢水處理與製氫一體化系統進行測試，結果顯示經過電催化處理的水質得到明顯的改善。

以現有的研究，加上打破傳統的思想模式，一方面將水處理與電解制氫耦合，縮短了水處理流程，另一方面實現了末端的外排水直接電解制氫，大幅度降低了水處理成本和制氫對於高品質水源的依賴，實現了廢水能源化。





## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

**Case study: Guizhou Smart Water Technology Co., Ltd. signed a strategic cooperation agreement with Luzhou Xinglu Smart Water Technology Co., Ltd.**

**案例：貴州智慧水利科技有限責任公司與瀘州市興瀘智慧水務科技有限責任公司簽訂戰略合作協定**

On April 26, Guizhou Smart Water Conservancy Technology Co., Ltd. signed a strategic cooperation agreement with the Group, and conducted in-depth exchanges and discussions on water plant automation, cloud computing, and smart water quality management. This cooperation was of great significance to the Group in terms of smart water, and it also greatly shortened the distance between people in the water industry.

4月26日，貴州智慧水利科技公司與本集團簽訂戰略合作協定，並就水廠自動化、雲端計算及水質智慧管理等多方面進行深入交流及討論。此次合作對於本集團在智慧管理水務等方面有重大意義，同時亦大大拉近水務業界人士的距離。



# Chapter X Environmental, Social and Governance Report (Continued)

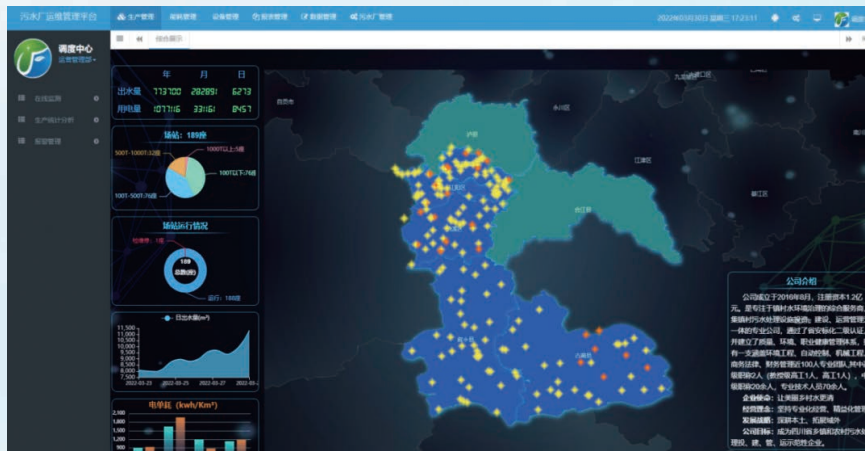
## 第十章 環境、社會及管治報告(續)

### Case study: The Group's town and village sewage treatment intelligent operation management platform officially started service

#### 案例：本集團鎮村污水治理智慧化運營管理平台正式開始服務

The Group uses “Internet +” technology to create an intelligent operation and management platform for sewage treatment that is suitable for rural use. As of the end of March 2022, the platform has completed 7 sub-modules including production analysis and display system, monitoring system, report management system, equipment management system, and inspection management platform. It can realize the water quality input of 5 online monitoring plants, the real-time statistics of water and electricity of 39 plants, the video monitoring and viewing of 83 plants, the query of equipment information on 137 websites and other functions. A digital and precise platform can manage and monitor the entire sewage system more efficiently.

本集團利用「互聯網+」技術，打造出符合鄉村使用的污水治理智慧化營運管理平台。截止2022年3月底，該平台已搭建完成生產分析展示系統、監控系統、報表管理系統、設備管理系統、巡檢管理平台等7個子模組。可實現5個線上監控廠站的水質錄入、39個廠站水電量即時統計、83個廠站視頻監控查看、137個網站設備資訊查詢及其他功能。數字及精準化的平台能更高效管理及監測整個污水系統。



### Information Security and Data Security

The Group attaches great importance to protecting customer privacy. The “Comprehensive Business Charge System Management Measures” formulated by the Group clearly stipulates that employees are not allowed to freely provide information such as user names, phone numbers, and ID cards in the system, and strictly require employees to follow the management measures. The Group has signed a confidentiality agreement with employees who have permission to enter the user system, and training related to privacy protection is provided to relevant personnel every year. In the event that a customer requests to inquire about their water consumption, the Group will require the user to present a water card or identification document, and will only inquire about the information after verifying the identity information, strictly protecting the privacy of each customer.

### Passion in charity, warming communities

#### *Commitment to society*

Coexistence and co-prosperity with the community is an important factor in promoting the steady development of the enterprise. Over the years, while operating our business, we have also actively carried out community charity activities rooted in the localities where we operate, in order to promote the harmonious integration of the enterprise and the community and achieve the common development of the enterprise and the community.

The Group enthusiastically invests in public welfare undertakings, promotes the development of public welfare undertakings in various fields such as community participation and targeted poverty alleviation, strives to repay the society, promotes social progress, and actively fulfills social responsibilities.

### 資訊安全與數據安全

本集團高度重視保護客戶隱私。本集團制定的《綜合營業收費系統管理辦法》中，明確規定員工對於系統中使用姓名、電話、身份證等資訊不得隨意對外提供，並嚴格要求員工遵照該管理辦法執行。對於有許可權進入使用者系統的員工，本集團均與其簽訂保密協定，對相關人員會每年進行隱私保護相關的培訓。如遇到客戶要求查詢其用水情況的情景，本集團會要求用戶出示水卡或身份證明文件，驗明身份資訊後才會為其查詢資訊，嚴格保護每一位客戶的隱私。

### 熱心公益、溫暖社會

#### *投身社會公益*

與社區共生共榮是推進企業事業穩健發展的重要因素。多年來，我們在經營業務的同時，亦積極開展植根經營所在地的社區公益活動，以促進企業與社區的和諧共融，實現企業與社區的共同發展。

本集團熱心投入公益事業，在社區參與、精準扶貧等多個領域推動公益事業發展，努力回報社會，促進社會進步，積極履行社會責任。

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

| Indicator name<br>指標名稱  | Unit<br>單位        | 2022<br>2022年度 | 2021<br>2021年度 | 2020<br>2020年度 |
|---|-------------------|----------------|----------------|----------------|
| Number of times organizing or participating in public welfare activities<br>組織或參與公益活動的次數  | times             | 38             | 86             | 87             |
| Number of people organizing or participating in public welfare activities<br>組織或參與公益活動的人次 | person-time       | 792            | 857            | 1,490          |
| Length of time organizing or participating in nonprofit activities<br>組織或參與公益活動的時長        | hours             | 104            | 313            | 354            |
| Amount invested in public welfare activities<br>公益活動投入金額                                  | RMB '000<br>千元人民幣 | 51.0           | 56.5           | —              |

### Community involvement

During the reporting period, employees of the Group actively participated in community and related voluntary activities to contribute to building a harmonious society:

### 社區參與

報告期內，本集團員工積極參與社區及相關的志願活動，為建設和諧社會貢獻力量：

#### Case Study: Helping with rural revitalize consumption

#### 案例：幫助鄉村振興消費

Knowing that the sales of agricultural products in Yuxiangping Village are affected by unfavorable geographical factors, the Group sent Wang Ming, the first secretary of Yuxiangping Village, Xuyong County, to lead the village working team to carry out the “Love Consumption Support” activity. Some agricultural products are displayed at the Group and immediate subscription is allowed. At the same time, employees of the Company are also encouraged to give full play to their own advantages and responsibilities to help revitalize the rural economy.

因瞭解到魚香坪村因不利的地理因素影響其農產品銷售的情況，與瀘水務集團派駐敘永縣魚香坪村第一書記王銘帶領駐村工作隊開展「愛心消費幫扶」活動，於在興瀘水務集團展示部分農產品並容許即時認購，同時亦鼓勵公司員工發揮自身優勢及責任幫助振興鄉村經濟。





## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

### Case Study: Solving problems for the citizens and showing the spirit of the Group to help others as the foundation of happiness

#### 案例：為市民解難，展現本集團助人為快樂之本的精神

During the daily maintenance of trees in the Lantian Water Plant, a request was received from two elderly people who lived near the Lantian Water Plant to process the sycamore trees that might damage their house, a task they could not complete on their own due to old age. After receiving the request, the Group immediately arranged staff to clean up with professional equipment. The Company's pragmatic and socially caring work style was approved and thanked by two elderly people, and a pennant was presented to the water production company of the Group.

興瀘水務集團下的藍田水廠在日常對樹木維護的過程中，接到住在藍田水廠附近的兩名老年人的請求，因年齡的限制無法自行完成清理工作，希望能將可能損壞其房屋的梧桐樹進行處理。本集團接到請求後隨即安排工作人員，利用專業器材及知識進行清理。公司務實及關懷社會的工作作風得到兩名老年人的贊同及感謝，並贈送一面錦旗送到興瀘水務集團制水公司。



## Chapter X Environmental, Social and Governance Report (Continued)

### 第十章 環境、社會及管治報告(續)

#### Case Study: Xinglu Water Group conducts blood donation activities and demonstrates the spirit of voluntary action with practical actions

##### 案例：興瀘水務集團進行捐血活動，以實際行動展現出無償的精神

On March 21, 2022, Luzhou Xinglu Water (Group) Co., Ltd. organized a voluntary blood donation activity. The 60 party members, cadres and workers who participated in the activity donated a total of 18,500 ml of blood. The blood donation activity can not only regulate the hematopoietic function in the body, but most importantly, contributes to saving lives. It is a very honorable and loving act, which shows that the Group is enthusiastic about participating in public welfare undertakings and has the determination to enhance the positive energy of society.

2022年3月21日，瀘州市興瀘水務(集團)股份有限公司組織開展無償獻血活動，參與活動的60名黨員幹部職工共獻出血液高達18,500毫升，捐血活動不僅能調節體內造血功能，最重要的是能為拯救生命貢獻自己的力量，是十分光榮且大愛的行為，展現出興瀘水務集團熱心參與公益事業，並擁有提升社會正能量的決心。



#### Rural revitalization

As a livelihood enterprise, the Group actively implements the corporate mission of “fulfilling responsibilities, creating value, and making people happy”, fulfills social responsibilities, and formulates scientific and reasonable assistance work plans closely around rural revitalization. The first secretary is stationed in the village to guide grassroots party building and lead the work of rural revitalization. By contacting organizations such as the Agriculture and Rural Affairs Bureau and the Young Entrepreneurs Association, the Group explained how to contact villages to formulate project plans for camellia oleifera planting and laying hen breeding, and guided cooperatives and farmers to carry out scientific planting and breeding to help revitalize the countryside.

#### 鄉村振興

作為民生企業，本集團積極踐行「履行責任、創造價值、幸福百姓」的企業使命，履行社會責任，緊密圍繞鄉村振興工作，制定科學合理的幫扶工作計劃。派駐村第一書記，指導基層黨建，引領鄉村振興工作。本集團通過聯繫農業農村局、青年企業家協會等組織機構，因地制宜，說明了繫村制定油茶種植和蛋雞養殖項目計劃，指導合作社、農戶進行科學種養殖，助力鄉村振興。



# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Anti-pandemic

### 抗疫防疫

#### Testing station water supply

#### 檢測站供水

Xinglu Water uses its own professional knowledge and resources to support the communities where it operates and contributes to the fight against the COVID-19 epidemic. During the reporting period, the Group contributed to epidemic prevention and anti-epidemic work by installing temporary water supply systems for testing stations.

興瀘水務利用我們的專業知識和資源支持其經營所在的社區，為對抗新冠疫情付出。報告期間內，本集團為防疫抗疫等工作貢獻力量，為檢測站加裝臨時供水系統。

#### Case study: 2 hours to add a water supply system for the Olympic Nucleic Acid Monitoring Station 案例：2小時為奧體核酸監測站添加食水供應系統

Longmatan Water Supply Branch of Xinglu Water Group received an urgent task from the District Epidemic Prevention and Control Headquarters, requested to provide tap water for the temporary nucleic acid testing site in Sichuan Province, located in the Olympic Sports Center, to ensure that the nucleic acid testing station was put into use in a timely manner.

The water supply company of Longmatan District took immediate action and made overall arrangements. While communicating with the person in charge of the testing site, investigating and determining the basic situation of water points and water consumption, it quickly mobilized personnel, equipment, pipes, accessories, etc. to the scene. Rescue maintenance personnel urgently carried out construction at night, completed the task of laying more than 200 meters of pipelines at the inspection point, and met the water demand of the inspection station in time.

興瀘水務集團龍馬潭供水分公司接到區疫情防控指揮部緊急任務，要求為設在奧體中心的四川省援瀘臨時核酸檢測網站提供自來水，確保核酸檢測站及時投入使用。

龍馬潭區供水分公司立即行動、統籌安排，一邊與檢測網站負責人溝通對接，勘查確定用水點位、用水量等基本情況，一邊迅速調集人員、設備、管材、配件等到達現場。搶維修人員夜間緊急開展施工，完成了檢測點200多米的管線鋪設任務，及時滿足了檢測站用水需求。



## Chapter X Environmental, Social and Governance Report (Continued) 第十章 環境、社會及管治報告(續)

### Anti-pandemic voluntary services

### 疫情防控志願服務

During the reporting period, employees of the Group actively participated in voluntary work related to epidemic prevention and established a good image of serving the public.

報告期間內，本集團員工積極參與防疫相關志願工作，建立為市民服務的良好形象。

#### Case study: Fighting the epidemic with heart-to-heart volunteer service

##### 案例：以心連心的志願服務對抗疫情

Temporary static management is implemented in Longmatan District, Luzhou City. At 9:00 pm on August 31, the Municipal Civilization Office and the Municipal Volunteer Service Corps issued an urgent recruitment notice. According to the current epidemic prevention and control needs, it was urgent to recruit a group of volunteers in the city to participate in the epidemic prevention and control work in Longmatan District.

After meeting the requirements of epidemic prevention and control and recruitment conditions for voluntary services, and after community training, employees of the Group carried out voluntary services for epidemic prevention and control at the front line of anti-epidemic in Longmatan District. The volunteer service team went to the front line of epidemic prevention and control in Shangjie Community, Longmatan District, to carry out epidemic prevention and control publicity, cooperate with medical staff, maintain order, and conduct psychological counseling.

瀘州市龍馬潭區實行臨時性靜態管理。8月31日晚9點，市文明辦、市志願服務總隊緊急招募通知，根據當前疫情防控需要，急需在全市招募一批志願者參與龍馬潭區疫情防控工作。

在符合疫情防控要求和志願服務招募條件的情況下並經過社區培訓後，興瀘水務集團的員工於龍馬潭區抗疫一線，開展疫情防控志願服務。志願服務隊下沉龍馬潭區上大街社區疫情防控一線，進行疫情防控宣傳、配合醫務人員、維持秩序、心理疏導等工作。





# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### APPENDIX

### 附錄

#### Industry Association

#### 行業協會

##### Association name

##### 協會名稱

##### Participants (job status)

##### 參會主體(任職情況)

|   |  |
|---|--|
| China Urban Water Supply and Drainage Association<br>中國城鎮供水排水協會   | Luzhou Xinglu Water (Group) Co., Ltd. (Member)<br>瀘州市興瀘水務(集團)股份有限公司(會員)                      |
| Sichuan Urban Water Supply and Drainage Association<br>四川省城鎮供排水協會 | Luzhou Xinglu Water (Group) Co., Ltd. (Executive Director Unit)<br>瀘州市興瀘水務(集團)股份有限公司(常務理事單位) |
| Luzhou Youth Entrepreneurs Association<br>瀘州市青年企業家協會              | Luzhou Xinglu Water (Group) Co., Ltd. (Vice President Unit)<br>瀘州市興瀘水務(集團)股份有限公司(副會長單位)      |

# Chapter X Environmental, Social and Governance Report (Continued)

## 第十章 環境、社會及管治報告(續)

### Awards and achievements (all awards)

### 獎項榮譽(全部獎項)

In 2022, the main honors won by the Group are as follows:

2022年，本集團獲得的主要榮譽如下：

| Awadee<br>獲獎單位  | Award<br>獎項  |
|---|--|
| Luzhou Xinglu Water (Group) Co., Ltd.<br>瀘州市興瀘水務(集團)股份有限公司    | 2021 Outstanding Performance Award<br>2021年度卓越業績獎  |
| Luzhou Xinglu Water (Group) Co., Ltd.<br>瀘州市興瀘水務(集團)股份有限公司    | 2021 Luzhou State-owned Assets System Office Work Comprehensive Evaluation Second Prize<br>2021年度瀘州市國資系統辦公室工作綜合考評二等獎     |
| Luzhou Xinglu Water (Group) Co., Ltd.<br>瀘州市興瀘水務(集團)股份有限公司    | 2021 Information Propaganda Work Advanced Collective Second Prize<br>2021年度資訊宣傳工作先進集體二等獎                                 |
| Luzhou Xinglu Wastewater Treatment Co., Ltd.<br>瀘州市興瀘污水處理有限公司 | Excellent Operation and Maintenance Unit of Urban Domestic Sewage in Sichuan Province<br>四川省城鎮生活污水優秀運維單位                 |
| Luzhou Xinglu Wastewater Treatment Co., Ltd.<br>瀘州市興瀘污水處理有限公司 | Excellent Operation and Maintenance Unit of Domestic Sewage in Villages and Towns of Sichuan Province<br>四川省村鎮生活污水優秀運維單位 |
| Luzhou Xinglu Wastewater Treatment Co., Ltd.<br>瀘州市興瀘污水處理有限公司 | Advanced Unit of Smart Water Application in Sichuan Province<br>四川省智慧水務應用先進單位  |
| Luzhou Xinglu Wastewater Treatment Co., Ltd.<br>瀘州市興瀘污水處理有限公司 | Innovation and high-quality development of water environment in Sichuan Province Advanced unit<br>四川省水環境創新與高品質發展先進單位     |

# Chapter XI Financial Report

## 第十一章 財務報告

### Audit Report 獨立核數師報告



信永中和會計師事務所

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#### Audit Report

XYZH/2023CDAA7B0050

To the shareholders of Luzhou Xinglu Water (Group) Co., Ltd.

### I. AUDIT OPINION

We have audited the financial statements of Luzhou Xinglu Water (Group) Co., Ltd. (the “Company” or “Xinglu Water Company”), which comprise the consolidated and the Parent Company’s balance sheets as at 31 December 2022, and the consolidated and the Parent Company’s income statements, the consolidated and the Parent Company’s cash flow statements, the consolidated and the Parent Company’s statements of changes in equity for 2022 and the notes to the financial statements.

In our opinion, the accompanying financial statements of Xinglu Water present fairly, in all material aspects, Xinglu Water’s and the Parent Company’s consolidated financial position as at 31 December 2022 and its and the Parent Company’s consolidated results of operations and cash flows for the year 2022 in accordance with the Accounting Standards for Business Enterprises.

#### 審計報告

XYZH/2023CDAA7B0050

瀘州市興瀘水務(集團)股份有限公司全體股東：

### 一、審計意見

我們審計了瀘州市興瀘水務(集團)股份有限公司(以下簡稱「興瀘水務公司」)財務報表，包括2022年12月31日的合併及母公司資產負債表，2022年度的合併及母公司利潤表、合併及母公司現金流量表、合併及母公司股東權益變動表，以及相關財務報表附註。

我們認為，後附的財務報表在所有重大方面按照企業會計準則的規定編製，公允反映了興瀘水務公司2022年12月31日的合併及母公司財務狀況以及2022年度的合併及母公司經營成果和現金流量。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Audit Report (Continued)

#### 獨立核數師報告(續)

### II. BASIS OF AUDIT OPINION

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of Xinglu Water Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Chinese Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 二、形成審計意見的基礎

我們按照中國註冊會計師審計準則的規定執行了審計工作。審計報告的「註冊會計師對財務報表審計的責任」部分進一步闡述了我們在這些準則下的責任。按照中國註冊會計師職業道德守則，我們獨立於興瀘水務公司，並履行了職業道德方面的其他責任。我們相信，我們獲取的審計證據是充分、適當的，為發表審計意見提供了基礎。

### 三、關鍵審計事項

關鍵審計事項是我們根據職業判斷，認為對本期財務報表審計最為重要的事項。這些事項的應對以對財務報表整體進行審計並形成審計意見為背景，我們不對這些事項單獨發表意見。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Audit Report (Continued)

### 獨立核數師報告(續)

## III. KEY AUDIT MATTERS (Continued)

## 三、關鍵審計事項(續)

### 1. Revenue recognition

### 1、收入確認事項

#### Key audit matters

#### 關鍵審計事項

As shown in 40. Operating Revenue and Operating Costs of Note VI to the financial statements of Xinglu Water Company, Xinglu Water Company is mainly engaged in the business of water supply, sewage treatment and household meter installation projects, and the total operating revenue of water supply, sewage treatment and household meter installation projects in 2022 was RMB1,291 million, accounting for 91.13% of the current operating revenue. Whether the recognition of operating revenue is appropriate has a significant impact on the financial statements of Xinglu Water Company. Therefore, we identified the recognition of the operating revenue of Xinglu Water Company as a key audit matter.

如興瀘水務公司財務報表附註六、40.營業收入、營業成本所示，興瀘水務公司主要從事供水、污水處理和戶表安裝工程業務，2022年度供水、污水處理和戶表安裝工程業務合計營業收入為12.91億元，佔當期營業收入的91.13%。營業收入的確認是否適當對興瀘水務公司財務報表將產生重大影響，因此我們將興瀘水務公司的營業收入確認確定為關鍵審計事項。

#### Audit response

#### 審計中的應對

The following procedures were primarily performed during the process of audit on the financial statements for 2022:

1. Understand and evaluate the design and operating effectiveness of the management's key internal controls related to revenue recognition;
2. Recalculate the tap water sales revenue according to the approved unit price classification based on the unit prices approved by the pricing department on the basis of the sales volume recognised in the monthly sales report aggregated by the water volume recorded in each meter reading section in each month and different tap water;

2022年度財務報表審計中，主要執行以下程序：

- 1、瞭解和評價管理層與收入確認相關的關鍵內部控制的設計和運行有效性；
- 2、根據各抄表區段每月抄錄水量匯總的銷售月報確認的售水量，按照不同的自來水用途，物價部門核定了不同單價，按照分類核定單價重新計算自來水銷售收入；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Audit Report (Continued)

### 獨立核數師報告(續)

#### III. KEY AUDIT MATTERS (Continued)

#### 三、關鍵審計事項(續)

##### 1. Revenue recognition (Continued)

##### 1、收入確認事項(續)

###### Key audit matters

###### 關鍵審計事項

###### Audit response

###### 審計中的應對

3. Based on the analysis of water production and sales volume, analyse the rationality of the change in production and sales difference in each month, and thereby judge whether there existed any abnormal fluctuation in the amount of tap water sales revenue in the year in combination with the analysis on tap water sales revenue and gross profit;
  4. For wastewater treatment revenue, verify the original certificates such as relevant franchise agreements and statistical tables of wastewater treatment volumes confirmed by designated government departments to confirm whether the wastewater treatment revenue is a true and accurate record;
  5. Send letters to the local finance bureaus, city administration bureaus and comprehensive administrative law-enforcing bureaus for verification;
  6. Check the household meter installation works contracts, service settlement sheets and works completion acceptance data; Send letters, by sampling, to the clients of household meter installation works for verification.
- 3、在對制水量與售水量進行分析的基礎上，對各月份產銷差的變動合理性進行分析，同時結合對自來水銷售收入以及毛利情況的分析，判斷本年度自來水銷售收入是否出現異常波動的情況；
  - 4、對污水處理收入，核對相關特許經營協議和經政府指定部門確認的污水處理量統計表等原始憑證，以確認污水處理收入是否真實準確的記錄；
  - 5、向當地財政局、城管局、綜合行政執法局等實施函證；
  - 6、檢查戶表安裝工程合同、服務結算單、項目完工驗收資料；選取樣本，向戶表安裝工程客戶實施函證；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Audit Report (Continued)

### 獨立核數師報告(續)

## III. KEY AUDIT MATTERS (Continued)

## 三、關鍵審計事項(續)

### 2. Fixed assets recognition

### 2、固定資產確認事項

#### Key audit matters

#### 關鍵審計事項

As stated in 12. Fixed assets and 13. Construction in progress of Note VI to the financial statements of Xinglu Water Company, the fixed assets of Xinglu Water mainly consisted of houses and buildings, water supply and drainage pipe network, special equipment, and general equipment. As at 31 December 2022, the aggregate carrying amount of fixed assets and construction in progress amounted to RMB3,736 million, accounting for 52.33% of the total assets and represented the largest proportion of the assets. Among them, the water supply and drainage pipe network assets that were not directly observable accounted for 29.95% of the fixed assets. Therefore, we identified the existence of fixed assets as a key audit matter.

如興瀘水務公司財務報表附註六、12.固定資產、13.在建工程所示，興瀘水務公司的固定資產主要是房屋構築物、供排水管網、專用設備、通用設備等，2022年12月31日固定資產及在建工程賬面餘額合計37.36億元，佔資產總額的52.33%，是資產中最大的組成部分，其中難以直接觀察的供排水管網資產佔固定資產的29.95%，故我們將固定資產的存在認定作為關鍵審計事項。

#### Audit response

#### 審計中的應對

The following procedures were primarily performed during the process of audit on the financial statements for 2022:

1. Understand, evaluate and test the management's key internal controls related to fixed assets recognition;
2. Conduct on-site inspection for houses and buildings, obtain and check assets ownership or control right and other documentary evidence;
3. Based on the distribution map of water supply and drainage pipe network, conduct on-site inspection on important fixed assets by sampling, check the observable landmarks on the ground along the lines, spot check the meter reading and water sales records of tap water users along the lines to verify whether they exist and use normally, and pay attention to whether there exist any idle or damaged fixed assets;

2022年度財務報表審計中，主要執行以下程序：

- 1、瞭解、評估並測試管理層對固定資產確認相關的關鍵內部控制；
- 2、對房屋、建築物進行實地檢查，並獲取和檢查資產所有權或控制權等證明文件；
- 3、結合供排水管網分佈圖，以抽樣的方式實地檢查重要固定資產，檢查沿線地上可觀察標誌物，並且通過對沿線自來水用戶抽查其抄表和售水記錄，確定其是否存在及是否已正常使用，關注是否存在閒置或毀損的固定資產；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Audit Report (Continued)

#### 獨立核數師報告(續)

### III. KEY AUDIT MATTERS (Continued)

### 三、關鍵審計事項(續)

#### 2. Fixed assets recognition (Continued)

#### 2、固定資產確認事項(續)

| Key audit matters<br>關鍵審計事項 | Audit response<br>審計中的應對   |
|-----------------------------|--|
|                             | 4. Check the administrative approval files of major asset construction projects;   |
|                             | 5. Check whether the internal approval procedures related to the addition and disposal of fixed assets were complete and whether the corresponding accounting treatment was correct; |
|                             | 6. Check whether the depreciation provision for fixed assets was accurate and whether the relevant accounting treatment was correct.   |
|                             | 4、檢查重大資產建設項目的行政批覆文件；   |
|                             | 5、檢查固定資產增加減少相關的內部審批手續是否齊全，對應的會計處理是否正確；   |
|                             | 6、檢查固定資產折舊計提是否準確，相關會計處理是否正確。   |

### IV. OTHER INFORMATION

### 四、其他信息

The management of Xinglu Water Company (hereinafter referred to as the “Management”) is responsible for other information. Other information includes information covered in the 2022 Annual Report of Xinglu Water Company, but excludes the financial statements and our audit report.

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

興瀘水務公司管理層(以下簡稱「管理層」)對其他信息負責。其他信息包括興瀘水務公司2022年年度報告中涵蓋的信息，但不包括財務報表和我們的審計報告。

我們對財務報表發表的審計意見不涵蓋其他信息，我們也不對其他信息發表任何形式的鑒證結論。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Audit Report (Continued)

#### 獨立核數師報告(續)

#### IV. OTHER INFORMATION (Continued) 四、其他信息(續)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中瞭解到的情況存在重大不一致或者似乎存在重大錯報。

基於我們已執行的工作，如果我們確定其他信息存在重大錯報，我們應當報告該事實。在這方面，我們無任何事項需要報告。

#### V. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management is responsible for preparing the financial statements in accordance with Accounting Standards for Business Enterprises, to guarantee the fair of financial statements, and designing, implementing and maintaining the necessary internal control to avoid the material misstatement of financial statements which is due to fraud or error.

In preparing the financial statements, the management is responsible for assessing Xinglu Water Company's sustainable business capacity, disclosing matters (if applicable) in relation to the going concern, and using the going concern assumption unless the management either intend to liquidate Xinglu Water or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Xinglu Water Company's financial reporting process.

#### 五、管理層和治理層對財務報表的責任

管理層負責按照企業會計準則的規定編製財務報表，使其實現公允反映，並設計、執行和維護必要的內部控制，以使財務報表不存在由於舞弊或錯誤導致的重大錯報。

在編製財務報表時，管理層負責評估興瀘水務公司的持續經營能力，披露與持續經營相關的事項（如適用），並運用持續經營假設，除非管理層計劃清算興瀘水務公司、終止運營或別無其他現實的選擇。

治理層負責監督興瀘水務公司的財務報告過程。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Audit Report (Continued)

#### 獨立核數師報告(續)

### VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. At the same time, we also perform the following tasks:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but the purpose of this report is not to express an opinion on the effectiveness of the internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

### 六、註冊會計師對財務報表審計的責任

我們的目標是對財務報表整體是否不存在由於舞弊或錯誤導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。合理保證是高水平的保證，但並不能保證按照審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由於舞弊或錯誤導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據財務報表作出的經濟決策，則通常認為錯報是重大的。

在按照審計準則執行審計工作的過程中，我們運用職業判斷，並保持職業懷疑。同時，我們也執行以下工作：

- (1) 識別和評估由於舞弊或錯誤導致的財務報表重大錯報風險，設計和實施審計程序以應對這些風險，並獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。
- (2) 瞭解與審計相關的內部控制，以設計恰當的審計程序，但目的並非對內部控制的有效性發表意見。
- (3) 評價管理層選用會計政策的恰當性和作出會計估計及相關披露的合理性。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Audit Report (Continued)

#### 獨立核數師報告(續)

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

- (4) Conclude on the appropriateness of management's use of going concern assumptions. And, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on Xinglu Water Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements; if such disclosures are inadequate, we are required to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may cause Xinglu Water Company to be unable to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, and assess whether the financial statements present fairly the related transactions and events.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Xinglu Water Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.

#### 六、註冊會計師對財務報表審計的責任(續)

- (4) 對管理層使用持續經營假設的恰當性得出結論。同時，根據獲取的審計證據，就可能導致對興瀘水務公司持續經營能力產生重大疑慮的事項或情況是否存在重大不確定性得出結論。如果我們得出結論認為存在重大不確定性，審計準則要求我們在審計報告中提請報表使用者注意財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於截至審計報告日可獲得的信息。然而，未來的事項或情況可能導致興瀘水務公司不能持續經營。
- (5) 評價財務報表的總體列報、結構和內容，並評價財務報表是否公允反映相關交易和事項。
- (6) 就興瀘水務公司中實體或業務活動的財務信息獲取充分、適當的審計證據，以對財務報表發表審計意見。我們負責指導、監督和執行集團審計，並對審計意見承擔全部責任。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Audit Report (Continued)

#### 獨立核數師報告(續)

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

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

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

我們與治理層就計劃的審計範圍、時間安排和重大審計發現等事項進行溝通，包括溝通我們在審計中識別出的值得關注的內部控制缺陷。

我們還就已遵守與獨立性相關的職業道德要求向治理層提供聲明，並與治理層溝通可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施(如適用)。

從與治理層溝通過的事項中，我們確定哪些事項對本期財務報表審計最為重要，因而構成關鍵審計事項。我們在審計報告中描述這些事項，除非法律法規禁止公開披露這些事項，或在極少數情形下，如果合理預期在審計報告中溝通某事項造成的負面後果超過在公眾利益方面產生的益處，我們確定不應在審計報告中溝通該事項。

#### ShineWing Certified Public Accountants

信永中和會計師事務所(特殊普通合伙)

PRC Beijing

中國北京

#### Certified Public Accountants in China: (Project Partner)

中國註冊會計師：(項目合夥人)

#### Certified Public Accountants in China:

中國註冊會計師：

March 30, 2023

2023年3月30日



# Chapter XI Financial Report

## 第十一章 財務報告

### Consolidated Balance Sheet

#### 合併資產負債表

31 December 2022  
2022年12月31日

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.

編製單位：瀘州市興瀘水務(集團)股份有限公司

Unit: RMB

單位：人民幣元

| Item                                   | 項目            | NOTES<br>附註 | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|--|---------------|-------------|---------------------------------|---------------------------------|
| <b>Current assets:</b>                 | <b>流動資產：</b>  |             |                                 |                                 |
| Monetary funds                         | 貨幣資金          | VI.1<br>六、1 | 609,755,719.08                  | 871,744,578.87                  |
| Balances with clearing companies       | 結算備付金         |             |                                 |                                 |
| Lending capital                        | 拆出資金          |             |                                 |                                 |
| Transactional financial assets         | 交易性金融資產       |             |                                 |                                 |
| Derivative financial assets            | 衍生金融資產        |             |                                 |                                 |
| Bills receivable                       | 應收票據          | VI.2<br>六、2 | 1,750,000.00                    | 2,698,572.00                    |
| Accounts receivable                    | 應收賬款          | VI.3<br>六、3 | 526,384,612.69                  | 486,058,598.89                  |
| Accounts receivable financing          | 應收款項融資        |             |                                 |                                 |
| Prepayments                            | 預付款項          | VI.4<br>六、4 | 27,759,230.83                   | 19,787,128.90                   |
| Other receivables                      | 其他應收款         | VI.5<br>六、5 | 135,172,092.35                  | 148,145,229.62                  |
| Including: Interests receivable        | 其中：應收利息       |             |                                 |                                 |
| Dividends receivable                   | 應收股利          |             |                                 |                                 |
| Redemptory monetary capital for sale   | 買入返售金融資產      |             |                                 |                                 |
| Inventories                            | 存貨            | VI.6<br>六、6 | 89,475,561.59                   | 53,725,639.81                   |
| Contract assets                        | 合同資產          |             |                                 |                                 |
| Assets held for sale                   | 持有待售資產        |             |                                 |                                 |
| Non-current assets due within one year | 一年內到期的非流動資產   |             |                                 |                                 |
| Other current assets                   | 其他流動資產        | VI.7<br>六、7 | 98,879,057.26                   | 74,421,802.69                   |
| <b>Total current assets</b>            | <b>流動資產合計</b> |             | <b>1,489,176,273.8</b>          | 1,656,581,550.78                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Balance Sheet (Continued)

#### 合併資產負債表(續)

31 December 2022  
2022年12月31日

| Item                                    | 項目             | NOTES<br>附註   | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|---|----------------|---------------|---------------------------------|---------------------------------|
| <b>Non-current assets:</b>              | <b>非流動資產：</b>  |               |                                 |                                 |
| Issuance of loans and advances          | 發放貸款和墊款        |               |                                 |                                 |
| Investments in debt                     | 債權投資           |               |                                 |                                 |
| Other investments in debt               | 其他債權投資         |               |                                 |                                 |
| Long-term receivables                   | 長期應收款          | VI.8<br>六、8   | 5,919,361.81                    | 5,593,899.76                    |
| Long-term equity investments            | 長期股權投資         | VI.9<br>六、9   | 55,866,560.33                   | 55,275,609.48                   |
| Investments in other equity instruments | 其他權益工具投資       | VI.10<br>六、10 | 21,252.07                       | 21,252.07                       |
| Other non-current financial assets      | 其他非流動金融資產      |               |                                 |                                 |
| Properties held for investment          | 投資性房地產         | VI.11<br>六、11 | 2,978,134.68                    | 3,142,838.26                    |
| Fixed assets                            | 固定資產           | VI.12<br>六、12 | 3,381,790,976.91                | 3,324,840,435.95                |
| Construction in progress                | 在建工程           | VI.13<br>六、13 | 354,630,541.09                  | 318,004,395.11                  |
| Productive biological assets            | 生產性生物資產        |               |                                 |                                 |
| Oil and gas assets                      | 油氣資產           |               |                                 |                                 |
| Right-of-use assets                     | 使用權資產          | VI.14<br>六、14 | 191,058.36                      | 1,720,813.33                    |
| Intangible assets                       | 無形資產           | VI.15<br>六、15 | 1,396,699,147.13                | 1,387,875,989.14                |
| Development costs                       | 開發支出           |               |                                 |                                 |
| Goodwill                                | 商譽             | VI.16<br>六、16 | 28,139,173.07                   | 28,139,173.07                   |
| Long-term deferred expenses             | 長期待攤費用         | VI.17<br>六、17 | 210,242,552.27                  | 238,122,564.63                  |
| Deferred income tax assets              | 遞延所得稅資產        | VI.18<br>六、18 | 15,021,939.61                   | 6,813,656.38                    |
| Other non-current assets                | 其他非流動資產        | VI.19<br>六、19 | 199,890,849.19                  | 47,184,085.12                   |
| <b>Total non-current assets</b>         | <b>非流動資產合計</b> |               | <b>5,651,391,546.52</b>         | 5,416,734,712.30                |
| <b>Total assets</b>                     | <b>資產總計</b>    |               | <b>7,140,567,820.32</b>         | 7,073,316,263.08                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Balance Sheet (Continued)

### 合併資產負債表(續)

31 December 2022  
2022年12月31日

| Item  | 項目            | NOTES<br>附註   | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|---|---------------|---------------|---------------------------------|---------------------------------|
| <b>Current liabilities:</b>                       | <b>流動負債：</b>  |               |                                 |                                 |
| Short-term borrowings                             | 短期借款          | VI.20<br>六、20 | <b>160,126,077.78</b>           | 239,282,822.21                  |
| Transactional financial liabilities               | 交易性金融負債       |               |                                 |                                 |
| Notes payable                                     | 應付票據          |               |                                 |                                 |
| Accounts payable                                  | 應付賬款          | VI.21<br>六、21 | <b>376,116,721.12</b>           | 539,836,787.88                  |
| Advances from customers                           | 預收款項          |               |                                 |                                 |
| Contract liabilities                              | 合同負債          | VI.22<br>六、22 | <b>224,418,102.8</b>            | 194,028,853.54                  |
| Financial assets sold under repurchase agreements | 賣出回購金融資產款     |               |                                 |                                 |
| Deposits from customers and interbank             | 吸收存款及同業存放     |               |                                 |                                 |
| Acting trading securities                         | 代理買賣證券款       |               |                                 |                                 |
| Acting underwriting securities                    | 代理承銷證券款       |               |                                 |                                 |
| Staff wages payable                               | 應付職工薪酬        | VI.23<br>六、23 | <b>44,148,243.40</b>            | 47,331,380.98                   |
| Taxes payable                                     | 應交稅費          | VI.24<br>六、24 | <b>20,345,450.07</b>            | 26,855,172.25                   |
| Other payables                                    | 其他應付款         | VI.25<br>六、25 | <b>228,941,609.61</b>           | 179,435,483.30                  |
| Including: Interests payable                      | 其中：應付利息       |               | -                               |                                 |
| Dividends payable                                 | 應付股利          |               | -                               |                                 |
| Non-current liabilities due within one year       | 一年內到期的非流動負債   | VI.26<br>六、26 | <b>216,716,528.40</b>           | 927,384,820.86                  |
| Other current liabilities                         | 其他流動負債        | VI.27<br>六、27 | <b>2,009,968.14</b>             | 1,968,400.84                    |
| <b>Total current liabilities</b>                  | <b>流動負債合計</b> |               | <b>1,272,822,701.32</b>         | 2,156,123,721.86                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Balance Sheet (Continued)

#### 合併資產負債表(續)

31 December 2022  
2022年12月31日

| Item                                 | 項目             | NOTES<br>附註   | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|--------------------------------------|----------------|---------------|---------------------------------|---------------------------------|
| <b>Non-current liabilities:</b>      | <b>非流動負債：</b>  |               |                                 |                                 |
| Provision for insurance contracts    | 保險合同準備金        |               |                                 |                                 |
| Long-term borrowings                 | 長期借款           | VI.28<br>六、28 | <b>1,920,928,068.13</b>         | 1,390,656,364.74                |
| Bonds payable                        | 應付債券           | VI.29<br>六、29 | <b>103,791,063.62</b>           | -                               |
| Including: Preferred shares          | 其中：優先股         |               |                                 |                                 |
| Perpetual shares                     | 永續債            |               |                                 |                                 |
| Lease liabilities                    | 租賃負債           | VI.30<br>六、30 | -                               | 1,297,709.43                    |
| Long-term payables                   | 長期應付款          | VI.31<br>六、31 | <b>744,350,326.90</b>           | 585,292,014.56                  |
| Long-term staff wages payable        | 長期應付職工薪酬       |               |                                 |                                 |
| Estimated liabilities                | 預計負債           | VI.32<br>六、32 | <b>8,940,090.19</b>             | 4,451,887.98                    |
| Deferred income                      | 遞延收益           | VI.33<br>六、33 | <b>243,131,730.11</b>           | 268,555,468.11                  |
| Deferred income tax liabilities      | 遞延所得稅負債        | VI.18<br>六、18 | <b>5,584,109.27</b>             | 5,917,946.25                    |
| Other non-current liabilities        | 其他非流動負債        |               | -                               |                                 |
| <b>Total non-current liabilities</b> | <b>非流動負債合計</b> |               | <b>3,026,725,388.22</b>         | 2,256,171,391.07                |
| <b>Total liabilities</b>             | <b>負債合計</b>    |               | <b>4,299,548,089.54</b>         | 4,412,295,112.93                |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Balance Sheet (Continued)

#### 合併資產負債表(續)

31 December 2022  
2022年12月31日

| Item   | 項目                  | NOTES<br>附註   | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|--|---------------------|---------------|---------------------------------|---------------------------------|
| <b>Shareholders' equity:</b>   | <b>股東權益：</b>        |               |                                 |                                 |
| Share capital  | 股本                  | VI.34<br>六、34 | <b>859,710,000.00</b>           | 859,710,000.00                  |
| Other equity instruments   | 其他權益工具              |               |                                 |                                 |
| Including: Preferred shares  | 其中：優先股              |               |                                 |                                 |
| Perpetual shares   | 永續債                 |               |                                 |                                 |
| Capital reserves   | 資本公積                | VI.35<br>六、35 | <b>420,447,214.35</b>           | 420,447,214.35                  |
| Less: Treasury shares  | 減：庫存股               |               |                                 |                                 |
| Other comprehensive income   | 其他綜合收益              | VI.36<br>六、36 | <b>-66,935.74</b>               | -66,935.74                      |
| Special reserve  | 專項儲備                | VI.37<br>六、37 | <b>16,772,836.13</b>            | 17,010,566.37                   |
| Surplus reserve  | 盈餘公積                | VI.38<br>六、38 | <b>64,032,148.3</b>             | 63,429,728.39                   |
| Provision for general risks  | 一般風險準備              |               |                                 |                                 |
| Undistributed profits  | 未分配利潤               | VI.39<br>六、39 | <b>1,275,234,750.25</b>         | 1,115,598,107.93                |
| <b>Total shareholders' equity attributable to the parent company</b> | <b>歸屬於母公司股東權益合計</b> |               | <b>2,636,130,013.29</b>         | 2,476,128,681.30                |
| Minority shareholders' equity  | 少數股東權益              |               | <b>204,889,717.49</b>           | 184,892,468.85                  |
| <b>Total shareholders' equity</b>                                    | <b>股東權益合計</b>       |               | <b>2,841,019,730.78</b>         | 2,661,021,150.15                |
| <b>Total liabilities and shareholders' equity</b>                    | <b>負債和股東權益總計</b>    |               | <b>7,140,567,820.32</b>         | 7,073,316,263.08                |

Legal representative: Zhang Qi  
法定代表人：張歧

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬

# Chapter XI Financial Report

## 第十一章 財務報告

### Balance Sheet of Parent Company 母公司資產負債表

31 December 2022  
2022年12月31日

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興瀘水務(集團)股份有限公司

Unit: RMB  
單位：人民幣元

| Items                                  | 項目            | NOTES<br>附註    | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|--|---------------|----------------|---------------------------------|---------------------------------|
| <b>Current assets:</b>                 | <b>流動資產：</b>  |                |                                 |                                 |
| Monetary funds                         | 貨幣資金          |                | 226,788,326.37                  | 427,672,251.65                  |
| Transactional financial assets         | 交易性金融資產       |                |                                 |                                 |
| Derivative financial assets            | 衍生金融資產        |                |                                 |                                 |
| Bills receivable                       | 應收票據          |                |                                 |                                 |
| Accounts receivable                    | 應收賬款          | XVII.1<br>十七、1 | 155,079,115.18                  | 135,975,019.76                  |
| Accounts receivable financing          | 應收款項融資        |                |                                 |                                 |
| Prepayments                            | 預付款項          |                | 17,783,841.02                   | 7,744,009.71                    |
| Other receivables                      | 其他應收款         | XVII.2<br>十七、2 | 143,167,612.60                  | 167,467,116.83                  |
| Including: Interests receivable        | 其中：應收利息       |                |                                 |                                 |
| Dividends receivable                   | 應收股利          |                |                                 |                                 |
| Inventories                            | 存貨            |                | 49,718,200.59                   | 24,812,557.92                   |
| Contract assets                        | 合同資產          |                |                                 |                                 |
| Assets held for sale                   | 持有待售資產        |                |                                 |                                 |
| Non-current assets due within one year | 一年內到期的非流動資產   |                |                                 |                                 |
| Other current assets                   | 其他流動資產        |                | 19,685,480.4                    | 20,241,165.37                   |
| <b>Total current assets</b>            | <b>流動資產合計</b> |                | <b>612,222,576.16</b>           | 783,912,121.24                  |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Balance Sheet of Parent Company (Continued)

#### 母公司資產負債表(續)

31 December 2022

2022年12月31日

| Items                                   | 項目             | NOTES<br>附註    | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|---|----------------|----------------|---------------------------------|---------------------------------|
| <b>Non-current assets:</b>              | <b>非流動資產：</b>  |                |                                 |                                 |
| Investments in debt                     | 債權投資           |                |                                 |                                 |
| Other investments in debt               | 其他債權投資         |                |                                 |                                 |
| Long-term receivables                   | 長期應收款          |                | 4,824,928.42                    | 4,555,325.32                    |
| Long-term equity investments            | 長期股權投資         | XVII.3<br>十七、3 | 1,015,121,598.00                | 1,014,530,647.15                |
| Investments in other equity instruments | 其他權益工具投資       |                | 21,252.07                       | 21,252.07                       |
| Other non-current financial assets      | 其他非流動金融資產      |                |                                 |                                 |
| Properties held for investment          | 投資性房地產         |                | 914,380.82                      | 983,831.35                      |
| Fixed assets                            | 固定資產           |                | 1,845,939,252.14                | 1,907,450,677.68                |
| Construction in progress                | 在建工程           |                | 130,987,057.93                  | 94,935,240.92                   |
| Productive biological assets            | 生產性生物資產        |                |                                 |                                 |
| Oil and gas assets                      | 油氣資產           |                |                                 |                                 |
| Right-of-use assets                     | 使用權資產          |                | 1,203,149.52                    | 1,353,543.24                    |
| Intangible assets                       | 無形資產           |                | 556,883,911.51                  | 575,235,600.16                  |
| Development costs                       | 開發支出           |                | -                               | -                               |
| Goodwill                                | 商譽             |                |                                 |                                 |
| Long-term deferred expenses             | 長期待攤費用         |                | 193,215,486.05                  | 218,504,559.58                  |
| Deferred income tax assets              | 遞延所得稅資產        |                | 6,478,539.35                    | 2,701,600.11                    |
| Other non-current assets                | 其他非流動資產        |                | -                               | -                               |
| <b>Total non-current assets</b>         | <b>非流動資產合計</b> |                | <b>3,755,589,555.81</b>         | <b>3,820,272,277.58</b>         |
| <b>Total assets</b>                     | <b>資產總計</b>    |                | <b>4,367,812,131.97</b>         | <b>4,604,184,398.82</b>         |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Balance Sheet of Parent Company (Continued)

#### 母公司資產負債表(續)

31 December 2022  
2022年12月31日

| Items                                       | 項目             | NOTES<br>附註 | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|---|----------------|-------------|---------------------------------|---------------------------------|
| <b>Current liabilities:</b>                 | <b>流動負債：</b>   |             |                                 |                                 |
| Short-term borrowings                       | 短期借款           |             | 150,118,472.22                  | 189,224,002.77                  |
| Transactional financial liabilities         | 交易性金融負債        |             |                                 |                                 |
| Derivative financial liabilities            | 衍生金融負債         |             |                                 |                                 |
| Notes payable                               | 應付票據           |             |                                 |                                 |
| Accounts payable                            | 應付賬款           |             | 177,574,990.23                  | 366,157,103.39                  |
| Advances from customers                     | 預收款項           |             |                                 |                                 |
| Contract liabilities                        | 合同負債           |             | 170,471,411.3                   | 169,022,173.55                  |
| Staff wages payable                         | 應付職工薪酬         |             | 19,353,182.89                   | 24,326,200.37                   |
| Taxes payable                               | 應交稅費           |             | 5,623,501.9                     | 8,231,035.25                    |
| Other payables                              | 其他應付款          |             | 159,420,486.07                  | 84,107,070.94                   |
| Including: Interests payable                | 其中：應付利息        |             | -                               |                                 |
| Dividends payable                           | 應付股利           |             | -                               |                                 |
| Liabilities held for sale                   | 持有待售負債         |             |                                 |                                 |
| Non-current liabilities due within one year | 一年內到期的非流動負債    |             | 120,967,343.72                  | 839,310,975.66                  |
| Other current liabilities                   | 其他流動負債         |             | 1,717,706.48                    | 1,937,051.07                    |
| <b>Total current liabilities</b>            | <b>流動負債合計</b>  |             | <b>805,247,094.81</b>           | 1,682,315,613.00                |
| <b>Non-current liabilities:</b>             | <b>非流動負債：</b>  |             |                                 |                                 |
| Long-term borrowings                        | 長期借款           |             | 1,290,593,859.72                | 699,851,863.58                  |
| Bonds payable                               | 應付債券           |             | 103,791,063.62                  | -                               |
| Including: Preferred shares                 | 其中：優先股         |             |                                 |                                 |
| Perpetual shares                            | 永續債            |             |                                 |                                 |
| Lease liabilities                           | 租賃負債           |             | 1,125,602.28                    | 1,257,792.43                    |
| Long-term payables                          | 長期應付款          |             | 208,767,150.13                  | 214,118,931.36                  |
| Long-term staff wages payable               | 長期應付職工薪酬       |             |                                 |                                 |
| Estimated liabilities                       | 預計負債           |             | 2,362,783.36                    | 1,254,506.94                    |
| Deferred income                             | 遞延收益           |             | 135,631,020.26                  | 150,475,778.68                  |
| Deferred income tax liabilities             | 遞延所得稅負債        |             | -                               | -                               |
| Other non-current liabilities               | 其他非流動負債        |             | -                               |                                 |
| <b>Total non-current liabilities</b>        | <b>非流動負債合計</b> |             | <b>1,742,271,479.37</b>         | 1,066,958,872.99                |
| <b>Total liabilities</b>                    | <b>負債合計</b>    |             | <b>2,547,518,574.18</b>         | 2,749,274,485.99                |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Balance Sheet of Parent Company (Continued)

#### 母公司資產負債表(續)

31 December 2022  
2022年12月31日

| Items   | 項目               | NOTES<br>附註 | 31 December 2022<br>2022年12月31日 | 31 December 2021<br>2021年12月31日 |
|---|------------------|-------------|---------------------------------|---------------------------------|
| <b>Shareholders' equity:</b>                      | <b>股東權益：</b>     |             |                                 |                                 |
| Share capital                                     | 股本               |             | <b>859,710,000.00</b>           | 859,710,000.00                  |
| Other equity instruments                          | 其他權益工具           |             |                                 |                                 |
| Including: Preferred shares                       | 其中：優先股           |             |                                 |                                 |
| Perpetual shares                                  | 永續債              |             |                                 |                                 |
| Capital reserves                                  | 資本公積             |             | <b>413,655,709.96</b>           | 413,655,709.96                  |
| Less: Treasury shares                             | 減：庫存股            |             |                                 |                                 |
| Other comprehensive income                        | 其他綜合收益           |             | <b>-66,935.74</b>               | -66,935.74                      |
| Special reserve                                   | 專項儲備             |             | <b>8,070,204.47</b>             | 5,725,258.60                    |
| Surplus reserve                                   | 盈餘公積             |             | <b>64,032,148.3</b>             | 63,429,728.39                   |
| Undistributed profits                             | 未分配利潤            |             | <b>474,892,430.8</b>            | 512,456,151.62                  |
| <b>Total shareholders' equity</b>                 | <b>股東權益合計</b>    |             | <b>1,820,293,557.79</b>         | 1,854,909,912.83                |
| <b>Total liabilities and shareholders' equity</b> | <b>負債和股東權益總計</b> |             | <b>4,367,812,131.97</b>         | 4,604,184,398.82                |

Legal representative: Zhang Qi  
法定代表人：張歧

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬

# Chapter XI Financial Report

## 第十一章 財務報告

### Consolidated Income Statement

#### 合併利潤表

2022  
2022年度

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.

Unit: RMB

編製單位：瀘州市興瀘水務(集團)股份有限公司

單位：人民幣元

| Items   | 項目                  | NOTES<br>附註   | 2022<br>2022年度          | 2021<br>2021年度   |
|---|---------------------|---------------|-------------------------|------------------|
| <b>1. Total operating revenue</b>                               | <b>一、營業總收入</b>      |               | <b>1,353,419,268.68</b> | 1,370,097,933.82 |
| Including: Operating revenue                                    | 其中：營業收入             | VI.40<br>六、40 | <b>1,353,419,268.68</b> | 1,370,097,933.82 |
| <b>2. Total operating cost</b>                                  | <b>二、營業總成本</b>      |               | <b>1,135,260,553.8</b>  | 1,078,178,702.28 |
| Including: Operating cost                                       | 其中：營業成本             | VI.40<br>六、40 | <b>859,403,272.68</b>   | 801,504,172.43   |
| Interest expenses   | 利息支出                |               |                         |                  |
| Taxes and surcharges  | 稅金及附加               | VI.41<br>六、41 | <b>31,082,559.98</b>    | 29,996,947.81    |
| Cost of sales   | 銷售費用                | VI.42<br>六、42 | <b>24,306,048.59</b>    | 25,077,759.99    |
| Management expenses   | 管理費用                | VI.43<br>六、43 | <b>94,429,963.81</b>    | 101,615,278.42   |
| Research and development expenses                               | 研發費用                | VI.44<br>六、44 | <b>821,318.56</b>       |                  |
| Finance costs   | 財務費用                | VI.45<br>六、45 | <b>125,217,390.18</b>   | 119,984,543.63   |
| Including: Interest expenses                                    | 其中：利息費用             |               | <b>131,343,044.21</b>   | 127,480,091.01   |
| Interest income   | 利息收入                |               | <b>7,111,485.48</b>     | 9,786,316.49     |
| More: Other income  | 加：其他收益              | VI.46<br>六、46 | <b>63,403,705.29</b>    | 34,508,874.78    |
| Investment income (loss expressed with “-”)                     | 投資收益(損失以[-]號填列)     | VI.47<br>六、47 | <b>590,950.85</b>       | 673,396.83       |
| Including: Share of profit of associates and joint ventures     | 其中：對聯營企業和合營企業的投資收益  |               | <b>590,950.85</b>       | 673,396.83       |
| Income from derecognition of financial assets at amortised cost | 以攤餘成本計量的金融資產終止確認收益  |               |                         |                  |
| Foreign exchange gains (loss expressed with “-”)                | 匯兌收益(損失以[-]號填列)     |               |                         |                  |
| Gain from changes in fair values (loss expressed with “-”)      | 公允價值變動收益(損失以[-]號填列) |               |                         |                  |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Income Statement (Continued)

#### 合併利潤表(續)

2022  
2022年度

| Items  | 項目                                   | NOTES<br>附註   | 2022<br>2022年度        | 2021<br>2021年度 |
|--|--------------------------------------|---------------|-----------------------|----------------|
| Credit impairment loss<br>(loss expressed with “-”)  | 信用減值損失(損失<br>以[-]號填列)                | VI.48<br>六、48 | -28,133,864.99        | -16,669,742.55 |
| Asset impairment loss<br>(loss expressed with “-”)   | 資產減值損失(損失<br>以[-]號填列)                | VI.49<br>六、49 | -                     | -12,215,470.04 |
| Income from disposal of assets<br>(loss expressed with “-”)                                    | 資產處置收益(損失<br>以[-]號填列)                | VI.50<br>六、50 | 296.34                | -              |
| <b>3. Operating profit (loss expressed with “-”)</b>   | <b>三、營業利潤(虧損以[-]號填列)</b>             |               | <b>254,019,802.37</b> | 298,216,290.56 |
| More: Non-operating revenue  | 加：營業外收入                              | VI.51<br>六、51 | 3,775,316.41          | 9,427,118.71   |
| Less: Non-operating expense  | 減：營業外支出                              | VI.52<br>六、52 | 1,038,705.41          | 321,357.94     |
| <b>4. Total profit (total loss expressed with “-”)</b>   | <b>四、利潤總額(虧損總額<br/>以[-]號填列)</b>      |               | <b>256,756,413.37</b> | 307,322,051.33 |
| Less: Income tax expense   | 減：所得稅費用                              | VI.53<br>六、53 | 33,515,616.76         | 46,347,220.45  |
| <b>5. Net profit (net loss expressed with “-”)</b>   | <b>五、淨利潤(淨虧損以[-]號填列)</b>             |               | <b>223,240,796.61</b> | 260,974,830.88 |
| (1) Classified by continuing operation   | (一)按經營持續性分類                          |               | <b>223,240,796.61</b> | 260,974,830.88 |
| 1. Net profit from continuing operation (net<br>loss expressed with “-”)                       | 1. 持續經營淨利潤(淨虧<br>損以[-]號填列)           |               | <b>223,240,796.61</b> | 260,974,830.88 |
| 2. Net profit from discontinued operations<br>(net loss expressed with “-”)                    | 2. 終止經營淨利潤(淨虧<br>損以[-]號填列)           |               |                       |                |
| (2) Classified by attribution of ownership   | (二)按所有權歸屬分類                          |               | <b>223,240,796.61</b> | 260,974,830.88 |
| 1. Net profit attributable to owners of the<br>parent company (net loss expressed with<br>“-”) | 1. 歸屬於母公司所有者<br>的淨利潤(淨虧損以<br>[-]號填列) |               | <b>203,224,562.23</b> | 241,926,358.08 |
| 2. Minority profit and loss (net loss<br>expressed with “-”)                                   | 2. 少數股東損益(淨虧損<br>以[-]號填列)            |               | <b>20,016,234.38</b>  | 19,048,472.80  |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Income Statement (Continued)

#### 合併利潤表(續)

2022  
2022年度

| Items  | 項目                         | NOTES<br>附註 | 2022<br>2022年度 | 2021<br>2021年度 |
|--|----------------------------|-------------|----------------|----------------|
| <b>6. Other comprehensive income, net after tax</b>  | <b>六、其他綜合收益的稅後淨額</b>       |             |                |                |
|  |                            |             | -              | -599,227.53    |
| Other comprehensive income attributable to the owners of the parent company, net after tax     | 歸屬母公司所有者的其他綜合收益的稅後淨額       |             | -              | -599,227.53    |
| (1) Other comprehensive income that cannot be reclassified into profit or loss                 | (一)不能重分類進損益的其他綜合收益         |             | -              | -599,227.53    |
| 1. Changes in re-measurement of defined benefit plans  | 1. 重新計量設定受益計劃變動額           |             |                |                |
| 2. Other comprehensive income that cannot be transferred to profit or loss under equity method | 2. 權益法下不能轉損益的其他綜合收益        |             |                |                |
| 3. Changes in fair value of investments in other equity instruments                            | 3. 其他權益工具投資公允價值變動          |             | -              | -599,227.53    |
| 4. Changes in fair value of the enterprise's own credit risk                                   | 4. 企業自身信用風險公允價值變動          |             |                |                |
| 5. Others  | 5. 其他                      |             |                |                |
| (2) Other comprehensive income that will be subsequently reclassified into profit or loss      | (二)將重分類進損益的其他綜合收益          |             | -              | -              |
| 1. Other comprehensive income that can be transferred to profit or loss under equity method    | 1. 權益法下可轉損益的其他綜合收益         |             |                |                |
| 2. Changes in fair value of other investments in debt  | 2. 其他債權投資公允價值變動            |             |                |                |
| 3. Amount of financial assets reclassified into other comprehensive income                     | 3. 金融資產重分類計入其他綜合收益的金額      |             |                |                |
| 4. Credit impairment provisions for other debt investment                                      | 4. 其他債權投資信用減值準備            |             |                |                |
| 5. Cash flow hedge reserve (effective portion of profit or loss on cash flow hedge)            | 5. 現金流量套期儲備(現金流量套期損益的有效部分) |             |                |                |
| 6. Differences on translation of foreign currency financial statements                         | 6. 外幣財務報表折算差額              |             |                |                |
| 7. Others  | 7. 其他                      |             |                |                |
| Other comprehensive income attributable to minority shareholders, net after tax                | 歸屬於少數股東的其他綜合收益的稅後淨額        |             |                |                |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Consolidated Income Statement (Continued)

#### 合併利潤表(續)

2022  
2022年度

| Items   | 項目              | NOTES<br>附註 | 2022<br>2022年度        | 2021<br>2021年度 |
|---|-----------------|-------------|-----------------------|----------------|
| <b>7. Total comprehensive income</b>  | <b>七、綜合收益總額</b> |             | <b>223,240,796.61</b> | 260,375,603.35 |
| Total comprehensive income attributable to the shareholders of the parent company | 歸屬於母公司股東的綜合收益總額 |             | <b>203,224,562.23</b> | 241,327,130.55 |
| Total comprehensive income attributable to minority shareholders                  | 歸屬於少數股東的綜合收益總額  |             | <b>20,016,234.38</b>  | 19,048,472.80  |
| <b>8. Earnings per share:</b>   | <b>八、每股收益：</b>  |             |                       |                |
| (1) Basic earnings per share (RMB/share)  | (一)基本每股收益(元/股)  |             | <b>0.24</b>           | 0.28           |
| (2) Diluted earnings per share (RMB/share)  | (二)稀釋每股收益(元/股)  |             | <b>0.24</b>           | 0.28           |

Legal representative: Zhang Qi

法定代表人：張歧

Chief accounting officer: Ouyang Peng

主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng

會計機構負責人：歐陽鵬

# Chapter XI Financial Report

## 第十一章 財務報告

### Income Statement of Parent Company

#### 母公司利潤表

2022  
2022年度

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興瀘水務(集團)股份有限公司

Unit: RMB  
單位：人民幣元

| Items   | 項目                  | NOTES<br>附註 | 2022<br>2022年度        | 2021<br>2021年度 |
|---|---------------------|-------------|-----------------------|----------------|
| <b>1. Operating revenue</b>                                     | <b>一、營業收入</b>       | XVII.4      |                       |                |
|   |                     | 十七、4        | <b>589,242,181.28</b> | 703,422,946.47 |
| Less: Operating costs   | 減：營業成本              | XVII.4      |                       |                |
|   |                     | 十七、4        | <b>418,823,416.97</b> | 423,447,700.96 |
| Taxes and surcharges  | 稅金及附加               |             | <b>14,883,044.95</b>  | 14,475,644.93  |
| Cost of sales   | 銷售費用                |             | <b>14,678,412.83</b>  | 15,647,762.04  |
| Management expenses   | 管理費用                |             | <b>46,580,187.12</b>  | 52,270,193.88  |
| Research and development expenses                               | 研發費用                |             | -                     |                |
| Finance costs   | 財務費用                |             | <b>83,485,061.75</b>  | 82,055,633.07  |
| Including: Interest expenses                                    | 其中：利息費用             |             | <b>86,189,006.88</b>  | 85,041,426.34  |
| Interest income   | 利息收入                |             | <b>3,528,087.21</b>   | 4,626,467.93   |
| More: Other income  | 加：其他收益              |             | <b>17,281,230.04</b>  | 16,755,632.10  |
| Investment income (loss expressed with “-”)                     | 投資收益(損失以[-]號填列)     | XVII.5      |                       |                |
|   |                     | 十七、5        | <b>590,950.85</b>     | 673,396.83     |
| Including: Share of profit of associates and joint ventures     | 其中：對聯營企業和合營企業的投資收益  |             | <b>590,950.85</b>     | 673,396.83     |
| Income from derecognition of financial assets at amortised cost | 以攤餘成本計量的金融資產終止確認收益  |             |                       |                |
| Net open hedge income (loss expressed with “-”)                 | 淨敞口套期收益(損失以[-]號填列)  |             |                       |                |
| Gain from changes in fair values (loss expressed with “-”)      | 公允價值變動收益(損失以[-]號填列) |             |                       |                |
| Credit impairment loss (loss expressed with “-”)                | 信用減值損失(損失以[-]號填列)   |             | <b>-22,816,811.51</b> | -8,195,108.23  |
| Asset impairment loss (loss expressed with “-”)                 | 資產減值損失(損失以[-]號填列)   |             | -                     |                |
| Income from disposal of assets (loss expressed with “-”)        | 資產處置收益(損失以[-]號填列)   |             | <b>296.34</b>         |                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Income Statement of Parent Company (Continued)

#### 母公司利潤表(續)

2022  
2022年度

| Items  | 項目                         | NOTES<br>附註 | 2022<br>2022年度      | 2021<br>2021年度 |
|--|----------------------------|-------------|---------------------|----------------|
| <b>II. Operating profits (loss expressed with “-”)</b>   | <b>二、營業利潤(虧損以“-”號填列)</b>   |             |                     |                |
|  |                            |             | <b>6,029,723.38</b> | 124,759,932.29 |
| More: Non-operating revenue  | 加：營業外收入                    |             | <b>3,009,782.53</b> | 4,290,880.26   |
| Less: Non-operating expense  | 減：營業外支出                    |             | <b>273,371.99</b>   | 90,902.32      |
| <b>III. Total profits (total loss expressed with “-”)</b>                                      | <b>三、利潤總額(虧損總額以“-”號填列)</b> |             |                     |                |
|  |                            |             | <b>8,766,133.92</b> | 128,959,910.23 |
| Less: Income tax expense   | 減：所得稅費用                    |             | <b>2,741,934.83</b> | 18,625,338.40  |
| <b>VI. Net profits (net loss expressed with “-”)</b>   | <b>四、淨利潤(淨虧損以“-”號填列)</b>   |             |                     |                |
|  |                            |             | <b>6,024,199.09</b> | 110,334,571.83 |
| (1) Net profit from continuing operations (net loss expressed with “-”)                        | (一)持續經營淨利潤(淨虧損以“-”號填列)     |             | <b>6,024,199.09</b> | 110,334,571.83 |
| (2) Net profit from discontinued operations (net loss expressed with “-”)                      | (二)終止經營淨利潤(淨虧損以“-”號填列)     |             |                     |                |
| <b>V. Other comprehensive income, net after tax</b>  | <b>五、其他綜合收益的稅後淨額</b>       |             |                     |                |
|  |                            |             | -                   | -599,227.53    |
| (1) Other comprehensive income that cannot be reclassified into profit or loss                 | (一)不能重分類進損益的其他綜合收益         |             | -                   | -599,227.53    |
| 1. Changes in re-measurement of defined benefit plans  | 1. 重新計量設定受益計劃變動額           |             |                     |                |
| 2. Other comprehensive income that cannot be transferred to profit or loss under equity method | 2. 權益法下不能轉損益的其他綜合收益        |             |                     |                |
| 3. Changes in fair value of investments in other equity instruments                            | 3. 其他權益工具投資公允價值變動          |             | -                   | -599,227.53    |
| 4. Changes in fair value of the enterprise's own credit risk                                   | 4. 企業自身信用風險公允價值變動          |             |                     |                |
| 5. Others  | 5. 其他                      |             |                     |                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Income Statement of Parent Company (Continued)

#### 母公司利潤表(續)

2022  
2022年度

| Items   | 項目                         | NOTES<br>附註 | 2022<br>2022年度      | 2021<br>2021年度 |
|---|----------------------------|-------------|---------------------|----------------|
| (2) Other comprehensive income that will be subsequently reclassified into profit or loss   | (二) 將重分類進損益的其他綜合收益         |             | -                   | -              |
| 1. Other comprehensive income that can be transferred to profit or loss under equity method | 1. 權益法下可轉損益的其他綜合收益         |             |                     |                |
| 2. Changes in fair value of other investments in debt                                       | 2. 其他債權投資公允價值變動            |             |                     |                |
| 3. Amount of financial assets reclassified into other comprehensive income                  | 3. 金融資產重分類計入其他綜合收益的金額      |             |                     |                |
| 4. Credit impairment provisions for other debt investment                                   | 4. 其他債權投資信用減值準備            |             |                     |                |
| 5. Cash flow hedge reserve (effective portion of profit or loss on cash flow hedge)         | 5. 現金流量套期儲備(現金流量套期損益的有效部分) |             |                     |                |
| 6. Differences on translation of foreign currency financial statements                      | 6. 外幣財務報表折算差額              |             |                     |                |
| 7. Others   | 7. 其他                      |             |                     |                |
| <b>VI. Total comprehensive income</b>   | <b>六、綜合收益總額</b>            |             | <b>6,024,199.09</b> | 109,735,344.30 |

Legal representative: Zhang Qi  
法定代表人：張歧

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬



# Chapter XI Financial Report

## 第十一章 財務報告

### Consolidated Cash Flow Statement

#### 合併現金流量表

2022  
2022年度

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.

編製單位：瀘州市興瀘水務(集團)股份有限公司

Unit: RMB

單位：人民幣元

| Items  | 項目                    | NOTES<br>附註         | 2022<br>2022年度          | 2021<br>2021年度   |
|--|-----------------------|---------------------|-------------------------|------------------|
| <b>I. Cash flows from operating activities:</b>                      | <b>一、經營活動產生的現金流量：</b> |                     |                         |                  |
| Cash received from sales of goods and rendering of services          | 銷售商品、提供勞務收到的現金        |                     | <b>1,309,740,357.58</b> | 1,280,154,764.52 |
| Tax rebates received   | 收到的稅費返還               |                     | <b>19,846,897.97</b>    | 6,836,234.80     |
| Cash received concerning other operating activities                  | 收到其他與經營活動有關的現金        | VI.54(1)<br>六、54(1) | <b>105,984,675.22</b>   | 87,362,202.09    |
| <b>Subtotal of cash inflows from operating activities</b>            | <b>經營活動現金流入小計</b>     |                     | <b>1,435,571,930.77</b> | 1,374,353,201.41 |
| Cash paid for purchases of commodities and receipt of labor services | 購買商品、接受勞務支付的現金        |                     | <b>515,248,244.32</b>   | 462,917,246.98   |
| Cash paid to and for employees                                       | 支付給職工以及為職工支付的現金       |                     | <b>154,413,165.55</b>   | 169,201,579.97   |
| Taxes paid   | 支付的各項稅費               |                     | <b>127,228,358.41</b>   | 124,701,661.76   |
| Cash paid concerning other operating activities                      | 支付其他與經營活動有關的現金        | VI.54(1)<br>六、54(1) | <b>41,445,336.74</b>    | 80,336,400.17    |
| <b>Subtotal of cash inflows from operating activities</b>            | <b>經營活動現金流出小計</b>     |                     | <b>838,335,105.02</b>   | 837,156,888.88   |
| <b>Net cash flows from operating activities</b>                      | <b>經營活動產生的現金流量淨額</b>  |                     | <b>597,236,825.75</b>   | 537,196,312.53   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Cash Flow Statement (Continued)

#### 合併現金流量表(續)

2022  
2022年度

| Items  | 項目                        | NOTES<br>附註         | 2022<br>2022年度         | 2021<br>2021年度  |
|--|---------------------------|---------------------|------------------------|-----------------|
| <b>II. Cash flow from investing activities:</b>  | <b>二、投資活動產生的現金流量：</b>     |                     |                        |                 |
| Cash received from recovery of investments   | 收回投資收到的現金                 |                     | -                      | 1,108,376.96    |
| Cash received from investment income   | 取得投資收益收到的現金               |                     | -                      |                 |
| Net cash received from disposals of fixed assets, intangible assets and other long-term assets | 處置固定資產、無形資產和其他長期資產收回的現金淨額 |                     | <b>60,876.71</b>       | 2,484,753.66    |
| Net cash received from disposals of subsidiaries and other operation units                     | 處置子公司及其他營業單位收到的現金淨額       |                     |                        |                 |
| Cash received concerning other investing activities  | 收到其他與投資活動有關的現金            | VI.54(1)<br>六、54(1) | -                      | -               |
| <b>Subtotal of cash inflows from investing activities</b>                                      | <b>投資活動現金流入小計</b>         |                     | <b>60,876.71</b>       | 3,593,130.62    |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets        | 購建固定資產、無形資產和其他長期資產支付的現金   |                     | <b>678,388,882.13</b>  | 754,357,669.07  |
| Cash paid for investments  | 投資支付的現金                   |                     | -                      |                 |
| Net increase in pledged loans  | 質押貸款淨增加額                  |                     |                        |                 |
| Cash paid to acquire subsidiaries and other operation units                                    | 取得子公司及其他營業單位支付的現金淨額       |                     |                        |                 |
| Cash paid concerning other investing activities  | 支付其他與投資活動有關的現金            | VI.54(1)<br>六、54(1) | -                      | -               |
| <b>Subtotal of cash outflows from investing activities</b>                                     | <b>投資活動現金流出小計</b>         |                     | <b>678,388,882.13</b>  | 754,357,669.07  |
| <b>Net cash flows from investing activities</b>  | <b>投資活動產生的現金流量淨額</b>      |                     | <b>-678,328,005.42</b> | -750,764,538.45 |
| <b>III. Cash flows from financing activities:</b>  | <b>三、籌資活動產生的現金流量：</b>     |                     |                        |                 |
| Cash received from capital contribution  | 吸收投資收到的現金                 |                     | -                      | 16,000,000.00   |
| Including: Cash contribution to subsidiaries from minority shareholders' investment            | 其中：子公司吸收少數股東投資收到的現金       |                     | -                      | 16,000,000.00   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Cash Flow Statement (Continued)

#### 合併現金流量表(續)

2022  
2022年度

| Items  | 項目                        | NOTES<br>附註         | 2022<br>2022年度          | 2021<br>2021年度   |
|--|---------------------------|---------------------|-------------------------|------------------|
| Cash received from borrowings  | 取得借款所收到的現金                |                     | <b>1,101,386,412.89</b> | 754,228,458.83   |
| Cash received concerning other financing activities                              | 收到其他與籌資活動有關的現金            | VI.54(1)<br>六、54(1) | -                       | -                |
| <b>Subtotal of cash inflows from financing activities</b>                        | <b>籌資活動現金流入小計</b>         |                     | <b>1,101,386,412.89</b> | 770,228,458.83   |
| Cash paid for repayment of debts   | 償還債務所支付的現金                |                     | <b>1,094,732,569.81</b> | 474,486,040.00   |
| Cash paid for distribution of dividends, profits or payment of interest expenses | 分配股利、利潤或償付利息所支付的現金        |                     | <b>187,316,780.99</b>   | 199,585,100.34   |
| Including: Dividends and profits paid to minority shareholders by subsidiaries   | 其中：子公司支付給少數股東的股利、利潤       |                     | -                       | 616,698.62       |
| Cash paid concerning other financing activities                                  | 支付其他與籌資活動有關的現金            | VI.54(1)<br>六、54(1) | <b>236,242.21</b>       | 47,039,618.70    |
| <b>Subtotal of cash outflows from financing activities</b>                       | <b>籌資活動現金流出小計</b>         |                     | <b>1,282,285,593.01</b> | 721,110,759.04   |
| <b>Net cash flows from financing activities</b>                                  | <b>籌資活動產生的現金流量淨額</b>      |                     | <b>-180,899,180.12</b>  | 49,117,699.79    |
| <b>IV. Effects of foreign exchange rate changes on cash and cash equivalents</b> | <b>四、匯率變動對現金及現金等價物的影響</b> |                     |                         |                  |
| <b>V. Net increase in cash and cash equivalents</b>                              | <b>五、現金及現金等價物淨增加額</b>     | VI.54(2)<br>六、54(2) | <b>-261,990,359.79</b>  | -164,450,526.13  |
| More: Balance of cash and cash equivalents at the beginning of the period        | 加：期初現金及現金等價物餘額            |                     | <b>871,742,078.87</b>   | 1,036,192,605.00 |
| <b>VI. Balance of cash and cash equivalents at the end of the period</b>         | <b>六、期末現金及現金等價物餘額</b>     | VI.54(4)<br>六、54(4) | <b>609,751,719.08</b>   | 871,742,078.87   |

Legal representative: Zhang Qi  
法定代表人：張歧

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬

# Chapter XI Financial Report

## 第十一章 財務報告

### Cash Flow Statement of Parent Company

#### 母公司現金流量表

2022  
2022年度

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興瀘水務(集團)股份有限公司

Unit: RMB  
單位：人民幣元

| Items  | 項目                    | NOTES<br>附註 | 2022<br>2022年度        | 2021<br>2021年度 |
|--|-----------------------|-------------|-----------------------|----------------|
| <b>I. Cash flows from operating activities:</b>                      | <b>一、經營活動產生的現金流量：</b> |             |                       |                |
| Cash received from sales of goods and rendering of services          | 銷售商品、提供勞務收到的現金        |             | 536,247,144.28        | 712,113,031.88 |
| Tax rebates received   | 收到的稅費返還               |             | -                     |                |
| Cash received concerning other operating activities                  | 收到其他與經營活動有關的現金        |             | 16,680,535.71         | 88,702,811.96  |
| <b>Subtotal of cash inflows from operating activities</b>            | <b>經營活動現金流入小計</b>     |             | <b>552,927,679.99</b> | 800,815,843.84 |
| Cash paid for purchases of commodities and receipt of labor services | 購買商品、接受勞務支付的現金        |             | 234,232,023.80        | 297,565,559.60 |
| Cash paid to and for employees                                       | 支付給職工以及為職工支付的現金       |             | 69,572,860.95         | 70,328,941.30  |
| Taxes paid   | 支付的各項稅費               |             | 38,864,129.08         | 64,703,505.28  |
| Cash paid concerning other operating activities                      | 支付其他與經營活動有關的現金        |             | 16,374,077.21         | 45,476,746.65  |
| <b>Subtotal of cash inflows from operating activities</b>            | <b>經營活動現金流出小計</b>     |             | <b>359,043,091.04</b> | 478,074,752.83 |
| <b>Net cash flows from operating activities</b>                      | <b>經營活動產生的現金流量淨額</b>  |             | <b>193,884,588.95</b> | 322,741,091.01 |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Cash Flow Statement of Parent Company (Continued)

#### 母公司現金流量表(續)

2022  
2022年度

| Items  | 項目                        | NOTES<br>附註 | 2022<br>2022年度         | 2021<br>2021年度  |
|--|---------------------------|-------------|------------------------|-----------------|
| <b>II. Cash flow from investing activities:</b>  | <b>二、投資活動產生的現金流量：</b>     |             |                        |                 |
| Cash received from recovery of investments   | 收回投資收到的現金                 |             | -                      | 1,108,376.96    |
| Cash received from investment income   | 取得投資收益收到的現金               |             | -                      |                 |
| Net cash received from disposals of fixed assets, intangible assets and other long-term assets | 處置固定資產、無形資產和其他長期資產收回的現金淨額 |             | <b>766,553.97</b>      | 885,370.51      |
| Net cash received from disposals of subsidiaries and other operation units                     | 處置子公司及其他營業單位收到的現金淨額       |             |                        |                 |
| Cash received concerning other investing activities  | 收到其他與投資活動有關的現金            |             | <b>10,625,000.01</b>   | 41,024,583.40   |
| <b>Subtotal of cash inflows from investing activities</b>                                      | <b>投資活動現金流入小計</b>         |             | <b>11,391,553.98</b>   | 43,018,330.87   |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets        | 購建固定資產、無形資產和其他長期資產支付的現金   |             | <b>254,330,644.84</b>  | 359,910,897.15  |
| Cash paid for investments  | 投資支付的現金                   |             | -                      | -               |
| Cash paid to acquire subsidiaries and other operation units                                    | 取得子公司及其他營業單位支付的現金淨額       |             |                        |                 |
| Cash paid concerning other investing activities  | 支付其他與投資活動有關的現金            |             | <b>5,000,000.00</b>    | 20,550,000.00   |
| <b>Subtotal of cash outflows from investing activities</b>                                     | <b>投資活動現金流出小計</b>         |             | <b>259,330,644.84</b>  | 380,460,897.15  |
| <b>Net cash flows from investing activities</b>  | <b>投資活動產生的現金流量淨額</b>      |             | <b>-247,939,090.86</b> | -337,442,566.28 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Cash Flow Statement of Parent Company (Continued)

#### 母公司現金流量表(續)

2022  
2022年度

| Items  | 項目                        | NOTES<br>附註 | 2022<br>2022年度          | 2021<br>2021年度         |
|--|---------------------------|-------------|-------------------------|------------------------|
| <b>III. Cash flows from financing activities:</b>                                | <b>三、籌資活動產生的現金流量：</b>     |             |                         |                        |
| Cash received from capital contribution  | 吸收投資收到的現金                 |             |                         |                        |
| Cash received from borrowings  | 取得借款收到的現金                 |             | 854,410,000.00          | 383,350,000.00         |
| Cash received concerning other financing activities                              | 收到其他與籌資活動有關的現金            |             | 57,650,000.00           | —                      |
| <b>Subtotal of cash inflows from financing activities</b>                        | <b>籌資活動現金流入小計</b>         |             | <b>912,060,000.00</b>   | <b>383,350,000.00</b>  |
| Cash paid for repayment of borrowings  | 償還債務支付的現金                 |             | 904,285,267.71          | 323,668,040.00         |
| Cash paid for distribution of dividends, profits or payment of interest expenses | 分配股利、利潤或償付利息支付的現金         |             | 146,511,780.80          | 144,331,628.46         |
| Cash paid concerning other financing activities                                  | 支付其他與籌資活動有關的現金            |             | 8,092,374.86            | 2,016,034.00           |
| <b>Subtotal of cash outflows from financing activities</b>                       | <b>籌資活動現金流出小計</b>         |             | <b>1,058,889,423.37</b> | <b>470,015,702.46</b>  |
| <b>Net cash flows from financing activities</b>                                  | <b>籌資活動產生的現金流量淨額</b>      |             | <b>-146,829,423.37</b>  | <b>-86,665,702.46</b>  |
| <b>IV. Effects of foreign exchange rate changes on cash and cash equivalents</b> | <b>四、匯率變動對現金及現金等價物的影響</b> |             |                         |                        |
| <b>V. Net increase in cash and cash equivalents</b>                              | <b>五、現金及現金等價物淨增加額</b>     |             | <b>-200,883,925.28</b>  | <b>-101,367,177.73</b> |
| More: Balance of cash and cash equivalents at the beginning of the period        | 加：期初現金及現金等價物餘額            |             | 427,672,251.65          | 529,039,429.38         |
| <b>VI. Balance of cash and cash equivalents at the end of the period</b>         | <b>六、期末現金及現金等價物餘額</b>     |             | <b>226,788,326.37</b>   | <b>427,672,251.65</b>  |

Legal representative: Zhang Qi  
法定代表人：張歧

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬

# Chapter XI Financial Report

## 第十一章 財務報告

### Consolidated Statement of Changes in Owners' Equity

#### 合併股東權益變動表

2022  
2022年度

Unit: RMB  
單位：人民幣元

| Item   | Equity attributable to shareholders of the parent company<br>歸屬於母公司股東權益 |                  |                  |                          |                 |                 |                            |                  |                  |                             | Subtotal | Minority shareholders' equity | Total shareholders' equity |                       |                |                  |
|--|---|------------------|------------------|--------------------------|-----------------|-----------------|----------------------------|------------------|------------------|-----------------------------|----------|-------------------------------|----------------------------|-----------------------|----------------|------------------|
|  | Share capital   | Preferred shares | Perpetual shares | Other equity instruments | Capital reserve | Treasury shares | Other comprehensive income | Special reserves | Surplus reserves | Provision for general risks |          |                               |                            | Undistributed profits | Others         |                  |
|  | 股本  | 優先股              | 永續債              | 其他權益工具                   | 資本公積            | 減：庫存股           | 其他綜合收益                     | 專項儲備             | 盈餘公積             | 一般風險準備                      | 未分配利潤    | 其他                            | 小計                         | 少數股東權益                | 總計             |                  |
| I. Ending balance of the previous year   | 889,710,000.00  | -                | -                | -                        | 420,447,214.35  | -               | -66,935.74                 | 17,010,586.37    | 63,429,726.39    | 1,115,588,107.93            | -        | 2,456,128,881.30              | -                          | -                     | 184,892,468.85 | 2,641,021,150.15 |
| More Changes in accounting policies  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| Correction for error in the previous period                                    |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| Business combination under common control                                      |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| Others   |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| II. Opening balance of the current year  | 889,710,000.00  | -                | -                | -                        | 420,447,214.35  | -               | -66,935.74                 | 17,010,586.37    | 63,429,726.39    | -1,115,588,107.93           | -        | -2,456,128,881.30             | -                          | -                     | 184,892,468.85 | 2,641,021,150.15 |
| III. Changes in the current year (decrease expressed with "-")                 |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| (A) Total comprehensive income   |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| (B) Shareholders' contributions and capital reduction                          |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 1. Ordinary shares contributed by shareholders                                 |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 2. Capital contributions by holders of other equity instruments                |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 3. Amount of share-based payment included in shareholders' equity              |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 4. Others  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| (C) Profit distribution  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 1. Appropriation of surplus reserve  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 2. Appropriation of general risk provisions                                    |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 3. Distribution to shareholders  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 4. Others  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| (D) Transfer of shareholders' equity   |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 1. Transfer to share capital from capital reserve                              |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 2. Transfer to share capital from surplus reserve                              |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 3. Surplus reserves for making up losses                                       |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 4. Changing amount of defined benefit plan carried forward to related earnings |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 5. Other comprehensive income carried forward to retained earnings             |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 6. Others  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| (E) Special reserve  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 1. Appropriated during the current year  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| 2. Used during the current year  |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| (F) Others   |   |                  |                  |                          |                 |                 |                            |                  |                  |                             |          |                               |                            |                       |                |                  |
| IV. Ending balance of the current year   | 889,710,000.00  | -                | -                | -                        | 420,447,214.35  | -               | -66,935.74                 | 16,772,886.13    | 64,022,148.33    | -1,275,294,750.25           | -        | -2,638,130,013.28             | -                          | -                     | 204,889,717.69 | 2,841,019,730.78 |

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興盧水務(集團)股份有限公司

Legal representative: Zhang Qi  
法定代表人：張岐

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Consolidated Statement of Changes in Owners' Equity (Continued)

#### 合併股東權益變動表(續)

2022  
2022年度

Unit: RMB  
單位：人民幣元

| Items   | 2021<br>2021年度 |                  |                  |                          |                 |                 |             |                            |                  |                   |                             |                      |        |                |                               |
|---|----------------|------------------|------------------|--------------------------|-----------------|-----------------|-------------|----------------------------|------------------|-------------------|-----------------------------|----------------------|--------|----------------|-------------------------------|
|   | Share capital  | Preferred shares | Perpetual shares | Other equity instruments | Capital reserve | Treasury shares | Less:       | Other comprehensive income | Special reserves | Surplus reserves  | Provision for general risks | Unsubscribed profits | Others | Subtotal       | Minority shareholders' equity |
|   | 股本             | 優先股              | 永續股              | 其他權益工具                   | 資本公積            | 減：庫存股           | 其他綜合收益      | 專項儲備                       | 盈餘公積             | 風險準備              | 未分配利潤                       | 其他                   | 小計     | 少數股東權益         | 歸集權益合計                        |
| <b>I. Ending balance of the previous year</b>                                   | 659,710,000.00 | -                | -                | -                        | 419,355,015.27  | -               | 640,688.75  | 16,675,700.11              | 52,855,433.51    | 959,028,588.17    | -                           | 2,307,546,383.81     | -      | 150,374,808.28 | 2,458,321,192.09              |
| More Charges in accounting policies   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| Correction for error in the previous period                                     | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| Business combination under common control                                       | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| Others  | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| <b>II. Opening balance of the current year</b>                                  | 659,710,000.00 | -                | -                | -                        | 419,355,015.27  | -               | 640,688.75  | 16,675,700.11              | 52,855,433.51    | 959,028,588.17    | -                           | 2,307,546,383.81     | -      | 150,374,808.28 | 2,458,321,192.09              |
| <b>III. Changes in the current year (decrease expressed with "-")</b>           |                |                  |                  |                          |                 |                 |             |                            |                  |                   |                             |                      |        |                |                               |
| (a) Shareholders' contributions and capital reduction                           |                |                  |                  |                          |                 |                 |             |                            |                  |                   |                             |                      |        |                |                               |
| 1. Ordinary shares contributed by shareholders                                  | -              | -                | -                | -                        | 949,199.08      | -               | -707,604.49 | 334,686.26                 | 11,044,294.88    | -                 | -174,407,840.16             | -                    | -      | 34,517,680.57  | 225,538,258.46                |
| 2. Capital contributions by holders of other equity instruments                 | -              | -                | -                | -                        | -               | -               | -589,227.33 | -                          | -                | 241,926,338.08    | -                           | -                    | -      | 19,948,472.80  | 263,375,633.35                |
| 3. Amount of share-based payment included in shareholders' equity               | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | 16,000,000.00  | 16,000,000.00                 |
| 4. Others   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | 16,000,000.00  | 16,000,000.00                 |
| (b) Profit distribution   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 1. Appropriation of surplus reserve   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 2. Appropriation of general risk provisions                                     | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 3. Distribution to shareholders   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 4. Others   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| (c) Transfer of shareholders' equity  | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 1. Transfer to share capital from capital reserve                               | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 2. Transfer to share capital from surplus reserve                               | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 3. Surplus reserve for making up losses   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 4. Changing amount of defined benefit plan carried forward to retained earnings | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 5. Other comprehensive income carried forward to retained earnings              | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 6. Others   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| (d) Special reserve   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 1. Appropriated during the current year   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| 2. Used during the current year   | -              | -                | -                | -                        | -               | -               | -           | -                          | -                | -                 | -                           | -                    | -      | -              | -                             |
| (e) Others  | -              | -                | -                | -                        | 949,199.08      | -               | -           | 7,705,589.42               | -                | -                 | -                           | -                    | -      | -              | -                             |
| <b>IV. Ending balance of the current year</b>                                   | 659,710,000.00 | -                | -                | -                        | 420,447,214.35  | -               | -66,335.74  | 17,010,556.37              | 63,497,253.39    | -1,115,588,107.93 | -                           | -2,416,128,881.30    | -      | 184,892,468.65 | 2,651,021,150.15              |

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興瀘水務(集團)股份有限公司

Legal representative: Zhang Qi  
法定代表人：張啟

Chief accounting officer: Ouyang Peng  
主管會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬



# Chapter XI Financial Report

## 第十一章 財務報告

### Statement of Changes in Parent Company's Equity

#### 母公司股東權益變動表

2022  
2022年度

Unit: RMB  
單位：人民幣元

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興瀘水務(集團)股份有限公司

2022  
2022年度

| Items   | Other equity instruments |                  |                  |        | Capital reserves | Less: Treasury shares | Other comprehensive income | Special reserves | Surplus reserves | Undistributed profits | Other | Total shareholders' equity |
|---|--------------------------|------------------|------------------|--------|------------------|-----------------------|----------------------------|------------------|------------------|-----------------------|-------|----------------------------|
|   | Share capital            | Preferred shares | Perpetual shares | Others |                  |                       |                            |                  |                  |                       |       |                            |
|   | 股本                       | 優先股              | 永續債              | 其他     | 資本公積             | 減：庫存股                 | 其他綜合收益                     | 專項儲備             | 盈餘公積             | 未分配利潤                 | 其他    | 股東權益合計                     |
| I. Ending balance of the previous year  | 859,710,000.00           | -                | -                | -      | 413,655,709.96   | -                     | -68,935.74                 | 5,725,256.60     | 63,429,728.39    | 512,456,151.62        | -     | 1,854,999,912.83           |
| More Changes in accounting policies   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| Correction for error in the previous period                                     |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| Others  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| II. Opening balance of the current year   | 859,710,000.00           | -                | -                | -      | 413,655,709.96   | -                     | -68,935.74                 | 5,725,256.60     | 63,429,728.39    | 512,456,151.62        | -     | 1,854,999,912.83           |
| III. Changes in the current year (decrease expressed with "-")                  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| (1) Total comprehensive income  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| (2) Shareholders' contributions and capital reduction                           |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 1. Ordinary shares contributed by shareholders                                  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 2. Capital contributions by holders of other equity instruments                 |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 3. Amount of stock-based payment included in shareholders' equity               |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 4. Others   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| (3) Profit distribution   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 1. Appropriation of surplus reserve   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 2. Distribution to shareholders   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 3. Others   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| (4) Transfer of shareholders' equity  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 1. Transfer to share capital from capital reserve                               |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 2. Transfer to share capital from surplus reserve                               |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 3. Surplus reserves for making up losses  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 4. Changing amount of defined benefit plan carried forward to retained earnings |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 5. Other comprehensive income carried forward to retained earnings              |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 6. Others   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| (5) Special reserve   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 1. Appropriated during the current year   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| 2. Used during the current year   |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| (6) Others  |                          |                  |                  |        |                  |                       |                            |                  |                  |                       |       |                            |
| IV. Ending balance of the current year  | 859,710,000.00           | -                | -                | -      | 413,655,709.96   | -                     | -68,935.74                 | 8,070,204.47     | 64,021,463.3     | 474,892,600.8         | -     | 1,820,293,557.79           |

Legal representative: Zhang Qi  
法定代表人：張岐

Chief accounting officer: Ouyang Peng  
主 管 會 計 工 作 負 責 人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會 計 機 構 負 責 人：歐陽鵬

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Statement of Changes in Parent Company's Equity (Continued)

#### 母公司股東權益變動表(續)

2022  
2022年度

Unit: RMB  
單位：人民幣元

| 項目  | 2021<br>2021年度 |                     |                             |                    |                             |                                  | Total<br>shareholders'<br>equity |               |                |    |                  |
|---|----------------|---------------------|-----------------------------|--------------------|-----------------------------|----------------------------------|----------------------------------|---------------|----------------|----|------------------|
|   | Share capital  | Preferred<br>shares | Other<br>equity instruments | Capital<br>reserve | Less:<br>Treasury<br>shares | Other<br>comprehensive<br>income |                                  |               |                |    |                  |
| Items   | 股本             | 優先股                 | 其他權益工具                      | 資本公積               | 減：庫存股                       | 其他綜合收益                           | 專項儲備                             | 盈餘公積          | 未分配利潤          | 其他 | 股東權益合計           |
| <b>I. Ending balance of the previous year</b>                                   | 859,710,000.00 | -                   | -                           | 413,655,709.96     | -                           | 640,688.75                       | 7,271,971.76                     | 52,385,433.51 | 382,392,053.12 | -  | 1,716,055,837.10 |
| More Changes of accounting policies   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| Correction for error in the previous period                                     |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| Others  |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| <b>II. Opening balance of the current year</b>                                  | 859,710,000.00 | -                   | -                           | 413,655,709.96     | -                           | 640,688.75                       | 7,271,971.76                     | 52,385,433.51 | 382,392,053.12 | -  | 1,716,055,837.10 |
| <b>III. Changes in the current year (decrease expressed with "-")</b>           |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| (1) Total comprehensive income  |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| (2) Shareholders' contributions and capital reduction                           |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 1. Ordinary shares contributed by shareholders                                  |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 2. Capital contributions by holders of other equity instruments                 |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 3. Amount of stock-based payment included in shareholders' equity               |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 4. Others   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| (3) Profit distribution   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 1. Appropriation of surplus reserve   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 2. Distribution to shareholders   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 3. Others   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| (4) Transfer of shareholders' equity  |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 1. Transfer to share capital from capital reserve                               |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 2. Transfer to share capital from surplus reserve                               |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 3. Surplus reserves for making up losses  |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 4. Changing amount of defined benefit plan carried forward to retained earnings |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 5. Other comprehensive income carried forward to retained earnings              |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 6. Others   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| (5) Special reserve   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 1. Appropriated during the current year   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| 2. Used during the current year   |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| (6) Others  |                |                     |                             |                    |                             |                                  |                                  |               |                |    |                  |
| <b>IV. Ending balance of the current year</b>                                   | 859,710,000.00 | -                   | -                           | 413,655,709.96     | -                           | -68,935.74                       | 5,725,258.60                     | 63,423,728.39 | 512,456,151.62 | -  | 1,854,989,912.83 |

Prepared by: Luzhou Xinglu Water (Group) Co., Ltd.  
編製單位：瀘州市興瀘水務(集團)股份有限公司

Legal representative: Zhang Qi  
法定代表人：張歧

Chief accounting officer: Ouyang Peng  
主會計工作負責人：歐陽鵬

Accounting supervisor: Ouyang Peng  
會計機構負責人：歐陽鵬

# Chapter XI Financial Report

## 第十一章 財務報告

### Notes to the Financial Statements 財務報表附註

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### I. BASIC INFORMATION OF THE COMPANY

##### 1. Company profile

Luzhou Xinglu Water (Group) Co., Ltd. (hereinafter referred to as the “Company”, and together with its subsidiaries, the “Group”) is a wholly state-owned company established by the former Beijiao Water Supply Company and Urban Pipe Network Branch with the approval for reform by the document L.S.F.H [2002] No. 79 issued by the Luzhou Municipal People’s Government. The registered capital of the Company was RMB66.28 million, which was invested by the Luzhou Planning and Construction Bureau as the authorised state-owned asset investor, which was verified by the capital verification report (C.Y.K.Z (2002) No. 080) issued by Sichuan Yulong Certified Public Accountants. It was incorporated with the Administration for Industry and Commerce of Luzhou on 31 July 2002.

#### 一、公司基本情況

##### 1. 公司概況

瀘州市興瀘水務(集團)股份有限公司(以下簡稱「本公司」，在包含子公司時統稱「本集團」)是經瀘州市人民政府「瀘市府函[2002]79號」文批准改制，與原北郊制水分公司和城市管網分公司共同組建成立的國有獨資公司，由瀘州市規劃建設局作為國有資產授權投資主體投入註冊資本6,628.00萬元，由四川裕龍會計師事務所出具川裕會證(2002)字第080號驗資報告驗證，於2002年7月31日在瀘州市工商行政管理局註冊成立。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## I. BASIC INFORMATION OF THE COMPANY (Continued)

### 1. Company profile (Continued)

After several times of capital increase and equity transfer, according to the resolution of the fourth extraordinary general meeting of the Company in 2016, it was resolved to publicly issue overseas listed foreign invested shares (H Shares) and the same to be listed on the main board of the Stock Exchange of Hong Kong Limited. On 3 November 2016, the China Securities Regulatory Commission issued the Approval on Issuing Overseas Listed Foreign Invested Shares of Luzhou Xinglu Water (Group) Co., Ltd. (Z.J.X.K [2016] No. 2530), approving the Company to issue overseas listed foreign invested shares (H Shares). According to the announcement of the Company on the issue results of overseas listed foreign invested shares (H Shares), the Company initially issued 214,940,000 shares under the public issue of overseas listed foreign invested shares (H Shares) (including 195,400,000 H Shares issued by the Company and 19,540,000 H Shares sold by the selling shareholders due to the reduction of state-owned shares), with a face value of RMB1 each and an issue price of HK\$2.30 per share. As of 31 December 2017, the Company has completed the issue of 214,940,000 overseas listed foreign invested shares (H Shares), and has registered the same with Luzhou Administration of Industry and Commerce on 22 May 2017.

As of 31 December 2022, both the registered capital and paid-in capital of the Company were RMB859.71 million. The unified social credit code of the Company is 91510500204702995Y.

## 一、公司基本情況(續)

### 1. 公司概況(續)

經過多次增資及股權轉讓，根據本公司2016年股東大會第四次臨時會議決議，決定公開發行境外上市外資股(H股)並在香港聯合交易所有限公司主板上市，中國證券監督管理委員會於2016年11月3日出具《關於核准瀘州市興瀘水務(集團)股份有限公司發行境外上市外資股的批復》(證監許可[2016]2530號)核准 貴公司發行境外上市外資股(H股)。根據本公司關於境外上市外資股(H股)發行結果的公告，本公司本次公開發行境外上市外資股(H股)初始發行規模為214,940,000股(包括本公司發行的195,400,000股H股及售股股東因國有股減持售出的19,540,000股H股)，每股面值為人民幣1元，每股發行價格為港幣2.30元。截至2017年12月31日本公司已完成發行214,940,000股境外上市外資股(H股)的工作，且已於2017年5月22日在瀘州市工商行政管理局辦理了變更登記。

截止2022年12月31日，本公司註冊資本及實收資本均為人民幣859,710,000.00元。本公司的統一社會信用代碼為91510500204702995Y。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### I. BASIC INFORMATION OF THE COMPANY (Continued)

2. The registered address and headquarter address of the Company is 16 Baizi Road, Luzhou City, Sichuan Province.
3. Business nature and principal operating activities: The Group operates in the water industry and is mainly engaged in wastewater treatment operation, tap water supply and household meter installation. Business scope: centralised water supply; grade three of general construction contracting for municipal public utility construction; geological survey technical services; cleaning services; technology promotion services; sale of hardware, electrical materials and chemical products; lease of self- owned properties; assessment and testing of water quality (the operation of this business is limited to branches). (Businesses that require pre-approvals according to the laws can only be conducted after obtaining approvals from the relevant authorities).
4. Name of the controlling shareholder and the ultimate controller of the Group: the controlling shareholder of the Company is Xinglu Group, a wholly state-owned incorporated in the PRC; the ultimate controller is Luzhou State-owned Assets Supervision and Administration Commission.

#### 一、公司基本情況(續)

2. 本公司註冊地和總部地址均為四川省瀘州市百子路16號。
3. 業務性質及主要經營活動：本集團屬水務行業，主要從事污水處理運營、自來水供應及戶表安裝業務。經營範圍：集中式供水；市政公用工程施工總承包三級；地質勘查技術服務；清潔服務；技術推廣服務；銷售：五金、交電、化工產品；自有房屋租賃；水質化驗、檢驗(此項經營項目限分支經營)。(依法須經批准的項目，經相關部門批准後方可開展經營活動)。
4. 控股股東及集團最終控制人的名稱：本公司控股股東為興瀘集團，是一家在中國註冊成立的國有獨資公司；最終控制人為瀘州市國有資產監督管理委員會。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## II. SCOPE OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements of the Group for the year covered 19 subsidiaries, including Luzhou Xinglu Wastewater Treatment Co., Ltd., Luzhou Xinghe Water Governance Co., Ltd. and Luzhou Xinglu Water (Group) Hejiang Water Co., Ltd. Compared to the last year, 1 new company, Litang County Xinglu Water Co., Ltd., was established, and there is no reduction of subsidiaries. For details, please refer to “7. Change in scope of consolidation” and “8. Interests in other entities” under this note.

## III. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

### 1. Basis of preparation

The financial statements of the Group have been prepared on a going-concern basis, based on actual transactions and events, in accordance with the Accounting Standards for Business Enterprises (“ASBEs”) and related regulations issued by the Ministry of Finance, and relevant disclosures required by the Hong Kong Companies Ordinance and the Listing Rules of the Stock Exchange of Hong Kong, on the basis of the accounting policies and accounting estimates set out in note “IV. Significant Accounting Policies and Accounting Estimates” herein.

### 2. Going-concern

The Group has a recent history of profitable operations and is supported by financial resources. It believes that it is reasonable to prepare financial statements on a going-concern basis, and there are no major events affecting the going-concern ability within 12 months from the end of the reporting year.

## 二、合併財務報表範圍

本集團本年度財務報表範圍包括瀘州市興瀘污水處理有限公司、瀘州市興合水環境治理有限公司、瀘州市興瀘水務(集團)合江水業有限公司等19家全資及控股子公司(孫)公司，與上年相比，本年新設理塘縣興瀘水務有限公司1家，無減少子公司的情况。詳見本附註「七、合併範圍的變化」及「八、在其他主體中的權益」相關內容。

## 三、財務報表的編製基礎

### 1. 編製基礎

本集團財務報表以持續經營為基礎，根據實際發生的交易和事項，按照財政部頒佈的《企業會計準則》及相關規定，以及香港《公司條例》和香港聯合交易所《上市規則》所要求之相關披露，並基於本附註「四、重要會計政策及會計估計」所述會計政策和會計估計編製。

### 2. 持續經營

本集團近期有獲利經營的歷史且有財務資源支持，認為以持續經營為基礎編製財務報表是合理的，自報告年末起12個月內不存在影響持續經營能力的重大事項。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The accounting policies and accounting estimates developed by the Group according to relevant provisions of accounting standards in combination of characteristics of actual production and operation include business cycle, recognition and measurement of bad debt provision for receivables, fixed assets classification and depreciation methods, amortisation of intangible assets, recognition and measurement of incomes, etc.

### 1. Declaration on Compliance with the Accounting Standards for Business

The Group have prepared the financial statements in accordance with the ASBEs, which gives a true and complete view of the financial position, trading results, cash flows and other information of the Company and of the Group.

### 2. Accounting period

The Group's accounting period is from January 1 to December 31 of the Western calendar.

### 3. Operating cycle

The Group adopts a 12-month period as its business cycle and the basis for liquidity classification between assets and liabilities.

### 4. Reporting currency

The Group uses Renminbi as the local currency of accounts.

## 四、重要會計政策及會計估計

本集團根據會計準則的相關規定結合實際生產經營特點制定的具體會計政策和會計估計包括營業週期、應收款項壞賬準備的確認和計量、固定資產分類及折舊方法、無形資產攤銷、收入確認和計量等。

### 1. 遵循企業會計準則的聲明

本集團編製的財務報表符合企業會計準則的要求，真實、完整地反映了本公司及本集團的財務狀況、經營成果和現金流量等有關信息。

### 2. 會計期間

本集團的會計期間為公曆1月1日至12月31日。

### 3. 營業週期

本集團營業週期為12個月，並以其作為資產和負債的流動性劃分標準。

### 4. 記帳本位幣

本集團以人民幣為記帳本位幣。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 5. Accounting treatment for business combinations involving entities under common and not under common control

The assets and liabilities obtained by the Group as the merging party in a business combination are measured at the combination-date book value of the merged party in the consolidated statement of ultimate controller. The difference between the book value of net assets obtained and the book value of the combination consideration paid shall adjust capital reserve; if the capital reserve is not sufficient for offsetting, the retained earnings shall be adjusted.

The acquiree's identifiable assets, liabilities and contingent liabilities obtained in a business combination not under common control shall be measured at fair value at the acquisition date. The cost of combination is the sum of the fair value of cash and non-cash assets paid, liabilities incurred or assumed and equity securities issued by the Group for obtaining control of the acquiree at the acquisition date and all expenses incurred directly in the business combination (for the business combination is achieved in stages through multiple transactions, its cost of combination is the sum of costs of each single transaction). Where the cost of combination exceeds the acquirer's share of the fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill; where the cost of combination is less than the acquirer's share of the fair value of the acquiree's identifiable net assets, the measurement of the fair values of all the identifiable assets, liabilities and contingent liabilities obtained in the business combination and the fair values of non-cash assets or equity securities issued as the consideration for combination are firstly reviewed. If, after that review, the cost of combination is still less than the acquirer's share of the fair value of the acquiree's identifiable net assets in the business combination, the difference shall be included in the consolidated non-operating revenue for the period.

### 5. 同一控制下和非同一控制下企業合併的會計處理方法

本集團作為合併方，在同一控制下企業合併中取得的資產和負債，在合併日按被合併方在最終控制方合併報表中的賬面價值計量。取得的淨資產賬面價值與支付的合併對價賬面價值的差額，調整資本公積；資本公積不足沖減的，調整留存收益。

在非同一控制下企業合併中取得的被購買方可辨認資產、負債及或有負債在收購日以公允價值計量。合併成本為本集團在購買日為取得對被購買方的控制權而支付的現金或非現金資產、發行或承擔的負債、發行的權益性證券等的公允價值以及在企業合併中發生的各項直接相關費用之和(通過多次交易分步實現的企業合併，其合併成本為每一單項交易的成本之和)。合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額，確認為商譽；合併成本小於合併中取得的被購買方可辨認淨資產公允價值份額的，首先對合併中取得的各項可辨認資產、負債及或有負債的公允價值、以及合併對價的非現金資產或發行的權益性證券等的公允價值進行覆核，經覆核後，合併成本仍小於合併中取得的被購買方可辨認淨資產公允價值份額的，將其差額計入合併當期營業外收入。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 6. Preparation method of consolidated financial statements

The Group includes all of its subsidiaries under its control in the scope of consolidated financial statements.

When preparing the consolidated financial statements, where the accounting policy and the accounting period that subsidiaries adopted are inconsistent with the Company, necessary adjustments are made to the financial statements of those subsidiaries according to the accounting policies or accounting period of the Company.

When preparing consolidated financial statements, all significant internal transactions, balances and unrealized profits within the scope of combination shall be offset. Proportion of shareholder's equity of the subsidiaries which do not belong to the Company, and proportion of profit or loss for current period, other comprehensive income and total comprehensive income which belong to the equity of minority shareholders, which shall be listed under "equity of minority shareholders, gain or loss attributable to minority interests, other comprehensive income attributable to minor shareholders and total comprehensive income attributable to the minority shareholders" in the consolidated financial statements.

For subsidiaries acquired through business combination under common control, the operating results and cash flows of the acquiree shall be consolidated into the consolidated financial statements since the beginning of the period of combination. When preparing comparative consolidated financial statements, adjustment shall be made to the related items in the financial statements for the last year, regarding as the reporting subject which was formed after combination has existed since the ultimate controller started control.

##### 6. 合併財務報表的編製方法

本集團將所有控制的子公司納入合併財務報表範圍。

在編製合併財務報表時，子公司與本公司採用的會計政策或會計期間不一致的，按照本公司的會計政策或會計期間對子公司財務報表進行必要的調整。

合併範圍內的所有重大內部交易、往來餘額及未實現利潤在合併報表編製時予以抵銷。子公司的所有者權益中不屬於母公司的份額以及當期淨損益、其他綜合收益及綜合收益總額中屬於少數股東權益的份額，分別在合併財務報表「少數股東權益、少數股東損益、歸屬於少數股東的其他綜合收益及歸屬於少數股東的綜合收益總額」項目列示。

對於同一控制下企業合併取得的子公司，其經營成果和現金流量自合併當期期初納入合併財務報表。編製比較合併財務報表時，對上年財務報表的相關項目進行調整，視同合併後形成的報告主體自最終控制方開始控制時點起一直存在。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 6. Preparation method of consolidated financial statements (Continued)

Shareholding acquired through different transactions in stages and obtained shareholding of the investee under common control and finally become business combination, the accounting treatment of the consolidated financial statements should be further disclosed in the reporting period during which control was obtained. For example, if the equity of an investee under common control is acquired through multiple transactions and the acquisition eventually forms a business combination when preparing consolidated financial statements, the acquiree shall be regarded as the ultimate controller started the control and adjustment was made under current status. When preparing comparative financial statements, time limit is the time which not earlier than the Group and the acquiree are both under the control of ultimate controller, related assets and liabilities of the acquiree shall be included into the comparative statements of the consolidated financial statements of the Group, and net assets increased due to combination adjusted related items under shareholder's equity in the comparative statements. In order to prevent double calculation of the value of net assets of the acquiree, for long-term equity investment held by the Group before combination, from the date of obtaining original shareholding and the date on which the Group and the acquiree are under the same control, whichever is later, to the date of combination, the related profit or loss recognised, other comprehensive income and other change in assets, shall be written off retained earnings at the beginning of the comparative period and profit or loss for current period.

### 6. 合併財務報表的編製方法(續)

通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在合併財務報表中的處理方法。例如：通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併，編製合併報表時，視同在最終控制方開始控制時即以目前的狀態存在進行調整，在編製比較報表時，以不早於本集團和被合併方同處於最終控制方的控制之下的時點為限，將被合併方的有關資產、負債並入本集團合併財務報表的比較報表中，並將合併而增加的淨資產在比較報表中調整所有者權益項下的相關項目。為避免對被合併方淨資產的價值進行重複計算，本集團在達到合併之前持有的長期股權投資，在取得原股權之日與本集團和被合併方處於同一方最終控制之日孰晚日起至合併日之間已確認有關損益、其他綜合收益和其他淨資產變動，應分別沖減比較報表期間的期初留存收益和當期損益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 6. Preparation method of consolidated financial statements (Continued)

For subsidiaries acquired through business combination not under common control, its operating results and cash flows shall be included in the consolidated financial statements since the Group obtained its control. When preparing consolidated financial statements, adjustment shall be made to financial statements of the subsidiaries using the fair values of each identifiable assets, liabilities and contingent liabilities as basis, which were determined on date of acquisition.

If the equity of an investee not under common control is acquired through multiple transactions and the acquisition eventually forms a business combination, the accounting treatment of the consolidated financial statements should be further disclosed in the reporting period during which control was obtained. For example, shareholding acquired through different transactions in stages and obtained shareholding of the investee under common control and finally become business combination, when preparing consolidated financial statements, for shareholding of the acquiree which was holding before the date of acquisition, have to be re-measured according to the fair value of such shareholding on the date of acquisition, difference between the fair value and the carrying value shall be included as the investment income for current period. Other comprehensive income involving equity calculated under equity method which it holds before the related date of acquisition, and change in equity of other shareholders, besides net profit or loss, other comprehensive income and profit distribution, and change to investment profit or loss during the period which date of acquisition belong, except other comprehensive income incurred by the change in net liabilities or net assets from the newly measured defined benefit plan.

## 四、重要會計政策及會計估計(續)

### 6. 合併財務報表的編製方法(續)

對於非同一控制下企業合併取得子公司，經營成果和現金流量自本集團取得控制權之日起納入合併財務報表。在編製合併財務報表時，以購買日確定的各項可辨認資產、負債及或有負債的公允價值為基礎對子公司的財務報表進行調整。

通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在合併財務報表中的處理方法。例如：通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併，編製合併報表時，對於購買日之前持有的被購買方的股權，按照該股權在購買日的公允價值進行重新計量，公允價值與其賬面價值的差額計入當期投資收益；與其相關的購買日之前持有的被購買方的股權涉及權益法核算下的其他綜合收益以及除淨損益、其他綜合收益和利潤分配外的其他所有者權益變動，在購買日所屬當期轉為投資損益，由於被投資方重新計量設定受益計劃淨負債或淨資產變動而產生的其他綜合收益除外。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 6. Preparation method of consolidated financial statements (Continued)

Proceeds from disposal of part of the equity investment in the subsidiaries without losing control and the disposal of long-term equity investment should enjoy the difference between the proportion of net assets calculated from the date of acquisition or date of combination in the consolidated financial statements, and adjust the share premium. In case the capital reserve is insufficient for offset, retained earnings will be adjusted.

When the Group loss control in the acquiree due to reasons such as disposal of part of the equity investment, remaining shareholding will be re-measured based on the fair value on the date of loss of control when preparing the consolidated financial statements. The sum of proceeds obtained from the disposal of equity and fair value of the remaining shareholding, and less the difference of the proportion of net assets of the subsidiary calculated from the date of acquisition or combination according to the original shareholding proportion, and included into the investment profit or loss of loss of control for current period, and also goodwill will be written off. Other comprehensive income related to the original equity investment in the subsidiary, will be changed to investment profit or loss for current period upon loss of control.

### 6. 合併財務報表的編製方法(續)

本集團在不喪失控制權的情況下部分處置對子公司的長期股權投資，在合併財務報表中，處置價款與處置長期股權投資相對應享有子公司自購買日或合併日開始持續計算的淨資產份額之間的差額，調整資本溢價或股本溢價，資本公積不足沖減的，調整留存收益。

本集團因處置部分股權投資等原因喪失了對被投資方的控制權的，在編製合併財務報表時，對於剩餘股權，按照其在喪失控制權日的公允價值進行重新計量。處置股權取得的對價與剩餘股權公允價值之和，減去按原持股比例計算應享有原有子公司自購買日或合併日開始持續計算的淨資產的份額之間的差額，計入喪失控制權當期的投資損益，同時沖減商譽。與原有子公司股權投資相關的其他綜合收益等，在喪失控制權時轉為當期投資損益。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 6. Preparation method of consolidated financial statements (Continued)

For loss of control by the Group through different transactions and disposed shareholding in subsidiaries in stages, in case when each transaction that the Group loss control through disposal of shareholding in subsidiaries belongs to a series of transactions, accounting treatment for each transaction shall be treated as one transaction which involves disposal of subsidiary with loss of control. However, the difference between the proceeds for each disposal before loss of control and the proportion of net assets corresponding to the disposal of such subsidiary shall be recognised as other comprehensive income in the consolidated financial statements, and transfer to investment profit or loss of loss of control for current period upon loss of control.

### 7. Classification of joint arrangements and accounting treatment for joint operations

Joint arrangement of the Group includes joint operation and joint venture. As for joint operation, the Group, as the party in the joint operation, recognises assets and liabilities that it holds and assumes individually, and the assets and liabilities that it holds or assume in proportion, and income and fees will be recognised according to the related agreed individual or in proportion assets and liabilities. For assets transactions that are purchased or sale under joint operation that do not constitute business, only when profit or loss incurred from that transaction attributable to the other parties under the joint operation.

### 6. 合併財務報表的編製方法(續)

本集團通過多次交易分步處置對子公司股權投資直至喪失控制權的，如果處置對子公司股權投資直至喪失控制權的各項交易屬於一攬子交易的，應當將各項交易作為一項處置子公司並喪失控制權的交易進行會計處理；但是，在喪失控制權之前每一次處置價款與處置投資對應的享有該子公司淨資產份額的差額，在合併財務報表中確認為其他綜合收益，在喪失控制權時一並轉入喪失控制權當期的投資損益。

### 7. 合營安排分類及共同經營會計處理方法

本集團的合營安排包括共同經營和合營企業。對於共同經營，本集團作為共同經營中的參與方確認單獨持有的資產和承擔的負債，以及按份額確認持有的資產和承擔的負債，根據相關約定單獨或按份額確認的收入和費用。與共同經營發生購買、銷售不構成業務的資產交易，僅確認因該交易產生的損益中歸屬於共同經營其他參與方的部分。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 8. Cash and cash equivalents

Cash in the cash flow statement of the Group represents the cash on hand and the deposit in bank available for payment at any time. Cash equivalents cash flow statement are terms which are less than three months, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of value change.

### 9. Foreign currency transactions and translation of financial statements in foreign currency

#### (1) Foreign currency transactions

As at the balance sheet date, foreign currency monetary items are translated into RMB using the spot exchange rate at the balance sheet date. Translation differences arising thereon are directly included in the profit or loss for the period, except that exchange differences arising from specific borrowings in foreign currency attributable to the construction or production of a qualifying asset for capitalization are dealt with based on the capitalization principle.

### 8. 現金及現金等價物

本集團現金流量表之現金指庫存現金以及可以隨時用於支付的存款。現金流量表之現金等價物指持有期限不超過3個月、流動性強、易於轉換為已知金額現金且價值變動風險很小的投資。

### 9. 外幣業務和外幣財務報表折算

#### (1) 外幣交易

本集團外幣交易按交易發生日的即期匯率將外幣金額折算為人民幣金額。於資產負債表日，外幣貨幣性項目採用資產負債表日的即期匯率折算為人民幣，所產生的折算差額除了為購建或生產符合資本化條件的資產而借入的外幣專門借款產生的匯兌差額按資本化的原則處理外，直接計入當期損益。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 9. Foreign currency transactions and translation of financial statements in foreign currency (Continued)

##### 9. 外幣業務和外幣財務報表折算(續)

###### (2) Translation of financial statements in foreign currency

###### (2) 外幣財務報表的折算

Asset and liability items in the balance sheet denominated in foreign currency are translated at the spot rate prevailing at the balance sheet date. The owners' equity items, except for the "undistributed profits", are translated at the spot exchange rate when a business takes place. Income and expense items in the income statement are translated at the spot exchange rate at the date when the transaction takes place. The translation differences arising from the above translation of statements denominated in foreign currency are presented in other comprehensive income item. Cash flows dominated in foreign currency are translated using the spot rate at the date when the cash flow occurs. Effects on cash arising from the changes in exchange rate are presented separately in the cash flow statement.

外幣資產負債表中資產、負債類項目採用資產負債表日的即期匯率折算；所有者權益類項目除「未分配利潤」外，均按業務發生時的即期匯率折算；利潤表中的收入與費用項目，採用交易發生日的即期匯率折算。上述折算產生的外幣報表折算差額，在其他綜合收益項目中列示。外幣現金流量採用現金流量發生日的即期匯率折算。匯率變動對現金的影響額，在現金流量表中單獨列示。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities

The Group recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

#### (1) Financial assets

##### 1) Classification, recognition and measurement of financial assets

The Group classifies financial assets into financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group will classify financial assets that meet the following conditions into financial assets measured at amortised cost: ① the financial assets are managed within a business model whose objective is achieved by collecting contractual cash flow; and ② the contractual terms of the financial assets give rise on specific dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding. Such financial assets are initially measured at fair value with related transaction costs to be included in the initial recognition amount. Subsequent measurements are made at amortised cost. Amortisation using the effective interest method, impairment, exchange gain or loss and any gains or losses on derecognition on financial assets which are not part of any hedging relationship is recorded in the current profit or loss.

### 10. 金融資產和金融負債

本集團成為金融工具合同的一方時確認一項金融資產或金融負債。

#### (1) 金融資產

##### 1) 金融資產分類、確認依據和計量方法

本集團根據管理金融資產的業務模式和金融資產的合同現金流特徵，將金融資產分類為以攤餘成本計量的金融資產、以公允價值計量且其變動計入其他綜合收益的金融資產、以公允價值計量且其變動計入當期損益的金融資產。

本集團將同時符合下列條件的金融資產分類為以攤餘成本計量的金融資產：①管理該金融資產的業務模式是以收取合同現金流量為目標。②該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。此類金融資產按照公允價值進行初始計量，相關交易費用計入初始確認金額；以攤餘成本進行後續計量。不屬於任何套期關係的一部分的該類金融資產，按照實際利率法攤銷、減值、匯兌損益以及終止確認時產生的利得或損失，計入當期損益。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

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### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (1) Financial assets (Continued)

##### (1) 金融資產(續)

##### 1) Classification, recognition and measurement of financial assets (Continued)

##### 1) 金融資產分類、確認依據和計量方法(續)

The Group will classify financial assets that meet the following conditions into financial assets at fair value through other comprehensive income: ① the financial assets are managed within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and ② the contractual terms of the financial assets give rise on specific dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding. Such financial assets are initially measured at fair value with related transaction costs to be included in the initial recognition amount. All gains or losses generated from financial assets which are not part of any hedging relationship, other than credit impairment losses or gains, exchange gains or losses and interest on such financial assets calculated using the effective interest method, are recognized in other comprehensive income. When the financial asset is derecognised, the accumulative gains or losses which were previously charged to other comprehensive income are transferred out and included in current profit or loss.

本集團將同時符合下列條件的金融資產分類為以公允價值計量且其變動計入其他綜合收益的金融資產：①管理該金融資產的業務模式既以收取合同現金流量為目標又以出售該金融資產為目標。②該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。此類金融資產按照公允價值進行初始計量，相關交易費用計入初始確認金額。不屬於任何套期關係的一部分的該類金融資產所產生的所有利得或損失，除信用減值損失或利得、匯兌損益和按照實際利率法計算的該金融資產利息之外，所產生的其他利得或損失，均計入其他綜合收益；金融資產終止確認時，之前計入其他綜合收益的累計利得或損失應當從其他綜合收益中轉出，計入當期損益。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (1) Financial assets (Continued)

##### (1) 金融資產(續)

- 1) *Classification, recognition and measurement of financial assets (Continued)*

- 1) 金融資產分類、確認依據和計量方法(續)

The Group recognizes interest income using the effective interest method. Interest income is calculated and determined by applying the effective interest rate to the carrying balance of the financial asset, except: ① for the purchased or internally generated credit-impaired financial assets, their interest income is calculated and determined based on amortised cost and credit-adjusted effective interest rate of such financial assets since the initial recognition; ② for the purchased or internally generated financial assets without credit-impairment but subsequently becoming credit-impaired, their interest income is calculated and determined based on amortised costs and effective interest rate of such financial assets in subsequent periods.

本集團按照實際利率法確認利息收入。利息收入根據金融資產賬面餘額乘以實際利率計算確定，但下列情況除外：①對於購入或源生的已發生信用減值的金融資產，自初始確認起，按照該金融資產的攤餘成本和經信用調整的實際利率計算確定其利息收入。②對於購入或源生的未發生信用減值、但在後續期間成為已發生信用減值的金融資產，在後續期間，按照該金融資產的攤餘成本和實際利率計算確定其利息收入。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (1) Financial assets (Continued)

##### (1) 金融資產(續)

##### 1) Classification, recognition and measurement of financial assets (Continued)

##### 1) 金融資產分類、確認依據和計量方法(續)

The Group designates the non-tradable equity instrument investments as the financial assets measured at FVTOCI. Once the designation has been made, it shall not be revoked. For the non-tradable equity instrument investments designated by the Group which are measured at FVTOCI, the initial measurement shall be carried out according to the fair value, with the relevant transaction costs recorded in the initial recognition amount. Except that the obtained dividend (except for the part of investment cost recovery) is recognised in current profit or loss, all the other related gains or losses (including exchange gains or losses) are recorded in other comprehensive income, and shall not be subsequently transferred into current profit or loss. When such financial assets are terminated in recognition, the accumulated gains or losses previously recorded in other comprehensive income are transferred out from other comprehensive income and recorded in retained earnings.

本集團將非交易性權益工具投資指定為以公允價值計量且其變動計入其他綜合收益的金融資產。該指定一經作出，不得撤銷。本集團指定的以公允價值計量且其變動計入其他綜合收益的非交易性權益工具投資，按照公允價值進行初始計量，相關交易費用計入初始確認金額；除了獲得股利(屬於投資成本收回部分的除外)計入當期損益外，其他相關的利得和損失(包括匯兌損益)均計入其他綜合收益，且後續不得轉入當期損益。當其終止確認時，之前計入其他綜合收益的累計利得或損失從其他綜合收益中轉出，計入留存收益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (1) Financial assets (Continued)

###### (1) 金融資產(續)

- 1) *Classification, recognition and measurement of financial assets (Continued)*

- 1) 金融資產分類、確認依據和計量方法(續)

For the financial assets other than the aforementioned financial assets which are classified as the financial assets measured at amortised cost and the financial assets measured at FVTOCI, other than the above financial assets measured at amortised cost, the Group classifies its financial assets as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value with related transaction costs to be directly included in profit or loss for the period. Gains or losses on such financial assets are included in profit or loss for the period.

除上述分類為以攤餘成本計量的金融資產和分類為以公允價值計量且其變動計入其他綜合收益的金融資產之外的金融資產，本集團將其分類為以公允價值計量且其變動計入當期損益的金融資產。此類金融資產按照公允價值進行初始計量，相關交易費用直接計入當期損益。此類金融資產的利得或損失，計入當期損益。

For the financial assets that consist of the contingent consideration recognised by the Group in the business combination not under common control, such financial assets are classified as the financial assets measured at FVTPL.

本集團在非同一控制下的企業合併中確認的或有對價構成金融資產的，該金融資產分類為以公允價值計量且其變動計入當期損益的金融資產。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (1) Financial assets (Continued)

##### (1) 金融資產(續)

##### 2) Recognition and measurement of transfer of financial assets

##### 2) 金融資產轉移的確認依據和計量方法

The Group derecognizes financial assets if one of the following conditions is satisfied: ① the contractual rights to collect the cash flows from the financial asset expire; ② the financial asset has been transferred, and the Group has transferred substantially all the risks and rewards of ownership of the financial asset; and ③ the financial asset has been transferred, and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and it has not retained control over such financial asset.

本集團將滿足下列條件之一的金融資產予以終止確認：①收取該金融資產現金流量的合同權利終止；②金融資產發生轉移，本集團轉移了金融資產所有權上幾乎所有風險和報酬；③金融資產發生轉移，本集團既沒有轉移也沒有保留金融資產所有權上幾乎所有風險和報酬，且未保留對該金融資產控制的。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities (Continued)

### 10. 金融資產和金融負債(續)

#### (1) Financial assets (Continued)

#### (1) 金融資產(續)

#### 2) Recognition and measurement of transfer of financial assets (Continued)

#### 2) 金融資產轉移的確認依據和計量方法(續)

If the transfer of an entire financial asset satisfies the conditions for derecognition, the difference between the book value of the transferred financial assets on the date of termination of recognition and the sum of the consideration received from the transfer and the accumulative amount of the changes of the fair value originally included in other comprehensive income which shall be apportioned to the derecognized portion (if the transferred financial assets meet both of the following conditions: ① the business model of the Group managing the financial assets whose objective is collecting contractual cash flows and selling the financial assets; and ② the contractual terms of the financial assets give rise on specific dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding.) The difference between the sum of the two is included in profit or loss for the period.

金融資產整體轉移滿足終止確認條件的，將所轉移金融資產在終止確認日的賬面價值，與因轉移而收到的對價及原直接計入其他綜合收益的公允價值變動累計額中對應終止確認部分的金額(涉及轉移的金融資產同時符合下列條件：①集團管理該金融資產的業務模式既以收取合同現金流量為目標又以出售該金融資產為目標；②該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。)之和的差額計入當期損益。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (1) Financial assets (Continued)

##### (1) 金融資產(續)

##### 2) Recognition and measurement of transfer of financial assets (Continued)

##### 2) 金融資產轉移的確認依據和計量方法(續)

If the transfer of financial asset partially satisfies the conditions of derecognition, the entire book value of the transferred financial asset is, between the portion which is derecognized and the portion which is not, apportioned according to their respective relative fair value, and the difference between the sum of the consideration received from the transfer and the accumulative amount of the changes of the fair value originally included in other comprehensive income which shall be apportioned to the derecognized portion (if the transferred financial assets meet both of the following conditions: ① the business model of the Group managing the financial assets whose objective is collecting contractual cash flows and selling the financial assets; and ② the contractual terms of the financial assets give rise on specific dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding.) The difference between the sum and the overall book value of the financial assets amortised is recognized in profit or loss for the period.

金融資產部分轉移滿足終止確認條件的，將所轉移金融資產整體的賬面價值，在終止確認部分和未終止確認部分之間，按照各自的相對公允價值進行分攤，並將因轉移而收到的對價及應分攤至終止確認部分的原計入其他綜合收益的公允價值變動累計額中對應終止確認部分的金額(涉及轉移的金融資產同時符合下列條件：①集團管理該金融資產的業務模式既以收取合同現金流量為目標又以出售該金融資產為目標；②該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。)之和，與分攤的前述金融資產整體賬面價值的差額計入當期損益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (1) Financial assets (Continued)

###### (1) 金融資產(續)

###### 3) Testing method and accounting treatment of financial asset impairment

###### 3) 金融資產減值的測試方法及會計處理

The Group impairs and recognises a loss allowance for the following items based on ECL: ① financial assets that are measured at amortised cost and financial assets measured at FVTOCI; ② loan commitments issued by the corporate other than those classified as financial liabilities measured at FVTPL and financial guarantee contracts as stipulated in clause 21.3 of ASBE 22 – Recognition and Measurement of Financial Instruments.

本集團以預期信用損失為基礎，對下列項目進行減值會計處理並確認損失準備：①以攤餘成本計量的金融資產和分類為以公允價值計量且其變動計入其他綜合收益的金融資產；②企業發行的分類為以公允價值計量且其變動計入當期損益的金融負債以外的貸款承諾和適用《企業會計準則第22號—金融工具確認和計量》第二十一條(三)規定的財務擔保合同。

Credit loss refers to the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, or, the present value of all cash shortfalls. ECL is the weighted average of the credit losses of financial instruments based on risks of default.

信用損失，是指本集團按照原實際利率折現的、根據合同應收的所有合同現金流量與預期收取的所有現金流量之間的差額，即全部現金短缺的現值。預期信用損失是指以發生違約的風險為權重的金融工具信用損失的加權平均值。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (1) Financial assets (Continued)

###### (1) 金融資產(續)

###### 3) Testing method and accounting treatment of financial asset impairment (Continued)

###### 3) 金融資產減值的測試方法及會計處理(續)

On each balance sheet date, the Group assesses whether the credit risk of the financial assets has increased significantly since initial recognition, and measures their loss provisions and recognises ECL and their changes according to the following circumstances. The resulting increase in or reversal of loss provision are included in current profit or loss as impairment losses or gains. Specifically:

本集團在每個資產負債表日評估金融資產信用風險自初始確認後是否已顯著增加，並按照下列情形分別計量損失準備、確認預期信用損失及其變動，由此形成的損失準備的增加或轉回金額，作為減值損失或利得計入當期損益。具體如下：

- ① If the credit risk of the financial instrument has not increased significantly since the initial recognition, it is in the first stage, the loss provision is measured at the amount equivalent to the ECL of the financial instrument in the next 12 months, and the interest income is calculated according to the book balance and the actual interest rate;

- ① 如果該金融工具的信用風險自初始確認後並未顯著增加，處於第一階段，本集團按照相當於該金融工具未來12個月內預期信用損失的金額計量其損失準備，並按照賬面餘額和實際利率計算利息收入；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities (Continued)

### 10. 金融資產和金融負債(續)

#### (1) Financial assets (Continued)

#### (1) 金融資產(續)

#### 3) Testing method and accounting treatment of financial asset impairment (Continued)

#### 3) 金融資產減值的測試方法及會計處理(續)

② If the credit risk of the financial instrument has increased significantly since the initial recognition, however, if credit impairment has not occurred, it is in the second stage, the loss provision is measured at the amount equivalent to the ECL throughout the useful time of the financial instrument, and the interest income is calculated according to the book balance and the actual interest rate;

② 如果該金融工具的信用風險自初始確認後已顯著增加但尚未發生信用減值，處於第二階段，本集團按照相當於該金融工具整個存續期內預期信用損失的金額計量其損失準備，並按照賬面餘額和實際利率計算利息收入；

③ If the financial instrument has suffered credit impairment since its initial recognition, it is in the third stage. The Group measures its loss provisions at an amount equivalent to the ECL throughout the useful life of the financial instrument, and the interest income is calculated at amortised cost and actual interest rate.

③ 如果該金融工具的信用風險自初始確認後發生信用減值的，處於第三階段，本集團按照相當於該金融工具整個存續期預期信用損失的金額計量其損失準備，並按照攤餘成本和實際利率計算利息收入。

For financial instruments with relatively low credit risk on the balance sheet date, the Group assumes that the credit risk of the financial instrument has not increased significantly since initial recognition.

對於資產負債表日只具有較低信用風險的金融工具，本集團假設其信用風險自初始確認後未顯著增加。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (1) Financial assets (Continued)

###### (1) 金融資產(續)

###### 3) Testing method and accounting treatment of financial asset impairment (Continued)

###### 3) 金融資產減值的測試方法及會計處理(續)

Judgment of whether credit risk has significantly increased since the initial recognition. The Group compares the risk of default of the financial instrument on the balance sheet date with that on the date of initial recognition to assess the change in risk of default of a financial instrument in the expected life period and assess whether the credit risk of the financial instrument has increased significantly since initial recognition. However, if the Group determines that the financial instruments only have a low credit risk on the balance sheet date, it can be assumed that the credit risk of the financial instruments has not significantly increased since the initial recognition. Usually, if the receivables are overdue for more than 30 days, such circumstance indicates that the credit risk of financial instruments has increased significantly, unless the Group is able to obtain reasonable information with a supporting basis under the condition of not paying excessive costs or efforts to prove that even if the receivables are more than 30 days overdue, the credit risk has not significantly increased since the initial recognition. When determining whether credit risk has significantly increased

信用風險自初始確認後是否顯著增加的判斷。本集團通過比較金融工具在資產負債表日發生違約的風險與在初始確認日發生違約的風險，以確定金融工具預計存續期內發生違約風險的相對變化，以評估金融工具的信用風險自初始確認後是否已顯著增加。但是，如果本集團確定金融工具在資產負債表日只具有較低的信用風險的，可以假設該金融工具的信用風險自初始確認後並未顯著增加。通常情況下，如果逾期超過30日，則表明確定金融工具的信用風險已經顯著增加。除非本集團在無需付出過多成本或努力的情況下即可獲得合理且有依據的信息，證明即使逾期超過30日，信用風險自初始確認後仍未顯著增加。在確定信用風險自初始確認後是否顯著增加時，本集團考慮無

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities (Continued)

### 10. 金融資產和金融負債(續)

#### (1) Financial assets (Continued)

#### (1) 金融資產(續)

- 3) *Testing method and accounting treatment of financial asset impairment (Continued)*

- 3) *金融資產減值的測試方法及會計處理(續)*

since the initial recognition, the Group considers the reasonable information with a supporting basis under the condition of not paying unnecessary extra costs or efforts, including prospective information. The information considered by the Group includes: 1) the actual or expected external credit rating downgrade of the borrower. It would be more reliable if the internal credit rating can correspond to the external rating or can be confirmed by default investigation; 2) adverse changes in business, financial or external economic conditions that are expected to cause significant changes in the borrower's ability to perform its liability repayment obligations, such as rise in actual or expected interest rate and significant rise in actual or expected unemployment rate; 3) the actual or expected significant changes in the borrower's operating results, such as decrease in the borrower's income or gross profit margin, increase in business risks, working capital shortage, deterioration in asset quality, increase in gearing ratio, decrease in current ratio, management problems, and change in business scope or organisational structure (such as discontinuation of certain

須付出不必要的額外成本或努力即可獲得的合理且有依據的信息，包括前瞻性信息。本集團考慮的信息包括：1)對借款人實際或預期的外部信用評級下調。如果內部信用評級可與外部評級相對應或可通過違約調查予以證實，則更為可靠；2)預期將導致借款人履行其償債義務的能力發生顯著變化的業務、財務或外部經濟狀況的不利變化。例如，實際或預期的利率上升，實際或預期的失業率顯著上升；3)借款人經營成果實際或預期的顯著變化。例如，借款人收入或毛利率下降、經營風險增加、營運資金短缺、資產質量下降、槓桿率上升、流動比率下降、管理出現問題、業務範圍或組織結構變更(例如某些業務分部終止經營)；4)同一借款人其他債務發生違約或逾期；5)借款人所處的監管、經濟或技術環境的顯著



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 10. Financial assets and financial liabilities (Continued)

#### (1) Financial assets (Continued)

#### 3) Testing method and accounting treatment of financial asset impairment (Continued)

business segments); 4) default or overdue of other debts of the same borrower; 5) significant adverse changes in the regulatory, economic or technological environment in which the borrower is located, such as technological change which leads to a decline in the demand for borrower's products; 6) significant changes in the value of collateral as securities for debt or the quality of guarantee or credit enhancement provided by cooperative manufacturers, which are expected to negatively affect the borrower's intention economically to repay within the period specified in the contract or affect the probability of default. For example, if the value of collateral declines due to decrease in property prices, borrowers may be more likely to default on mortgages; 7) significant changes that are expected to negatively affect the borrower's intention economically to repay within the period specified in the contract, such as reduction of financial support available from parent company or other affiliated companies, or significant changes in the quality of credit enhancement. As for the quality changes

## 四、重要會計政策及會計估計(續)

### 10. 金融資產和金融負債(續)

#### (1) 金融資產(續)

#### 3) 金融資產減值的測試方法及會計處理(續)

不利變化。例如，技術變革導致對借款人產品的需求下降；6) 作為債務抵押的擔保物價值或第三方提供的擔保或信用增級質量的顯著變化。這些變化預期將降低借款人按合同規定期限還款的經濟動機或者影響違約概率。例如，如果房價下降導致擔保物價值下跌，則借款人可能會有更大動機拖欠抵押貸款；7) 預期將降低借款人按合同約定期限還款的經濟動機的顯著變化。例如，母公司或其他關聯公司能夠提供的財務支持減少，或者信用增級質量的顯著變化。關於信用增級的質量變化，企業應當考慮擔保人

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities (Continued)

### 10. 金融資產和金融負債(續)

#### (1) Financial assets (Continued)

#### (1) 金融資產(續)

#### 3) Testing method and accounting treatment of financial asset impairment (Continued)

#### 3) 金融資產減值的測試方法及會計處理(續)

in credit enhancement, the enterprise shall take into account the financial status of the guarantor, and whether the subordinated interest is sufficient to cover the ECL etc.; 8) significant changes in the borrower's expected performance and repayment behaviour, such as increase in number or amount of deferred repayment in a group of loan assets, and increase in the expected number of credit card holders close to the credit line or the monthly minimum repayment.

Presentation of allowance for ECL. The Group remeasures at each balance sheet date the ECL of financial instruments to reflect changes in the financial instrument's credit risk since initial recognition. The resulting increase in or reversal of loss allowance are included in current profit or loss as impairment losses or gains. For financial assets measured at amortised cost, the loss allowance is offset by the book value of the financial asset as presented in the balance sheet; for financial assets measured at FVTOCI, the loss allowance is recognised in other comprehensive incomes without offsetting the book value of the financial asset.

的財務狀況，次級權益預計能否吸收預期信用損失等；8) 借款人預期表現和還款行為的顯著變化。例如，一組貸款資產中延期還款的數量或金額增加、接近授信額度或每月最低還款額的信用卡持有人的預期數量增加。

預期信用損失準備的列報。為反映金融工具的信用風險自初始確認後的變化，本集團在每個資產負債表日重新計量預期信用損失，由此形成的損失準備的增加或轉回金額，應當作為減值損失或利得計入當期損益。對於以攤餘成本計量的金融資產，損失準備抵減該金融資產在資產負債表中列示的賬面價值；對於以公允價值計量且其變動計入其他綜合收益的債權投資，本集團在其他綜合收益中確認其損失準備，不抵減該金融資產的賬面價值。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (1) Financial assets (Continued)

###### (1) 金融資產(續)

###### 3) Testing method and accounting treatment of financial asset impairment (Continued)

###### 3) 金融資產減值的測試方法及會計處理(續)

Write-off. The book value of a financial asset is written off if there is no rational prospect of recovery of part or all of the contractual cashflow of the asset. Such write-off constitutes a derecognition event of the related financial asset. This is generally the case when the Group determines that the debtor has no asset or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, based on the Group's procedures for recovery of amounts due, financial assets that are written off could still be subject to enforcement activities. Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

核銷。如果本集團不再合理預期金融資產合同現金流量能夠全部或部分收回，則直接減記該金融資產的賬面餘額。這種減記構成相關金融資產的終止確認。這種情況通常發生在本集團確定債務人沒有資產或收入來源可產生足夠的現金流量以償還將被減記的金額。但是，按照本集團收回到期款項的程序，被減記的金融資產仍可能受到執行活動的影響。已減記的金融資產以後又收回的，作為減值損失的轉回計入收回當期的損益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities (Continued)

### 10. 金融資產和金融負債(續)

#### (2) Financial liabilities

#### (2) 金融負債

##### 1) Classification, recognition and measurement of financial liabilities

##### 1) 金融負債分類、確認依據和計量方法

Except for the following items, the Group classifies its financial liabilities as those measured at amortised cost and subsequently measured at amortised cost using the effective interest rate method:

除下列各項外，本集團將金融負債分類為以攤餘成本計量的金融負債，採用實際利率法，按照攤餘成本進行後續計量：

① financial liabilities at FVTPL (including derivatives of financial liabilities), including financial liabilities for trade and financial liabilities designated as measured at FVTPL upon initial recognition. These financial liabilities are subsequently measured to fair value, and the gain or loss resulted from the change in fair value and the dividend and interest payment in association with the financial liabilities are recognised in the current profit or loss.

① 以公允價值計量且其變動計入當期損益的金融負債(含屬於金融負債的衍生工具)，包括交易性金融負債和初始確認時指定為以公允價值計量且其變動計入當期損益的金融負債，此類金融負債按照公允價值進行後續計量，公允價值變動形成的利得或損失以及與該金融負債相關的股利和利息支出計入當期損益。

② financial liabilities arising from financial assets of which the transfer does not meet the conditions for derecognition or continuing involvements in the transferred financial assets. These financial liabilities are measured in accordance with standards applicable to transfer of financial assets.

② 不符合終止確認條件的金融資產轉移或繼續涉入被轉移金融資產所形成的金融負債。此類金融負債，本集團按照金融資產轉移相關準則規定進行計量。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (2) Financial liabilities (Continued)

###### (2) 金融負債(續)

###### 1) Classification, recognition and measurement of financial liabilities (Continued)

###### 1) 金融負債分類、確認依據和計量方法(續)

- ③ financial guarantee contracts that do not fall within the conditions of ① or ②, and loan commitments that do not fall within the condition of ① above and are borrowed at a rate less than the market interest rate. If the Group is the issuer of such financial liabilities, after initial recognition, it is measured at the higher of the amount of loss allowance determined in accordance with the relevant provisions of standards for financial instrument impairment and the balance of the initially recognised amount less the accumulated amortisation determined in accordance with the relevant provisions of standards for income.

- ③ 不屬於以上①或②情形的財務擔保合同，以及不屬於以上1情形的以低於市場利率貸款的貸款承諾。本集團作為此類金融負債的發行方的，在初始確認後按照依據金融工具減值相關準則規定確定的損失準備金額以及初始確認金額扣除依據收入準則相關規定所確定的累計攤銷後的餘額孰高進行計量。

If the Group incurs financial liabilities from the contingent consideration recognised as the purchaser in a business combination not under common control, the financial liabilities are measured at FVTPL.

本集團將在非同一控制下的企業合併中作為購買方確認的或有對價形成金融負債的，按照以公允價值計量且其變動計入當期損益進行會計處理。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 10. Financial assets and financial liabilities (Continued)

### 10. 金融資產和金融負債(續)

#### (2) Financial liabilities (Continued)

#### (2) 金融負債(續)

#### 2) Conditions for derecognition of financial liabilities

#### 2) 金融負債終止確認條件

When the present obligations of financial liabilities are released in whole or in part, such financial liabilities are derecognized to the extent of the obligations released. Where the Group enters into an agreement with its creditor to replace existing financial liabilities by assuming new financial liabilities with contractual terms substantively differ from those of the existing financial liabilities, the existing financial liabilities are derecognized while the new financial liabilities are recognized. Where the Group substantively revises, in whole or in part, the contractual terms of existing financial liabilities, such existing financial liabilities are derecognized in whole or in part, while those financial liabilities with their terms revised are recognized as new financial liabilities. The difference between the book value of the derecognised part and the consideration paid is included in the profit or loss for the current period.

當金融負債的現時義務全部或部分已經解除時，終止確認該金融負債或義務已解除的部分。本集團與債權人之間簽訂協議，以承擔新金融負債方式替換現存金融負債，且新金融負債與現存金融負債的合同條款實質上不同的，終止確認現存金融負債，並同時確認新金融負債。本集團對現存金融負債全部或部分的合同條款作出實質性修改的，終止確認現存金融負債或其一部分，同時將修改條款後的金融負債確認為一項新金融負債。終止確認部分的賬面價值與支付的對價之間的差額，計入當期損益。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (3) Method for determination of fair values of financial assets and financial liabilities

##### (3) 金融資產和金融負債的公允價值確定方法

Fair values of financial assets and financial liabilities of the Group are measured at the prices in principal market. In case there is no principal market, fair values of financial assets and financial liabilities are calculated using the price which is the most beneficial to the market, and using valuation technology which is the most appropriate at that time and with sufficient available data and other information. The inputs which are used to measure the fair value have been divided into 3 levels by the Group: Level 1-inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities. Level 2-inputs are quoted prices for the asset or liability (other than those included in Level 1) that are either directly or indirectly observable. Level 3-inputs are unobservable inputs to the related assets or liabilities. The Level 1 inputs are the first priority to use by the Group, and level 3 inputs will be the last one to use. Equity investments in other equity instruments use Level 1 inputs. The level of fair value measurement is determined by the lowest level of inputs which are significant to the measurement of fair value as a whole.

The Group measures investments in equity instruments at fair value. However, in limited circumstances, if recent information on determining fair value is insufficient, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range, the cost may be an appropriate estimate of fair value with that range.

本集團以主要市場的價格計量金融資產和金融負債的公允價值，不存在主要市場的，以最有利市場的價格計量金融資產和金融負債的公允價值，並且採用當時適用並且有足夠可利用數據和其他信息支持的估值技術。公允價值計量所使用的輸入值分為三個層次，即第一層次輸入值是計量日能夠取得的相同資產或負債在活躍市場上未經調整的報價；第二層次輸入值是除第一層次輸入值外相關資產或負債直接或間接可觀察的輸入值；第三層次輸入值是相關資產或負債的不可觀察輸入值。本集團優先使用第一層次輸入值，最後再使用第三層次輸入值，其他權益工具股權投資使用第一層次輸入值。公允價值計量結果所屬的層次，由對公允價值計量整體而言具有重大意義的輸入值所屬的最低層次決定。

本集團對權益工具的投資以公允價值計量。但在有限情況下，如果用以確定公允價值的近期信息不足，或者公允價值的可能估計金額分佈範圍很廣，而成本代表了該範圍內對公允價值的最佳估計的，該成本可代表其在該分佈範圍內對公允價值的恰當估計。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 10. Financial assets and financial liabilities (Continued)

#### 10. 金融資產和金融負債(續)

##### (4) *Offsetting of financial assets and financial liabilities*

##### (4) *金融資產和金融負債的抵銷*

Financial assets and financial liabilities of the Group shall be presented separately in the balance sheet and shall not be offset. However, when all of the following conditions are met, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet: (1) the Group has a legal right that is currently enforceable to set off the recognized amount, and (2) the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

本集團的金融資產和金融負債在資產負債表內分別列示，不相互抵銷。但同時滿足下列條件時，以相互抵銷後的淨額在資產負債表內列示：1)本集團具有抵銷已確認金額的法定權利，且該種法定權利是當前可執行的；2)本集團計劃以淨額結算，或同時變現該金融資產和清償該金融負債。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 10. Financial assets and financial liabilities (Continued)

##### (5) Classification and treatment of financial liabilities and equity instruments

The Group classifies financial liabilities and equity instruments on the following principles: 1) Where the Group is unable to unconditionally avoid delivering cash or another financial asset to fulfil a contractual obligation, the contractual obligation meets the definition of a financial liability. Although some financial instruments do not explicitly include the terms and conditions imposing the contractual obligation to deliver cash or another financial asset, they may indirectly give rise to the contractual obligation through other terms and conditions. 2) Where a financial instrument will or may be settled in the Group's own equity instrument, consideration shall be given to whether the Group's own equity instrument as used to settle the instrument is a substitute of cash or another financial asset or the residual interest in the assets of an entity after deducting all of its liabilities. In the former case, the instrument shall be the issuer's financial liability; in the latter case, the instrument shall be the equity instrument of the issuer. Under certain circumstances whereby a financial instrument contract stipulates that the Group will or may use its own equity instrument to settle the financial instrument, and the amount of the contractual right or obligation equal to the number of its own equity instruments to be received or delivered multiplied by their fair value at the time of settlement, the contract shall be classified as a financial liability, regardless of whether the amount of the contractual right or obligation is fixed, or fluctuates in full or in partly in response to changes in a variable other than the market price of the Group's own equity instruments (for example an interest rate, a commodity price or a financial instrument price).

### 四、重要會計政策及會計估計(續)

#### 10. 金融資產和金融負債(續)

##### (5) 金融負債與權益工具的區分及相關處理方法

本集團按照以下原則區分金融負債與權益工具：1)如果本集團不能無條件地避免以交付現金或其他金融資產來履行一項合同義務，則該合同義務符合金融負債的定義。有些金融工具雖然沒有明確地包含交付現金或其他金融資產義務的條款和條件，但有可能通過其他條款和條件間接地形成合同義務。2)如果一項金融工具須用或可用本集團自身權益工具進行結算，需要考慮用於結算該工具的本集團自身權益工具，是作為現金或其他金融資產的替代品，還是為了使該工具持有方享有在發行方扣除所有負債後的資產中的剩餘權益。如果是前者，該工具是發行方的金融負債；如果是後者，該工具是發行方的權益工具。在某些情況下，一項金融工具合同規定本集團須用或可用自身權益工具結算該金融工具，其中合同權利或合同義務的金額等於可獲取或需交付的自身權益工具的數量乘以其結算時的公允價值，則無論該合同權利或義務的金額是固定的，還是完全或部分地基於除本集團自身權益工具的市場價格以外的變量(例如利率、某種商品的價格或某項金融工具的價格)的變動而變動，該合同分類為金融負債。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 10. Financial assets and financial liabilities (Continued)

##### 10. 金融資產和金融負債(續)

###### (5) Classification and treatment of financial liabilities and equity instruments (Continued)

###### (5) 金融負債與權益工具的區分及相關處理方法(續)

When classifying a financial instrument (or a component thereof) in consolidated financial statements, the Group shall consider all terms and conditions agreed between members of the Group and the holders of the financial instrument. If the Group as a whole has an obligation in respect of the instrument to settle it by delivering cash or another financial asset or in such a way that it would be a financial liability, such instrument shall be classified as a financial liability.

本集團在合併報表中對金融工具(或其組成部分)進行分類時，考慮了集團成員和金融工具持有方之間達成的所有條款和條件。如果集團作為一個整體由於該工具而承擔了交付現金、其他金融資產或者以其他導致該工具成為金融負債的方式進行結算的義務，則該工具應當分類為金融負債。

(Continued) If the financial instrument or its component is attributable to the financial liability, the relevant interests, dividends, gains or losses, and gains or losses arising from redemption or refinancing, shall be recorded in the profit or loss of the current period.

金融工具或其組成部分屬於金融負債的，相關利息、股利(或股息)、利得或損失，以及贖回或再融資產生的利得或損失等，本集團計入當期損益。

If the financial instrument or its component is attributable to equity instrument, the Group shall treat it as change in equity when it is issued (including refinanced), repurchased, sold or cancelled, and shall not recognize changes in fair value of equity instrument.

金融工具或其組成部分屬於權益工具的，其發行(含再融資)、回購、出售或註銷時，本集團作為權益的變動處理，不確認權益工具的公允價值變動。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 11. Accounts receivable

The determination method and the accounting treatment method of the ECL of accounts receivable include evaluating if the credit risk has increased significantly since the initial recognition and assessing the expected credit on a group basis.

For the accounts receivable formed in the transactions stipulated by the document "Accounting Standards for Business Enterprises No. 14 – Standard of Income" and the transactions with no significant financing component, the Group always measures the loss provision according to the amount equivalent to the ECL over the entire life period.

Judgment of whether credit risk has significantly increased since the initial recognition. The Group compares the probability of default in the expected life period of the financial instrument determined at initial recognition with that on the balance sheet date to assess whether the credit risk of the financial instrument has increased significantly. However, if the Group determines that the financial instruments only have a low credit risk on the balance sheet date, it can be assumed that the credit risk of the financial instruments has not significantly increased since the initial recognition. Usually, if the receivables are overdue for more than 30 days, such circumstance indicates that the credit risk of financial instruments has increased significantly, unless the Group is able to obtain reasonable information with a supporting basis under the condition of not paying unnecessary costs or efforts to prove that even if the receivables are more than 30 days overdue, the credit risk has not significantly increased since the initial recognition. When determining whether credit risk has significantly increased since the initial recognition, the Group considers the reasonable information with a supporting basis under the condition of not paying unnecessary extra costs or efforts, including prospective information.

#### 11. 應收賬款

應收賬款的預期信用損失的確定方法及會計處理方法，包括評估信用風險自初始確認後是否已顯著增加的方法、以組合為基礎評估預期信用的組合方法等。

本集團對於《企業會計準則第14號—收入準則》規範的交易形成且不含重大融資成分的應收賬款，始終按照相當於整個存續期內預期信用損失的金額計量其損失準備。

信用風險自初始確認後是否顯著增加的判斷。本集團通過比較金融工具在初始確認時所確定的預計存續期內的違約概率和該工具在資產負債表日所確定的預計存續期內的違約概率，來判定金融工具信用風險是否顯著增加。但是，如果本集團確定金融工具在資產負債表日只具有較低的信用風險的，可以假設該金融工具的信用風險自初始確認後並未顯著增加。通常情況下，如果逾期超過30日，則表明金融工具的信用風險已經顯著增加。除非本集團在無須付出不必要的額外成本或努力的情況下即可獲得合理且有依據的信息，證明即使逾期超過30日，信用風險自初始確認後仍未顯著增加。在確定信用風險自初始確認後是否顯著增加時，本集團考慮無須付出不必要的額外成本或努力即可獲得的合理且有依據的信息，包括前瞻性信息。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 11. Accounts receivable (Continued)

Assessment on a group basis. The Company conducts individual assessment on the credit risk of financial assets with obviously different credit risks, such as the receivables for which there are disputes, lawsuit or arbitration, or the receivables for which there are obvious evidences showing that the debtor is not likely able to perform the repayment obligation, etc. In addition to financial assets with individually assessed credit risks, the Company divides financial assets into different groups based on ageing characteristics, and assess their credit risks on a group basis.

Measurement of ECL. ECL is the weighted average of the credit losses of financial instruments based on risks of default. Credit loss refers to the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, or, the present value of all cash shortfalls.

The Group calculates the ECL of accounts receivable on the balance sheet date. If such ECL is greater than the current book value of the impairment provision of the accounts receivable, the Group recognises the difference as the impairment loss of the accounts receivable, debiting the “credit impairment loss” and crediting the “bad debt provision”. In contrast, the Group recognises the difference as gains from impairment, and makes the contrary accounting records.

### 11. 應收賬款(續)

以組合為基礎的評估。本公司對信用風險顯著不同的金融資產單項評價信用風險，如：與對方存在爭議或涉及訴訟、仲裁的應收款項；已有明顯跡象表明債務人很可能無法履行還款義務的應收款項等。除了單獨評估信用風險的金融資產外，本公司基於賬齡特徵將金融資產劃分為不同的組別，在組合的基礎上評估信用風險。

預期信用損失計量。預期信用損失，是指以發生違約的風險為權重的金融工具信用損失的加權平均值。信用損失，是指本集團按照原實際利率折現的、根據合同應收的所有合同現金流量與預期收取的所有現金流量之間的差額，即全部現金短缺的現值。

本集團在資產負債表日計算應收賬款預期信用損失，如果該預期信用損失大於當前應收賬款減值準備的賬面金額，本集團將其差額確認為應收賬款減值損失，借記「信用減值損失」，貸記「壞賬準備」。相反，本集團將差額確認為減值利得，做相反的會計記錄。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 11. Accounts receivable (Continued)

### 11. 應收賬款(續)

Where the Group actually incurs credit loss and determines that the relevant accounts receivable cannot be recovered, if the receivables have been approved for cancellation after verification, the Group shall debit “bad debt provision” and credit “accounts receivable” according to the approved amount of write-off. If the amount of write-off is greater than the accrued impairment loss provision, the “credit impairment loss” shall be debited according to the difference.

本集團實際發生信用損失，認定相關應收賬款無法收回，經批准予以核銷的，根據批准的核銷金額，借記「壞賬準備」，貸記「應收賬款」。若核銷金額大於已計提的損失準備，按其差額借記「信用減值損失」。

Based on the actual credit losses in previous years, and considering the prospective information in the current year, the policies of accounting estimates to measure the ECL are as follows: the Group determines the ECL rate in single item for accounts receivable with significantly different credit risks; in addition to determining the ECL rate for accounts receivable in single item, the Group adopts the ECL model based on the characteristics of ageing, calculates the ECL of accounts receivable through default risk exposure of accounts receivable and ECL rate, and determines the ECL rate based on the default probability and loss from default.

本集團根據以前年度的實際信用損失，並考慮本年的前瞻性信息，計量預期信用損失的會計估計政策為：本集團對信用風險顯著不同的應收賬款單項確定預期信用損失率；除了單項確定預期信用損失率的應收賬款外，本集團採用以賬齡特徵為基礎的預期信用損失模型，通過應收賬款違約風險敞口和預期信用損失率計算應收賬款預期信用損失，並基於違約概率和違約損失率確定預期信用損失率。

Accounts Receivable – Ageing by ageing groups verse ECL rates in the life period:

應收賬款－賬齡組合的賬齡與整個存續期預期信用損失率對照表：

| Ageing                    | 賬齡        | ECL rate (%)<br>預期信用損失率(%) |
|---------------------------|-----------|----------------------------|
| Within 1 year (inclusive) | 1年以內(含1年) | 5.00                       |
| 1-2                       | 1-2年      | 10.00                      |
| 2-3                       | 2-3年      | 20.00                      |
| 3-4                       | 3-4年      | 50.00                      |
| 4-5                       | 4-5年      | 80.00                      |
| Over 5 years              | 5年以上      | 100.00                     |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 12. Accounts receivable financing

In the course of the Group managing the liquidity of the enterprises, substantially all the notes receivable are endorsed before maturity, and the Group shall derecognise the discounted or endorsed notes receivable based on the fact that almost all the risk and reward have been transferred to the counterparty. The business model adopted by the Group to manage the notes receivable is to collect contractual cash flows as well as sell the financial asset, therefore, it is classified as a financial asset measured at fair value and the changes of which are recognised through other comprehensive income, and listed in the accounts receivable financing. The fair value determined at the initial recognition is usually also the trading price. The difference between the fair value and the trading price, if any, is recognised as follows:

- (1) Upon initial recognition, if the fair value of the financial asset or financial liability is set by the quoted price of identical asset or liability in an active market, or merely determined by the valuation techniques using observable market data, the difference between fair value and trading price is recognised as a gain or loss.

### 12. 應收款項融資

本集團管理企業流動性的過程中絕大部分應收票據到期前進行背書轉讓，並基於本集團已將相關應收票據幾乎所有的風險和報酬轉移給相關交易對手之後終止確認已貼現或背書的應收票據。本集團管理應收票據的業務模式是既以收取合同現金流量為目標又以出售該金融資產為目標的，故將其分類為以公允價值計量且其變動計入其他綜合收益的金融資產，在應收款項融資中列示。在初始確認時的公允價值通常為交易價格，公允價值與交易價格存在差異的，區別下列情況進行處理：

- (1) 在初始確認時，金融資產或金融負債的公允價值依據相同資產或負債在活躍市場上的報價或者以僅使用可觀察市場數據的估值技術確定的，將該公允價值與交易價格之間的差額確認為一項利得或損失。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 12. Accounts receivable financing (Continued)

##### 12. 應收款項融資(續)

- (2) Upon initial recognition, if the fair value of the financial asset and financial liability is set by other means, the difference between fair value and trading price should be deferred. After initial recognition, the deferred difference will be confirmed as gains or losses in the corresponding accounting period depending on the degree of volatility of a certain factor within the period. This factor should only be restricted to those considered by the market participants when pricing the financial instrument, including time, etc. All gains and losses that arise from financial asset measured at FVTOCI, except for those generated by impairment and exchange differences, are charged to other comprehensive income until derecognition or reclassification of the financial asset.

- (2) 在初始確認時，金融資產或金融負債的公允價值以其他方式確定的，將該公允價值與交易價格之間的差額遞延。初始確認後，根據某一因素在相應會計期間的變動程度將該遞延差額確認為相應會計期間的利得或損失。該因素應當僅限於市場參與者對該金融工具定價時將予考慮的因素，包括時間等。以公允價值計量且其變動計入其他綜合收益的金融資產所產生的所有利得或損失，除減值利得或損失和匯兌損益之外，均應當計入其他綜合收益，直至該金融資產終止確認或被重分類。

When the financial asset is derecognised, the accumulative gains or losses which were previously charged to other comprehensive income are transferred out and included in current profit or loss.

該金融資產終止確認時，之前計入其他綜合收益的累計利得或損失應當從其他綜合收益中轉出，計入當期損益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 13. Other receivables

The method of determining the expected credit loss of other receivables and the accounting treatment are as follows:

The Group measures the loss provision of other receivables in accordance with the following circumstances: ① For the financial assets with no significant increase in credit risk since the initial confirmation, the Group measures the loss provision in accordance with the amount of expected credit losses over the next 12 months. ② For the financial assets with significant increase in credit risk incurred since the initial recognition, the Group measures the loss provision in the amount equivalent to the expected credit loss of the financial instruments during the entire life cycle. ③ For the financial assets purchased or derived from the credit impairment already incurred, the Group measures the loss provision according to the amount equivalent to the expected credit loss over the entire lifetime.

Assessment on a group basis. For other receivables, the Group is unable to obtain sufficient evidence of a significant increase in credit risk at a reasonable cost at the level of individual instruments, whereas it is feasible to assess whether the credit risk significantly increased on the basis of the portfolio. Therefore, the Group divides the other receivables into groups, considers and assesses whether there is a significant increase in credit risk on a group-basis by taking the items such as the types of financial instruments, credit risk rating, collateral type, initial recognition date and residual contract duration, industry in which the borrower operates and geographical location of the borrower as the common risk characteristics.

### 13. 其他應收款

其他應收款的預期信用損失的確定方法及會計處理方法：

本集團按照下列情形計量其他應收款損失準備：①信用風險自初始確認後未顯著增加的金融資產，本集團按照未來12個月的預期信用損失的金額計量損失準備；②信用風險自初始確認後已顯著增加的金融資產，本集團按照相當於該金融工具整個存續期內預期信用損失的金額計量損失準備；③購買或源生已發生信用減值的金融資產，本集團按照相當於整個存續期內預期信用損失的金額計量損失準備。

以組合為基礎的評估。對於其他應收款，本集團在單項工具層面無法以合理成本獲得關於信用風險顯著增加的充分證據，而在組合的基礎上評估信用風險是否顯著增加是可行，所以本集團按照金融工具類型、信用風險評級、擔保物類型、初始確認日期、剩餘合同期限、借款人所處的行業、借款人所在的地理位置為共同風險特徵，對其他應收款進行分組並以組合為基礎考慮評估信用風險是否顯著增加。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 13. Other receivables (Continued)

For methods to assess whether the credit risk has significantly increased since initial recognition, prospective information for the year and accounting treatment methods, please see Note IV. 11. Accounts receivable.

##### 14. Inventories

The inventories of the Group mainly include raw materials closely related to the Company's principal business, including materials and low value consumables used in the course of business of water production, wastewater treatment and household meter installation, as well as the inputs for installation works that are yet to be recognised as sales income.

Inventories adopt the perpetual inventory system, and are valued by the actual cost when acquired. The actual costs of requisitioned or issued inventories are determined by the weighted average method at the end of each month. Low value consumables are amortised by the one-off write-off method.

On each balance sheet date, inventories are valued by the cost or net realisable value, whichever is lower. For the estimated irrecoverable part of cost due to inventory damage, obsolescence of all or partial inventories, or sale price lower than the cost, provisions for impairment of inventories are accrued. Provisions for impairment of inventories for bulk raw materials are accrued based on the difference between the cost of single inventory item and its net realisable value; for other numerous raw and auxiliary materials with low prices, inventory impairment provisions are accrued based on their categories.

##### 13. 其他應收款(續)

與評估信用風險自初始確認後是否已顯著增加的方法、本年的前瞻性信息以及會計處理方法等參見上述四.11.應收賬款的相關內容描述。

##### 14. 存貨

本集團存貨主要包括在制水及污水處理、戶表安裝等業務過程中耗用的材料、低值易耗品等與公司主要業務密切相關的原材料，安裝工程施工過程中尚未確認銷售收入的工程施工投入。

存貨實行永續盤存制，存貨在取得時按實際成本計價；領用或發出存貨，採用月末一次加權平均法確定其實際成本。低值易耗品採用一次轉銷法進行攤銷。

資產負債表日存貨按成本與可變現淨值孰低原則計價，對於存貨因遭受毀損、全部或部分陳舊過時或銷售價格低於成本等原因，預計其成本不可收回的部分，提取存貨跌價準備。大宗原材料的存貨跌價準備按單個存貨項目的成本高於其可變現淨值的差額提取；其他數量繁多、單價較低的原輔材料按類別提取存貨跌價準備。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 15. Contract assets

### 15. 合同資產

#### (1) Method and standards for recognition of contract assets

#### (1) 合同資產的確認方法及標準

A contract asset represents the Group's right, which depends on factors other than the passage of time, to receive consideration in exchange for goods that the Group has transferred to a customer. If the Group sells two clearly distinguishable goods to customers, it is entitled to receive payment for one of the goods that has been delivered, but the payment is also dependent on the delivery of the other of the goods, the Group regards the right to receive payment as a contract asset. Contractual assets of the Group mainly comprise completed but unsettled assets of engineering business and guarantee deposits receivable.

合同資產，是指本集團已向客戶轉讓商品而有權收取對價的權利，且該權利取決於時間流逝之外的其他因素。如本集團向客戶銷售兩項可明確區分的商品，因已交付其中一項商品而有權收取款項，但收取該款項還取決於交付另一項商品的，本集團將該收款權利作為合同資產。本集團的合同資產主要系工程業務已完工未結算資產及應收項目質保金。

#### (2) Method of determination and accounting treatment of expected credit loss of contract assets

#### (2) 合同資產的預期信用損失的確定方法及會計處理方法

For method of determination of expected credit loss of contract assets, please refer to the description in "11. Accounts receivable and receivables" above.

合同資產的預期信用損失的確定方法，參照上述11.應收賬款及應收賬款相關內容描述。

About the accounting treatment method, the Group calculates the expected credit loss of contract assets on the balance sheet date. If the expected credit loss is greater than the book value of the current provision for contract assets, the Group recognises the difference as impairment losses, and it will debit "assets impairment loss" and credit "provision for impairment of contract assets". In contrast, the Group recognises the difference as gains from impairment, and makes the contrary accounting records.

會計處理方法，本集團在資產負債表日計算合同資產預期信用損失，如果該預期信用損失大於當前合同資產減值準備的賬面金額，本集團將其差額確認為減值損失，借記「資產減值損失」，貸記「合同資產減值準備」。相反，本集團將差額確認為減值利得，做相反的會計記錄。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

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### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 15. Contract assets (Continued)

#### 15. 合同資產(續)

##### (2) Method of determination and accounting treatment of expected credit loss of contract assets (Continued)

##### (2) 合同資產的預期信用損失的確定方法及會計處理方法(續)

If the Group incurs credit loss and determines that the relevant contract assets are unrecoverable, subject to the approval for writing off, it will debit “provision for impairment of contract assets” and credit “contract assets” based on the approved amount written-off. If the written-off amount is greater than the loss allowance made, the “assets impairment loss” is debited for the difference.

本集團實際發生信用損失，認定相關合同資產無法收回，經批准予以核銷的，根據批准的核銷金額，借記「合同資產減值準備」，貸記「合同資產」。若核銷金額大於已計提的損失準備，按其差額借記「資產減值損失」。

#### 16. Contract costs

#### 16. 合同成本

##### (1) Method of determination of amount of assets relating to contract costs

##### (1) 與合同成本有關的資產金額的確定方法

The Group's assets relating to contract costs include contract performance cost and contract acquisition cost.

本集團與合同成本有關的資產包括合同履約成本和合同取得成本。

Contract performance cost refers to the cost incurred by the Group to perform a contract which does not fall under the scope of the Accounting Standards for Business Enterprises and meets all of the following conditions, which is recognised as an asset as contract performance cost: the costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract; the costs generate resources of the Group that will be used in satisfying performance obligations in the future; the costs are expected to be recovered.

合同履約成本，即本集團為履行合同發生的成本，不屬於其他企業會計準則規範範圍且同時滿足下列條件的，作為合同履約成本確認為一項資產：該成本與一份當前或預期取得的合同直接相關，包括直接人工、直接材料、製造費用(或類似費用)、明確由客戶承擔的成本以及僅因該合同而發生的其他成本；該成本增加了本集團未來用於履行履約義務的資源；該成本預期能夠收回。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 16. Contract costs (Continued)

##### 16. 合同成本(續)

###### (1) Method of determination of amount of assets relating to contract costs (Continued)

###### (1) 與合同成本有關的資產金額的確定方法(續)

Contract acquisition cost refers to the incremental cost for the Group to obtain a contract which is expected to be recoverable which is recognised as an asset as contract acquisition cost. If the amortisation period is no more than one year, the contract acquisition cost is included in profit or loss as incurred. Incremental cost refers to the cost which will not be incurred by the Group had no contract been acquired (such as commission etc.). Other expenses incurred by the Group to obtain contracts (other than the incremental cost which is expected to be recoverable) (such as travelling expenses which will be incurred regardless of whether the contract will be obtained) are included in profit or loss as incurred, save for those expressly to be borne by customers.

合同取得成本，即本集團為取得合同發生的增量成本預期能夠收回的，作為合同取得成本確認為一項資產；該資產攤銷期限不超過一年的，在發生時計入當期損益。增量成本，是指本集團不取得合同就不會發生的成本(如銷售佣金等)。本集團為取得合同發生的、除預期能夠收回的增量成本之外的其他支出(如無論是否取得合同均會發生的差旅費等)，在發生時計入當期損益，但是，明確由客戶承擔的除外。

###### (2) Amortisation of assets relating to contract costs

###### (2) 與合同成本有關的資產的攤銷

The Group's assets relating to contract costs are amortised using the same basis as that for recognition of the revenue from goods relating to the assets, which are included in profit or loss.

本集團與合同成本有關的資產採用與該資產相關的商品收入確認相同的基礎進行攤銷，計入當期損益。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 16. Contract costs (Continued)

##### 16. 合同成本(續)

###### (3) Impairment of assets relating to contract costs

###### (3) 與合同成本有關的資產的減值

In determining the loss on impairment of assets relating to contract costs, the Group first determines the impairment loss for other assets relating to contract costs recognised in accordance with the relevant Accounting Standards for Business Enterprises and then makes provision for impairment based on the excess of its carrying value over the sum of the remaining consideration expected to be received from transfer of the goods relating to the asset and the cost expected to be incurred for transfer of the relevant goods, which is recognised as loss on impairment of assets.

本集團在確定與合同成本有關的資產的減值損失時，首先對按照其他相關企業會計準則確認的、與合同有關的其他資產確定減值損失；然後根據其賬面價值高於本集團因轉讓與該資產相關的商品預期能夠取得的剩餘對價以及為轉讓該相關商品估計將要發生的成本這兩項差額的，超出部分應當計提減值準備，並確認為資產減值損失。

If there is any change in the factors causing impairment in the previous periods, resulting in the said difference higher than the carrying value of the asset, the provision for impairment of assets previously made is reversed and is included in profit or loss. However, the carrying value of the asset following reversal shall not exceed the carrying value of the asset as at the date of reversal had no provision for impairment been made.

以前期間減值的因素之後發生變化，使得前述差額高於該資產賬面價值的，轉回原已計提的資產減值準備，並計入當期損益，但轉回後的資產賬面價值不應超過假定不計提減值準備情況下該資產在轉回日的賬面價值。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 17. Long-term receivables

The long-term receivables of the Group are mainly the principal and interest of the investment and construction return of the wastewater treatment plant due from the government departments pursuant to the concession agreements entered into with the local government departments as part of the wastewater treatment fee, which are usually recovered together with the operation service fee charged in accordance with the contracts in the current period. The payments are made by governments at different levels or their authorised departments, and the payees remain the same, as such the credit risk characteristics are the same. The Group presents long-term receivables due within one year (inclusive) from the balance sheet date as non-current assets due within one year.

For determination of ECL of long-term receivables, please see the testing method and accounting treatment of financial asset impairment in Note “IV. 10.(1) Financial assets”.

##### 18. Long-term debt investment

Long-term equity investments of the Group are the investments in subsidiaries and investment in associates and investment in joint ventures.

Basis for determination in respect of common control is that all participated parties or a group of participated parties control such arrangement, and that policies of such related business of such arrangement have to obtain unanimous agreement by all parties that are control such arrangement.

##### 17. 長期應收款

本集團長期應收款主要系根據與各地方政府部門簽署的特許經營協議，應向政府部門收取的污水處理廠投資建設回報本息，作為污水處理費的組成部分，通常與當期按照合同約定收取的運營服務費一並收取，付款方均為各級政府或其授權部門，付款對象一致，故其信用風險特徵一致。長期應收款採用攤餘成本計量並按期確認利息收入，實際利率在長期應收款存續期間內一般保持不變。本集團將自資產負債表日起一年內(含一年)到期的長期應收款，列示為一年內到期的非流動資產。

長期應收款預期信用損失的確定方法參照本附註「四、10.(1)金融資產」中金融資產減值的測試方法及會計處理方法所述。

##### 18. 長期股權投資

本集團長期股權投資主要是對子公司的投資、對聯營企業的投資和對合營企業的投資。

本集團對共同控制的判斷依據是所有參與方或參與方組合集體控制該安排，並且該安排相關活動的政策必須經過這些集體控制該安排的參與方一致同意。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 18. Long-term debt investment (Continued)

##### 18. 長期股權投資(續)

When the Group directly or indirectly throughout its subsidiary owns 20% (inclusive) or more but less than 50% shares with voting rights in the investee, it is generally considered that the Group has significant influence on the investee. For voting rights less than 20% in the investee, the board or representative in similar authority in the investee or the implementation processes of financial or operation policies of investee have also been taken into account, or significant transaction with the investee, or management personnel send to the investee, or significant technology information provided to the investee which have significant influence to the investee.

本集團直接或通過子公司間接擁有被投資單位20%以上但低於50%的表決權時，通常認為對被投資單位具有重大影響。持有被投資單位20%以下表決權的，還需要綜合考慮在被投資單位的董事會或類似權力機構中派有代表、或參與被投資單位財務和經營政策制定過程、或與被投資單位之間發生重要交易、或向被投資單位派出管理人員、或向被投資單位提供關鍵技術資料等事實和情況判斷對被投資單位具有重大影響。

If the Group has control over an investee, it is a subsidiary of the Group. For long-term equity investments obtained through business combination under common control, proportion of carrying value of net assets obtained on the date of combination in the consolidated financial statements of the ultimate controller shall be accounted as the initial investment cost of the long-term investment. For carrying value of net assets of the acquiree which is negative on the date of combination, investment cost of long-term equity investment is calculated as zero.

對被投資單位形成控制的，為本集團的子公司。通過同一控制下的企業合併取得的長期股權投資，在合併日按照取得被合併方在最終控制方合併報表中淨資產的賬面價值的份額作為長期股權投資的初始投資成本。被合併方在合併日的淨資產賬面價值為負數的，長期股權投資成本按零確定。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 18. Long-term debt investment (Continued)

For equity interests in investees under common control acquired in a series of transaction which constitute business combination, supplementary disclosure on the accounting of long-term equity investments in the financial statements of the Company for the reporting period in which the control is acquired. For example, for equity interests in investees under common control acquired in a series of transactions which constitute business combination and a package of transactions, the Group accounts for each transaction as a transaction in which the control has been obtained. If it does not fall under a series of transactions, according to proportion of fair value of net assets of acquiree after the combination in the consolidated financial statements of the ultimate controller, and accounted as the initial investment cost of long-term equity investment on the date of combination. Difference between initial investment cost and the carrying value of long-term equity investment before combination and the sum of carrying value of newly paid consideration for additional shares acquired on the date of combination is to adjust capital reserve.

For long-term equity investment acquired through business combination not under common control, cost of combination will be treated as the initial investment cost.

### 18. 長期股權投資(續)

通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在母公司財務報表中的長期股權投資的處理方法。例如：通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併，屬於一攬子交易的，本集團將各項交易作為一項取得控制權的交易進行會計處理。不屬於一攬子交易的，在合併日，根據合併後享有被合併方淨資產在最終控制方合併財務報表中的賬面價值的份額作為長期股權投資的的初始投資成本。初始投資成本與達到合併前的長期股權投資賬面價值加上合併日進一步取得股份新支付對價的賬面價值之和的差額，調整資本公積，資本公積不足沖減的，沖減留存收益。

通過非同一控制下的企業合併取得的長期股權投資，以合併成本作為初始投資成本。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 18. Long-term debt investment (Continued)

For equity interests in investees not under common control acquired in a series of transaction which constitute business combination, supplementary disclosure on the accounting of cost of long-term equity investments in the financial statements of the Company for the reporting period in which the control is acquired. For example, for equity interests in investees not under common control acquired in a series of transactions which constitute business combination and a package of transactions, the Group accounts for each transaction as a transaction in which the control has been obtained. If it does not belong to a series of transaction, initial investment cost will be the sum of the carrying value of the equity investment which it originally holds, and initial investment cost will change to cost method. For shareholding which it holds before the date of acquisition which uses equity method, other related comprehensive income which use equity method for accounting shall not be adjusted, such investment shall use the same accounting basis as the investee when it directly disposes of related assets or liabilities upon disposal. Equity held before the purchase date is non-trading equity instruments designated as measured at FVTOCI, and the accumulated changes in fair value originally included in other comprehensive income shall not be transferred into the current profit or loss.

##### 18. 長期股權投資(續)

通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在母公司財務報表中的長期股權投資成本處理方法。例如：通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併，屬於一攬子交易的，本集團將各項交易作為一項取得控制權的交易進行會計處理。不屬於一攬子交易的，按照原持有的股權投資賬面價值加上新增投資成本之和，作為改按成本法核算的初始投資成本。購買日之前持有的股權採用權益法核算的，原權益法核算的相關其他綜合收益暫不做調整，在處置該項投資時採用與被投資單位直接處置相關資產或負債相同的基礎進行會計處理。購買日之前持有的股權為指定以公允價值計量且其變動計入其他綜合收益的非交易性權益工具，原計入其他綜合收益的累計公允價值變動不得轉入當期損益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 18. Long-term debt investment (Continued)

### 18. 長期股權投資(續)

Apart from the long-term equity investments acquired through business combination mentioned above, the long-term equity investments acquired by cash payment is expensed as the cost of investment based on the actual amount of cash paid for the purchase. For long-term equity investments acquired by issuing equity securities, the cost of investment is the fair value of the equity securities issued. For long-term equity investments invested in the Group by the investor, the investment cost is the agreed consideration as specified in the contract or agreement. For long-term equity investment acquired through debt restructuring and exchange of non-monetary assets, investment cost are determined in accordance with the requirements of the relevant accounting standards.

除上述通過企業合併取得的長期股權投資外，以支付現金取得的長期股權投資，按照實際支付的購買價款作為投資成本；以發行權益性證券取得的長期股權投資，按照發行權益性證券的公允價值作為投資成本；投資者投入的長期股權投資，按照投資合同或協議約定的價值作為投資成本；以債務重組、非貨幣性資產交換等方式取得的長期股權投資，按相關會計準則的規定確定投資成本。

Investments in subsidiaries are accounted for the Group using cost method, while investments in the associates and joint ventures are accounted for under equity method.

本集團對子公司投資採用成本法核算，對合營企業及聯營企業投資採用權益法核算。

For long-term equity investments for which the subsequent measure is accounted for using cost method, when making additional investment, carrying value of the long-term equity investments will be increased according to the fair value of cost of additional investment and the related expenses incurred by related transactions. For cash dividend or profit paid by the investee, it shall be recognised as investment income for current period using the amount which it entitles.

後續計量採用成本法核算的長期股權投資，在追加投資時，按照追加投資支付的成本額公允價值及發生的相關交易費用增加長期股權投資成本的賬面價值。被投資單位宣告分派的現金股利或利潤，按照應享有的金額確認為當期投資收益。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 18. Long-term debt investment (Continued)

##### 18. 長期股權投資(續)

For long-term equity investment for which the subsequent measurement is accounted for under equity method, carrying value of long-term equity investment shall be increased or decreased accordingly according to the change in the shareholders' equity of the investee. When determining the amount of proportion of net profit or loss in the investee which it entitles, fair value of each identifiable assets of the investee at the time when the investment is obtained shall be used as basis, and according to the accounting policies and accounting period of the Group, and after offsetting profit or loss incurred in internal transaction between associates and joint ventures, and calculate the proportion which is attributable to the investing company according to the shareholding, and recognised after adjustment is made to the net profit of the investee.

後續計量採用權益法核算的長期股權投資，隨著被他投資單位所有者權益的變動相應調整增加或減少長期股權投資的賬面價值。其中在確認應享有被投資單位淨損益的份額時，以取得投資時被投資單位各項可辨認資產等的公允價值為基礎，按照本集團的會計政策及會計期間，並抵銷與聯營企業及合營企業之間發生的內部交易損益按照持股比例計算歸屬於投資企業的部分，對被投資單位的淨利潤進行調整後確認。

On disposal of a long-term equity investment, the difference between the carrying value and the consideration actually received is recognised as investment income for the period. For long-term equity investments accounted for under equity method, the relevant other comprehensive income accounted for by the original equity method shall be accounted for on the same basis as the investee's direct disposal of related assets or liabilities when the equity method is terminated. The owner's equity recognised by changes in other owner's equity other than profit and loss, other comprehensive income and profit distribution shall be all transferred to the current investment gain when the equity method is terminated.

處置長期股權投資，其賬面價值與實際取得價款的差額，計入當期投資收益。採用權益法核算的長期股權投資，原權益法核算的相關其他綜合收益應當在終止採用權益法核算時採用與被投資單位直接處置相關資產或負債相同的基礎進行會計處理，因被投資方除淨損益、其他綜合收益和利潤分配以外的其他所有者權益變動而確認的所有者權益，應當在終止採用權益法核算時全部轉入當期投資收益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 18. Long-term debt investment (Continued)

##### 18. 長期股權投資(續)

When the Group loss control in the investee due to reasons such as disposal of part of the equity investment, remaining shareholding after disposal of will be accounted for under ASBE 22 – Recognition and Measurement of Financial Instruments, difference between fair value and the carry value on the date of loss of common control or significant influence will be included in the profit or loss for current period. Other comprehensive income recognised in the original equity investment which is accounted for using equity method, upon it will no longer be accounted for under equity method, it shall be using the same accounting basis as the investee directly disposing related assets or liabilities.

因處置部分股權投資等原因喪失了對被投資單位的共同控制或重大影響的，處置後的剩餘股權適用《企業會計準則第22號—金融工具確認和計量》核算的，剩餘股權在喪失共同控制或重大影響之日的公允價值與賬面價值之間的差額計入當期損益。原股權投資因採用權益法核算而確認的其他綜合收益，在終止採用權益法核算時採用與被投資單位直接處置相關資產或負債相同的基礎處理並按比例結轉，因被投資方除淨損益、其他綜合收益和利潤分配以外的其他所有者權益變動而確認的所有者權益，應當按比例轉入當期投資收益。

For loss of control in the investee due to partly disposed long-term equity investment, for remaining shareholding which can apply common control or impose significant influence to the investee after disposal, shall be accounted for under equity method. Difference between the carrying value of equity disposal and the disposal consideration shall be included as investment income. For remaining shareholding which cannot apply common control or impose significant influence after disposal, it can be accounted as under ASBE 22 – Recognition and Measurement of Financial Instruments, and difference between carrying value of equity disposal and the disposal consideration shall be included as investment income, difference between fair value and the carrying value of remaining shareholding on the date loss of control shall be included in the investment profit or loss for such period.

因處置部分長期股權投資喪失了對被投資單位控制的，處置後的剩餘股權能夠對被投資單位實施共同控制或施加重大影響的，改按權益法核算，處置股權賬面價值和處置對價的差額計入投資收益，並對該剩餘股權視同自取得時即採用權益法核算進行調整；處置後的剩餘股權不能對被投資單位實施共同控制或施加重大影響的，適用《企業會計準則第22號—金融工具確認和計量》進行會計處理，處置股權賬面價值和處置對價的差額計入投資收益，剩餘股權在喪失控制之日的公允價值與賬面價值間的差額計入當期損益。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 18. Long-term debt investment (Continued)

If the transactions from the step-by-step disposal of equity to the loss of controlling equity do not fall under a series of transactions, the Group shall separately carry out accounting treatment for each transaction. If the transaction falls under a series of transactions, each transaction is accounted for as a disposal of subsidiary with control lost. However, the difference between the consideration for each transaction before losing control and the carrying value of the long-term equity investments corresponding to the equity disposed of is recognised as other comprehensive income and transferred to profit or loss upon loss of control.

### 19. Properties held for investment

Investment properties of the Group includes land use rights and buildings which have been rented.

Investment properties of the Group are subject to subsequent measurement on a cost basis, and depreciated or amortised based on their estimated useful life and net residual rate by straight-line method. The estimated useful life, net residual rate and annual depreciation (amortisation) rate of the investment properties are as follows:

| Category                | 類別    | Depreciable life (year)<br>折舊年限<br>(年) | Rate of residual value (%)<br>預計殘值率<br>(%) | Annual depreciation rates (%)<br>年折舊率<br>(%) |
|-------------------------|-------|--|--|--|
| Land use rights         | 土地使用權 | 30-50                                  | 0  | 3.33-2.00                                    |
| Building and structures | 房屋建築物 | 30-50                                  | 5  | 3.17-1.90                                    |

### 18. 長期股權投資(續)

本集團對於分步處置股權至喪失控股權的各項交易不屬於一攬子交易的，對每一項交易分別進行會計處理。屬於「一攬子交易」的，將各項交易作為一項處置子公司並喪失控制權的交易進行會計處理，但是，在喪失控制權之前每一次交易處置價款與所處置的股權對應的長期股權投資賬面價值之間的差額，確認為其他綜合收益，到喪失控制權時再一併轉入喪失控制權的當期損益。

### 19. 投資性房地產

本集團投資性房地產包括已出租的土地使用權和已出租的房屋建築物。

本集團對投資性房地產採用成本模式進行後續計量，按其預計使用壽命及淨殘值率採用平均年限法計提折舊或攤銷。投資性房地產的預計使用壽命、淨殘值率及年折舊(攤銷)率如下：

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 20. Fixed assets

Fixed assets of the Group are tangible assets that held for production of goods or provision of services, leasing to others, or for administrative purposes; have useful life over one accounting year with unit value over RMB3,000.

Fixed assets are recognised when it is probable that the related economic benefits will flow to the Group and the costs can be reliably measured. Fixed assets of the Group comprise buildings and structures, special equipment, general equipment, pipeline assets, transport equipment, office equipment, etc.

Apart from fixed assets which are provided in full and continue to be in use and lands that are accounted separately, the Group made provision for all the fixed assets. The Group made provision for depreciation using straight-line method. The useful life, estimated residual value ratio and depreciation rate of fixed assets of the Group are classified as below:

### 20. 固定資產

本集團固定資產是指同時具有以下特徵，即為生產商品、提供勞務、出租或經營管理而持有的，使用年限超過一年，單位價值超過3,000元的有形資產。

固定資產在與其有關的經濟利益很可能流入本集團、且其成本能夠可靠計量時予以確認。本集團固定資產包括房屋及建築物、專用設備、通用設備、管網資產、運輸設備、辦公設備等。

除已提足折舊仍繼續使用的固定資產和單獨計價入帳的土地外，本集團對所有固定資產計提折舊。計提折舊時採用平均年限法。本集團固定資產的分類折舊年限、預計淨殘值率、折舊率如下：

| 序號 | Category                | 類別    | Depreciable life (year)<br>折舊年限<br>(年) | Rate of residual value (%)<br>預計殘值率<br>(%) | Annual depreciation rates (%)<br>年折舊率<br>(%) |
|----|-------------------------|-------|--|--|--|
| 1  | Office facilities       | 辦公設備  | 3-8                                    | 3-4  | 12-32.33                                     |
| 2  | Building and structures | 房屋構築物 | 20-30                                  | 3-5  | 3.17-4.85                                    |
| 3  | Pipeline assets         | 管網資產  | 10-20                                  | 3-4  | 4.8-9.7                                      |
| 4  | General equipment       | 通用設備  | 5-10                                   | 0-5  | 9.5-20                                       |
| 5  | Transport equipment     | 運輸設備  | 5-10                                   | 3-5  | 9.5-19.4                                     |
| 6  | Special equipment       | 專用設備  | 4-10                                   | 0-5  | 9.5-25                                       |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 20. Fixed assets (Continued)

The Group makes the assessment on the estimated useful life, estimated rate of salvage value and the depreciation method of fixed assets at each financial year-end. If any changes occur, they will be regarded as changes on accounting estimates.

##### 20. 固定資產(續)

本集團於每年年度終了，對固定資產的預計使用壽命、預計淨殘值和折舊方法進行覆核，如發生改變，則作為會計估計變更處理。

##### 21. Construction in progress

Construction in progress is transferred to the fixed assets when the assets are ready for their intended use at an estimated amount based on the project budget or actual cost of construction. Depreciation is calculated from the next month of the transfer. The cost of the asset is adjusted when the construction finalization procedures are completed.

##### 21. 在建工程

在建工程在達到預定可使用狀態之日起，根據工程預算、造價或工程實際成本等，按估計的價值結轉固定資產，次月起開始計提折舊，待辦理了竣工決算手續後再對固定資產原值差異進行調整。

As the licensee of BOT projects, if there are any intangible assets after the construction of the project is completed, the input from the Group will be temporarily included in the project during the construction period, and transferred to intangible assets after the construction is completed and the project starts to operate or meets the operation state as expected.

本集團作為BOT項目的被授子方，在項目建造完工後形成無形資產的，在建設期間將本集團的投入暫列入本項目，待建設完成開始運營或達到預定運營狀態後，轉入無形資產。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 22. Borrowing costs

Borrowing cost incurred from fixed assets, investment properties and inventories which require construction or production activities for over 1 year, and can be reached usable or sale condition after that. Borrowing costs start capitalization when the assets expense and borrowing costs were incurred and the construction or production activities, in order to make assets to reach the expected usable or sale condition have started; When construction or assets that fulfil the capitalization conditions reached the expected usable or sale condition, the capitalization have to be terminated. Borrowing costs incurred afterward are included into the profit or loss for current period. If assets that fulfil capitalization conditions interrupted abnormally during construction or production progress, and such interruption occurred for more than three consecutive months, capitalization of borrowing costs have to terminate, until construction of assets or production activities resumed.

The amount of interest, accrued from the funds borrowed under a specific-purpose, to be capitalised is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. The Group determines the amount of interest, accrued from the funds borrowed under general-purpose, to be capitalised by applying a capitalisation rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalisation rate shall be calculated and determined according to the weighted average interest rate of the general borrowing.

##### 22. 借款費用

發生的可直接歸屬於需要經過1年以上的購建或者生產活動才能達到預定可使用或者可銷售狀態的固定資產、投資性房地產和存貨等的借款費用，在資產支出已經發生、借款費用已經發生、為使資產達到預定可使用或可銷售狀態所必要的購建或生產活動已經開始時，開始資本化；當購建或生產符合資本化條件的資產達到預定可使用或可銷售狀態時，停止資本化，其後發生的借款費用計入當期損益。如果符合資本化條件的資產在購建或者生產過程中發生非正常中斷、且中斷時間連續超過3個月，暫停借款費用的資本化，直至資產的購建或生產活動重新開始。

專門借款當期實際發生的利息費用，扣除尚未動用的借款資金存入銀行取得的利息收入或進行暫時性投資取得的投資收益後的金額予以資本化；一般借款根據累計資產支出超過專門借款部分的資產支出加權平均數乘以所佔用一般借款的資本化率，確定資本化金額。資本化率根據一般借款加權平均利率計算確定。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 23. Right-of-use assets

The right-of-use asset is defined as the right of underlying assets in the lease term for the Group as a lessee.

#### (1) Initial measurement

At the commencement date, the Group shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise: ① the amount of the initial measurement of the lease liability; ② any lease payments made at or before the commencement date, less any lease incentives received; ③ any initial direct costs incurred by the lessee, which is defined as incremental costs arising due to the obtaining lease; and ④ an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, while costs of production of inventory are excluded.

#### (2) Subsequent measurement

At the commencement date, the Group shall measure the right-of-use asset at cost, which is the measurement of right-of-use assets at cost less accumulated depreciation and accumulated impairment losses. If the Group re-measures lease liability in accordance with the relevant provisions of the lease standards, the book value of the right-of-use assets shall be adjusted accordingly.

### 23. 使用權資產

使用權資產，是指本集團作為承租人可在租賃期內使用租賃資產的權利。

#### (1) 初始計量

在租賃期開始日，本集團按照成本對使用權資產進行初始計量。該成本包括下列四項：①租賃負債的初始計量金額；②在租賃期開始日或之前支付的租賃付款額，存在租賃激勵的，扣除已享受的租賃激勵相關金額；③發生的初始直接費用，即為達成租賃所發生的增量成本；④為拆卸及移除租賃資產、復原租賃資產所在場地或將租賃資產恢復至租賃條款約定狀態預計將發生的成本，屬於為生產存貨而發生的除外。

#### (2) 後續計量

在租賃期開始日後，本集團採用成本模式對使用權資產進行後續計量，即以成本減累計折舊及累計減值損失計量使用權資產。本集團按照租賃準則有關規定重新計量租賃負債的，相應調整使用權資產的賬面價值。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 23. Right-of-use assets (Continued)

### 23. 使用權資產(續)

#### (2) Subsequent measurement (Continued)

#### (2) 後續計量(續)

##### *Depreciation of right-of-use asset*

##### *使用權資產的折舊*

At the commencement date, the Group depreciates the right-of-use asset. Right-of-use assets are usually depreciated starting from the month of the lease term. The depreciation amount accrued is included in the cost of the relevant asset or current profit or loss based on the use of the right-of-use asset.

自租賃期開始日起，本集團對使用權資產計提折舊。使用權資產通常自租賃期開始的當月計提折舊。計提的折舊金額根據使用權資產的用途，計入相關資產的成本或者當期損益。

When determining the depreciation method of the right-of-use assets, the Group makes decision based on the expected consumption method of the economic benefits related to such right-of-use assets, and depreciates the right-of-use assets by the straight-line method.

本集團在確定使用權資產的折舊方法時，根據與使用權資產有關的經濟利益的預期消耗方式做出決定，以直線法對使用權資產計提折舊。

When determining the depreciation period of the right-of-use assets, the Group follows the following principles: If there is reasonable certainty that the Group will obtain ownership of the underlying asset by the end of the lease term, the asset is depreciated over its remaining useful life; otherwise the asset is depreciated over the shorter of the lease term and its remaining useful life.

本集團在確定使用權資產的折舊年限時，遵循以下原則：能夠合理確定租賃期屆滿時取得租賃資產所有權的，在租賃資產剩餘使用壽命內計提折舊；無法合理確定租賃期屆滿時能夠取得租賃資產所有權的，在租賃期與租賃資產剩餘使用壽命兩者孰短的期間內計提折舊。

##### *Impairment of right-of-use assets*

##### *使用權資產的減值*

If the right-of-use asset is impaired, the Group performs subsequent depreciation based on the book value of the right-of-use assets after deducting the impairment loss.

如果使用權資產發生減值，本集團按照扣除減值損失之後的使用權資產的賬面價值，進行後續折舊。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 24. Intangible Assets

The Group's intangible assets mainly include land use right, concessions, application software, etc. Intangible assets are measured at the actual costs at acquisition. For purchased intangible assets, actual paid cost and other relevant expenses are used as the actual cost. For intangible assets invested by investors, the actual cost is determined according to the values specified in the investment contract or agreement, while for the unfair agreed value in contract or agreement, the actual cost is determined at the fair value.

For the intangible asset which is owned by an acquiree in a corporate combination not under common control but is not confirmed in its financial statement, the Group recognises it as intangible asset at fair value upon the initial recognition of the acquiree's assets if it meets one of the following conditions after thorough identification and reasonable judgement on intangible asset: (1) it is generated from contractual rights or other legal rights; (2) it can be separated or divided from the acquiree and be sold, transferred, licensed, rented or exchanged individually or together with the related contracts, assets and liabilities.

##### 24. 無形資產

本集團無形資產包括土地使用權、特許經營權、應用軟件等，按取得時的實際成本計量，其中，購入的無形資產，按實際支付的價款和相關的其他支出作為實際成本；投資者投入的無形資產，按投資合同或協議約定的價值確定實際成本，但合同或協議約定價值不公允的，按公允價值確定實際成本。

本集團對非同一控制下企業合併中取得的被購買方擁有的但在其財務報表中未確認的無形資產，在對被購買方資產進行初始確認時，對無形資產進行充分辨認和合理判斷，滿足以下條件之一的，按公允價值確認為無形資產：(一)源於合同性權利或其他法定權利；(二)能夠從被購買方中分離或者劃分出來，並能單獨或與相關合同、資產和負債一起，用於出售、轉移、授予許可、租賃或交換。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 24. Intangible Assets (Continued)

##### 24. 無形資產(續)

###### (1) Land use rights

Land use rights are amortised on the straight-line basis over its remaining term since the commencement date of transfer. If the acquisition costs of the land and the buildings cannot be reasonably allocated between the land use rights and the buildings, all of the acquisition costs are recognised as fixed assets.

###### (1) 土地使用權

土地使用權從出讓起始日起，按其出讓年限平均攤銷。外購土地及建築物的價款難以在土地使用權與建築物之間合理分配的，全部作為固定資產。

###### (2) Franchising

The Group engages in public infrastructure business through build-operate-transfer (BOT) model. Project companies obtain concessions of public infrastructure projects from government departments and engage in the building and operation of the projects. After the expiration of the concessions, the project companies are required to transfer the relevant infrastructure to the governments or the government designated departments.

###### (2) 特許經營權

本集團採用建設經營移交方式(BOT)，參與公共基礎設施業務，項目公司從政府部門獲取公共基礎設施項目的特許經營權，參與項目的建設和運營。在特許經營權期滿後，項目公司需要將有關基礎設施移交給政府或政府指定部門。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 24. Intangible Assets (Continued)

##### 24. 無形資產(續)

###### (2) Franchising (Continued)

###### (2) 特許經營權(續)

Under the contracts, project companies have a right to receive fees from those who receive services during the operation period after the construction of relevant infrastructure is completed. However, if the amount of fees is uncertain, such right does not constitute an unconditional right to receive cash. The costs paid by project companies in the process of purchasing and constructing infrastructure are recognised as intangible assets. If the contract stipulates that within a certain period after the infrastructure is completed, the project company can unconditionally receive a determined amount of cash or other financial assets from the contract grantor, or in the case that the fee charged by the project company for providing operating services is lower than a certain limited amount, and the contract grantor is responsible for compensating the shortfall to the project company in accordance with the provisions of the contract, the project company shall recognise a financial asset. The Group and the project company make a comprehensive judgment according to the provisions of the BOT contracts and the actual situation to determine whether the project company can unconditionally receive a determined amount of cash or other financial assets from the contract grantor, and, in the case that the fee charged by the project company for providing operating services is lower than a certain limited amount, whether the contract grantor is responsible for compensating the shortfall to the project company in accordance with the provisions of the contract to meet the determined amount of cash or other financial assets. Most BOT wastewater treatment projects of the Group stipulate commitments for the basic water volume.

合同規定項目公司在有關基礎設施建成後，從事經營的一定期間內有權利向獲取服務的對象收取費用，但收費金額不確定的，該權利不構成一項無條件收取現金的權利，項目公司在按照購建基礎設施過程中支付的價款確認無形資產。合同規定基礎設施建成後的一定期間內，項目公司可以無條件地自合同授予方收取確定金額的貨幣資金或其他金融資產的；或在項目公司提供經營服務的收費低於某一限定金額的情況下，合同授予方按照合同規定負責將有關差價補償給項目公司的，項目公司確認一項金融資產。是否可以無條件地自合同授予方收取確定金額的貨幣資金或其他金融資產，以及項目公司提供經營服務的收費低於某一限定金額的情況下，合同授予方是否按照合同規定負責將有關差價補償給項目公司達到確定金額的貨幣資金或其他金融資產，本集團及項目公司根據BOT合同的約定和實際經營情況綜合判斷。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 24. Intangible Assets (Continued)

##### 24. 無形資產(續)

###### (2) Franchising (Continued)

###### (2) 特許經營權(續)

The Group does not recognise such commitments as a financial asset, but recognises the contract as an intangible asset as a whole based on the following considerations: 1. the basic water volume commitment is only to restrict the contract grantor to fulfill its obligations as the grantor of the wastewater treatment project to ensure that the project invested by the Group has the designed minimum wastewater treatment volume, and does not provide the grantor has to unconditionally pay the corresponding determined amount of wastewater treatment fee; The grantor is only the government procurement entity and pays the procurement fees based on the services provided by the Group, and the grantor does not recognise the corresponding financial liabilities; 3. Separating the basic water volume as a financial asset involves the estimation of converting the basic water volume into future cash flow. The estimation process is highly subjective and unreliable. Subsequent adjustments during the contract period are frequent, which is difficult to provide comprehensible and fair financial information for report users. BOT concession projects recognised as intangible assets are amortised by the straight-line method within the concession period stipulated in the contracts.

本集團多數BOT污水處理項目均有基本水量的約定，對於該項約定，本集團基於以下方面考慮，並未將該部分確認為金融資產，仍將合同整體確認為一項無形資產：一是基本水量的約定僅為約束合同授予方履行其作為污水處理項目授予方保證本集團所投資的項目擁有其設計要求的最低污水處理量，並不代表授予方無條件支付相應的確定金額污水處理費；二是作為授予方的政府部門並不認為其有支付與該投資所約定基本水量相關的確定金額的無條件義務，授予方僅為政府採購主體，基於本集團提供的服務時支付採購費用，授予方並不會確認相應金融負債；三是拆分該項基本水量作為金融資產涉及到將基本水量轉換為未來現金流量的估計，估計過程主觀性強，可靠性差，合同期間的後續調整較為頻繁，難以為報告使用者提供便於理解且公允的財務信息。確認為無形資產的BOT特許經營權項目在合同約定的特許經營期限內按照直線法平均攤銷。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

##### 24. Intangible Assets (Continued)

###### (3) Office and other software

The Group's application software and other intangible assets are amortised on the straight-line basis over of shorter of estimated useful life, stipulated beneficial year by contract, and legal available year. Any changes will be dealt with as changes on accounting estimates.

The Group makes the assessment on the estimated useful life and the depreciation method of intangible assets with limited life at the end of each year. If any changes occur, they will be regarded as changes on accounting estimates.

##### 25. Goodwill

The initial cost of goodwill represents the excess of cost of acquisition over the acquirer's interest in the fair value of the identifiable net assets of the acquiree under a business combination not involving entities under common control.

At the end of each year, the asset groups or asset group portfolios related to goodwill are tested for goodwill impairment. Once recognised, asset impairment loss will not be reversed in the subsequent accounting periods.

#### 四、重要會計政策及會計估計(續)

##### 24. 無形資產(續)

###### (3) 辦公及其他軟件

本集團應用軟件和其他無形資產按預計使用年限、合同規定的受益年限和法律規定的有效年限三者中最短者分期平均攤銷。攤銷金額按其受益對象計入相關資產成本和當期損益。

對使用壽命有限的無形資產的預計使用壽命及攤銷方法於每年年度終了進行覆核，如發生改變，則作為會計估計變更處理。

##### 25. 商譽

因非同一控制下企業合併形成的商譽，其初始成本是合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額。

本集團於每年末，結合與商譽相關的資產組或者資產組組合進行商譽減值測試。資產減值損失一經確認，在以後會計期間不予轉回。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 26. Impairment of long-term assets

The Group would assess intangible assets such as long-term equity investment, investment properties measured by the cost model, fixed assets, construction in progress, right-to-use assets and intangible assets with limited useful lives at each of the balance sheet date. When there is indication that there is impairment, the Group would perform impairment test. Impairment test should be made for goodwill and intangible assets with uncertain useful life, at the period end regardless of whether there is indication of impairment loss.

If the impairment test shows that the carrying value of the asset is greater than its recoverable amount, the difference is recognised as impairment loss. An impairment loss recognised on the aforesaid assets shall not be reversed in a subsequent period.

### 27. Long-term deferred expenses

Long-term deferred expenses of the Group are expenses which have incurred but shall be amortised over more than 1 year of amortisation period (not including 1 year) of the current and future periods. Such expenses are amortised on a straight-line basis over the estimated benefit period. If a long-term deferred expense item is not beneficial to the future accounting period, the amortised value of the unamortised item shall be transferred to the current profit or loss in full.

### 26. 長期資產減值

本集團於每一資產負債表日對長期股權投資、採用成本模式計量的投資性房地產、固定資產、在建工程、使用權資產、使用壽命有限的無形資產等項目進行檢查，當存在減值跡象時，本集團進行減值測試。對商譽和使用壽命不確定的無形資產，無論是否存在減值跡象，每年末均進行減值測試。

減值測試後，若該資產的賬面價值超過其可收回金額，其差額確認為減值損失，上述資產的減值損失一經確認，在以後會計期間不予轉回。

### 27. 長期待攤費用

本集團長期待攤費用是指已經支出，但應由當期及以後各期承擔的攤銷期限在1年以上(不含1年)的各項費用，該等費用在受益期內平均攤銷。如果長期待攤費用項目不能使以後會計期間受益，則將尚未攤銷的該項目的攤餘價值全部轉入當期損益。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 28. Contract liabilities

A contract liability reflects the Group's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If the customer has paid the contract consideration or the Group has obtained the unconditional rights to consideration before the Group transfers goods to the customer, the Group will present the amount received or receivable as a contract liability at the time of actual payment by the customer or the due date of the amount to be paid by the customer, which is the earlier.

### 29. Employee compensation

Employee compensation of the Group mainly includes short-term remuneration, post-employment benefits, termination benefits and other long-term benefits.

Short-term remuneration mainly includes salaries, bonuses, allowance and subsidies, staff welfare, medical insurance premium, maternity insurance premium, work-related injury insurance premium, housing provident funds, union operation costs and employee education costs etc. Short-term remuneration incurred during the accounting period in which the staff provided services is recognised as a liability, and included in profit or loss for the current period or as related asset cost in accordance with beneficiaries.

### 28. 合同負債

合同負債反映本集團已收或應收客戶對價而應向客戶轉讓商品的義務。本集團在向客戶轉讓商品之前，客戶已經支付了合同對價或本集團已經取得了無條件收取合同對價權利的，在客戶實際支付款項與到期應支付款項孰早時點，按照已收或應收的金額確認合同負債。

### 29. 職工薪酬

本集團職工薪酬包括短期薪酬、離職後福利、辭退福利和其他長期福利。

短期薪酬主要包括職工工資、獎金、津貼和補貼職工福利費、醫療保險費、生育保險費、工傷保險費、住房公積金、工會經費和職工教育經費等，在職工提供服務的會計期間，將實際發生的短期薪酬確認為負債，並按照受益對象計入當期損益或相關資產成本。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 29. Employee compensation (Continued)

Post-employment benefits mainly include pension insurance premium and unemployment insurance premium. According to the Company's risks and obligations, they are classified as defined contribution plans. As for the defined contribution plans, the contributions which are made for individual subjects in exchange for the staff's services rendered in the accounting period shall be recognized as liabilities on the balance sheet date and included in profits or losses in the current period or relevant asset costs according to the beneficiaries.

Dismissal benefit arises from the compensation provided to an employee for terminating the labour relationship before the expiration of the labour contract between the Group and the employee, or for encouraging the employee to voluntarily accept the termination. Liabilities in relation to the employee compensation arising from dismissal benefit are recognised upon dismissal, and included in the current profit or loss.

Other long-term employee benefit refers to all employee compensations except for short-term compensations, post-employment benefit and dismissal benefit.

### 29. 職工薪酬(續)

離職後福利主要包括基本養老保險費、失業保險等，按照公司承擔的風險和義務，分類為設定提存計劃。對於設定提存計劃在根據在資產負債表日為換取職工在會計期間提供的服務而向單獨主體繳存的提存金確認為負債，並按照受益對象計入當期損益或相關資產成本。

辭退福利是由於在職工勞動合同到期之前解除與職工的勞動關係，或者為鼓勵職工自願接受裁減而給予職工的補償產生，在辭退職工時確認辭退福利產生的職工薪酬負債，並計入當期損益，其中對超過一年予以支付補償款，按適當的折現率折現後計入當期損益。

其他長期職工福利，是指除短期薪酬、離職後福利、辭退福利之外所有的職工薪酬。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 30. Lease liabilities

Lease liability reflects the closing carrying value of the Group's outstanding lease payment.

###### (1) Initial measurement

The lease liability is initially measured at the present value of the outstanding lease payments on the commencement date of the lease term.

###### 1) Lease payment

The lease payment refers to the amount paid by the Group to the lessor in relation to the right to use the leased asset during the lease term, including:

- ① The fixed payment and the substantial fixed payment, net of the lease incentive amount when there is a lease incentive;
- ② Variable lease payments depending on the index or ratio, and such amounts, are determined at the initial measurement based on the index or proportion at the beginning of the lease period;
- ③ The Group reasonably determines the exercise price of the purchase option when exercising the purchase option;
- ④ The amount payable to exercise the option to terminate a lease, provided that the lease term reflects that the Group will exercise the option to terminate the lease;
- ⑤ The amount payable based on the residual value of the security provided by the Group.

##### 30. 租賃負債

租賃負債反映本集團企業尚未支付的租賃付款額的期末賬面價值。

###### (1) 初始計量

本集團按照租賃期開始日尚未支付的租賃付款額的現值對租賃負債進行初始計量。

###### 1) 租賃付款額

租賃付款額，是指本集團向出租人支付的與在租賃期內使用租賃資產的權利相關的款項，包括：①固定付款額及實質固定付款額，存在租賃激勵的，扣除租賃激勵相關金額；②取決於指數或比率的可變租賃付款額，該款項在初始計量時根據租賃期開始日的指數或比率確定；③本集團合理確定將行使購買選擇權時，購買選擇權的行權價格；④租賃期反映出本集團將行使終止租賃選擇權時，行使終止租賃選擇權需支付的款項；⑤根據本集團提供的擔保餘值預計應支付的款項。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 30. Lease liabilities (Continued)

### 30. 租賃負債(續)

#### (1) Initial measurement (Continued)

#### (1) 初始計量(續)

##### 2) Discount rate

##### 2) 折現率

In calculating the present value of the lease payment, if it is impossible to determine the interest rate implicit in lease, the incremental borrowing rate of the Group shall be adopted as the discount rate. The incremental borrowing rate is defined as the rate of interest that the Group would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset in a similar economic environment. Such rate is related to ① The Group's conditions, including its solvency and credit status; ② the term of "borrowing", being the lease term; ③ the amount of "borrowing", being the amount of the lease liabilities; ④ "mortgage condition", namely, the nature and quality of the underlying assets; ⑤ the economic environment, including the jurisdiction where the lessee is located, the denominated currency, and the timing when contract was signed, etc. The Group takes the bank loan interest rate as the basis and adjusts the above factors to achieve the incremental borrowing interest rate.

在計算租賃付款額的現值時，本集團因無法確定租賃內含利率的，採用增量借款利率作為折現率。該增量借款利率，是指本集團在類似經濟環境下為獲得與使用權資產價值接近的資產，在類似期間以類似抵押條件借入資金須支付的利率。該利率與下列事項相關：①本集團自身情況，即集團的償債能力和信用狀況；②「借款」的期限，即租賃期；③「借入」資金的金額，即租賃負債的金額；④「抵押條件」，即標的資產的性質和質量；⑤經濟環境，包括承租人所處的司法管轄區、計價貨幣、合同簽訂時間等。本集團以銀行貸款利率為基礎，考慮上述因素進行調整而得出該增量借款利率。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 30. Lease liabilities (Continued)

#### 30. 租賃負債(續)

##### (2) Subsequent measurement

##### (2) 後續計量

After the commencement date, the Group conducts subsequent measurement of the lease liabilities according to the following principles: ① When confirming the interest of the lease liabilities, increase the book value of the lease liabilities; ② When paying the lease payment, reduce the book value of the lease liabilities; ③ When the lease payment changes due to revaluation or lease changes, the book value of the lease liability is remeasured.

在租賃期開始日後，本集團按以下原則對租賃負債進行後續計量：①確認租賃負債的利息時，增加租賃負債的賬面金額；②支付租賃付款額時，減少租賃負債的賬面金額；③因重估或租賃變更等原因導致租賃付款額發生變動時，重新計量租賃負債的賬面價值。

The lessee shall calculate the interest expenses of the lease liabilities for each period of the lease term at a cyclically fixed interest rate and include them in profit or loss for the current period, except for those subjected to capitalization. The cyclical interest rate refers to the discount rate used by the Group in the initial measurement of lease liabilities, or the amended discount rate used by the Group when lease liabilities need to be remeasured at the revised discount rate due to changes in lease payment or change of lease.

本集團按照固定的週期性利率計算租賃負債在租賃期內各期間的利息費用，並計入當期損益，但應當資本化的除外。週期性利率是指本集團對租賃負債進行初始計量時所採用的折現率，或者因租賃付款額發生變動或因租賃變更而需按照修訂後的折現率對租賃負債進行重新計量時，本集團所採用的修訂後的折現率。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 30. Lease liabilities (Continued)

##### 30. 租賃負債(續)

###### (3) Remeasurement

###### (3) 重新計量

After the commencement date, the Group remeasures the lease liability based on the present value of the lease payment after the change and the revised discount rate, if the following situation arises. If the book value of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss. ① a modification in the in-substance fixed lease payments (In this case, discounted using the original discount rate); ② a change in the amounts expected to be paid under residual value guarantees; ③ a change in future lease payments arising from change in an index or rate (In this case, discounted using the revised discount rate); ④ a change in assessment of the purchase option (In this case, discounted using the revised discount rate); ⑤ changes in the evaluation result or actual exercise of the option to renew or terminate the lease (In this case, discounted using the revised discount rate).

在租賃期開始日後，發生下列情形時，本集團按照變動後租賃付款額的現值重新計量租賃負債，並相應調整使用權資產的賬面價值。使用權資產的賬面價值已調減至零，但租賃負債仍需進一步調減的，本集團將剩餘金額計入當期損益。①實質固定付款額發生變動(該情形下，採用原折現率折現)；②擔保餘值預計的應付金額發生變動(該情形下，採用原折現率折現)；③用於確定租賃付款額的指數或比率發生變動(該情形下，採用修訂後的折現率折現)；④購買選擇權的評估結果發生變化(該情形下，採用修訂後的折現率折現)；⑤續租選擇權或終止租賃選擇權的評估結果或實際行使情況發生變化(該情形下，採用修訂後的折現率折現)。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

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2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 31. Estimated liabilities

The Group recognises provision for external guarantee, commercial acceptance bill discount, pending litigation or arbitration and product quality assurance after comprehensively judges based on the specific situation whether the Group undertakes any current obligation and whether the amount of such obligation can be reliably measured. According to the requirements of the contracts of the Group's BOT projects, the Group has obligations to maintain the relevant infrastructure in a certain service capacity or in a certain useful state before transfer the same to the contract grantor.

For this obligation, the Group recognises provisions based on the outflow of economic benefits that is very likely to be incurred and the time value of money according to the contract terms and the specific conditions of the project facilities. A provision shall be initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as risk, uncertainties, and time value of money shall be taken into account as a whole in reaching the best estimate.

##### 31. 預計負債

本集團對發生的對外擔保、商業承兌匯票貼現、未決訴訟或仲裁、產品質量保證，根據具體情況綜合判斷本集團是否承擔現時義務且該義務的金額能否可靠計量確認預計負債。本集團BOT項目按照合同規定，本集團有義務使有關基礎設施保持一定的服務能力或在移交給合同授予方之前保持一定的使用狀態，針對該項義務，本集團根據合同約定和項目設施的具體情況，將預計很可能發生的經濟利益流出並考慮貨幣的時間價值確認預計負債。

預計負債按照履行相關現時義務所需支出的最佳估計數進行初始計量，並綜合考慮與或有事項有關的風險、不確定性和貨幣時間價值等因素。貨幣時間價值影響重大的，通過對相關未來現金流出進行折現後確定最佳估計數。每個資產負債表日對預計負債的賬面價值進行覆核，如有改變則對賬面價值進行調整以反映當前最佳估計數。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 32. Recognition and measurement of revenue

The revenue of the Group mainly included Tap water sales revenue, wastewater service revenue, pipeline and household meter installation revenue, etc.

The Group recognizes revenue when a performance obligation in the contract is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customers.

When the contract contains two or more performance obligations, on the inception of the contract, the transaction price is allocated to each separate performance obligation in proportion to the stand-alone price of the promised goods or services, and the revenue is recognized according to the transaction price allocated to each performance obligation.

### 32. 收入確認原則和計量方法

本集團的營業收入主要包括自來水銷售收入、污水處理服務收入、管道及戶表安裝收入等。

本集團在履行了合同中的履約義務，即在客戶取得相關商品或服務的控制權時，確認收入。

合同中包含兩項或多項履約義務的，本集團在合同開始時，按照各單項履約義務所承諾商品或服務的單獨售價的相對比例，將交易價格分攤至各單項履約義務，按照分攤至各單項履約義務的交易價格計量收入。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 32. Recognition and measurement of revenue (Continued)

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of cooperative manufacturers. The transaction price confirmed by the Group does not exceed the amount that is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. An entity shall recognize a refund liability if the entity expects to refund some or all of the consideration to the customer which is not included in the transaction price. Where there is significant financing component in the contract, the Group shall determine the transaction price on the basis of the amount payable in cash when the customer assumes control of the goods or services. The difference between the transaction price and the contract consideration shall be amortised by the effective interest rate method during the contract period. The Group shall not take into account the existence of a significant financing component in the contract if the Group expects, at contract inception, that the period between when the customer acquires the control of a promised good or service and when the customer pays for that good or service will be one year or less.

##### 32. 收入確認原則和計量方法(續)

交易價格是本集團因向客戶轉讓商品或服務而預期有權收取的對價金額，不包括代第三方收取的款項。本集團確認的交易價格不超過在相關不確定性消除時累計已確認收入極可能不會發生重大轉回的金額。預期將退還給客戶的款項作為負債不計入交易價格。合同中存在重大融資成分的，本集團按照假定客戶在取得商品或服務控制權時即以現金支付的應付金額確定交易價格。該交易價格與合同對價之間的差額，在合同期間內採用實際利率法攤銷。合同開始日，本集團預計客戶取得商品或服務控制權與客戶支付價款間隔不超過一年的，不考慮合同中存在的重大融資成分。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 32. Recognition and measurement of revenue (Continued)

The Group satisfies a performance obligation over time, if one of the following criteria is met; otherwise, it satisfies a performance obligation at a point in time:

- (1) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- (2) The customer can control the asset which is created by the Group's performance.
- (3) The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to receive payment in respect of performance completed to date during the whole contract period.

For a performance obligation satisfied over time, the Group shall recognize revenue over time by measuring the process towards complete satisfaction of the performance obligation, and determines the progress of performance according to the input method. If the Group unable to reasonably measure the progress towards complete satisfaction of a performance obligation and the costs incurred by the Group can be expected to be compensated, the revenue shall be recognized according to the costs incurred until such time that it can reasonably measure the process towards complete satisfaction of the performance obligation.

### 32. 收入確認原則和計量方法(續)

滿足下列條件之一時，本集團屬於在某一時段內履行履約義務；否則，屬於在某一時點履行履約義務：

- (1) 客戶在本集團履約的同時即取得並消耗本集團履約所帶來的經濟利益。
- (2) 客戶能夠控制本集團履約過程中在建的商品。
- (3) 在本集團履約過程中所產出的商品具有不可替代用途，且本集團在整個合同期間內有權就累計至今已完成的履約部分收取款項。

對於在某一時段內履行的履約義務，本集團在該段時間內按照履約進度確認收入，並按照投入法確定履約進度。履約進度不能合理確定時，本集團已經發生的成本預計能夠得到補償的，按照已經發生的成本金額確認收入，直到履約進度能夠合理確定為止。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 32. Recognition and measurement of revenue (Continued)

### 32. 收入確認原則和計量方法(續)

For a performance obligation satisfied at a point in time, the Group shall recognize revenue when the customer obtains control of relevant goods or services. In judging whether customers obtain control of promised goods or services, the Group considers the following indications:

對於在某一時點履行的履約義務，本集團在客戶取得相關商品或服務控制權時點確認收入。在判斷客戶是否已取得商品或服務控制權時，本集團考慮下列跡象：

- (1) The Group has a present right to receive the payment in respect of the goods or services;
- (2) The Group has transferred the legal title of the goods to customers;
- (3) The Group has transferred physical possession of the goods to customers;
- (4) The Group has transferred the significant risks and rewards of the ownership of the goods to the customers;
- (5) Customers have accepted the goods or services.

- (1) 本集團就該商品或服務享有現時收款權利。
- (2) 本集團已將該商品的法定所有權轉移給客戶。
- (3) 本集團已將該商品的實物轉移給客戶。
- (4) 本集團已將該商品所有權上的主要風險和報酬轉移給客戶。
- (5) 客戶已接受該商品或服務等。

The Group's right to consideration in exchange for goods or services that it has transferred to a customer is stated as contract asset. The Group recognises allowances for impairment loss for expected credit loss on contract assets. Receivable is the Group's unconditional right to consideration to be received from a customer. The Group's specific revenue recognition principles are as follows:

本集團已向客戶轉讓商品或服務而有權收取對價的權利作為合同資產列示，合同資產以預期信用損失為基礎計提減值。本集團擁有的無條件向客戶收取對價的權利作為應收款項列示。本集團已收或應收客戶對價而應向客戶轉讓商品或服務的義務作為合同負債列示。本集團具體的收入確認原則如下：

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 32. Recognition and measurement of revenue (Continued)

### 32. 收入確認原則和計量方法(續)

#### (1) Tap water sales revenue

#### (1) 自來水銷售收入

The Group's tap water sales revenue is recognised monthly based on the actual sales volume recorded by the business department and the effective unit price (excluding value-added tax, wastewater treatment fee collected for other parties, utility surcharge and other relevant taxes) approved by the pricing department.

本集團銷售自來水根據營業部門統計的實際銷售水量，按照物價部門核定的執行單價(不含增值稅、代收污水處理費、公用事業附加費等相關稅費)確認當月銷售收入。

#### (2) Wastewater treatment service revenue recognition principle

#### (2) 污水處理服務收入確認原則

Wastewater treatment service revenue is recognised in accordance with the concession agreements entered into with the concession grantors and based on the agreed treatment unit price and the settlement treatment volume confirmed by both parties.

根據與特許經營權授予方簽訂的特許經營協議，按照約定的處理單價和雙方確認的結算處理量確認污水處理服務收入。

#### (3) Revenue from provision of labour service recognition principle

#### (3) 提供勞務收入確認原則

The revenue from labour services of the Group is mainly generated from provision of pipeline and household meter installation services. The Group recognises the sales revenue after the works is completed and passed the completion acceptance. The accumulated work expenditure incurred before the recognition of sales revenue are presented as inventory.

本集團提供勞務收入主要為管道及戶表安裝服務，本集團在工程完工並通過竣工驗收後確認銷售收入。確認銷售收入之前發生的累積工程支出，列報存貨。預計可收回金額小於工程支出的，計提存貨跌價準備。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 33. Government grants

Government grants are transfers of monetary or non-monetary assets from the government to the Group at nil consideration. Where a government grant is in the form of a transfer of monetary asset, it is measured at the amount received.

Where a government grant is made on the basis of fixed amount or there are conclusive evidence at the end of the year that the Group the conditions attaching to the grants are satisfied and it is expected the Group is entitled to receive the grant, it is measured at the amount receivable. Where a government grant is in the form of a transfer of non-monetary asset, it is measured at fair value. If fair value cannot be determined reliably, it is measured at a nominal amount of RMB1.

Government grants of the Group are classified into asset-related government grants and income-related government grants. Assets-related government grants are those grants obtained for the purpose of acquisition or construction or in other ways to form long-term assets. Income-related government grants are those government grants other than the asset-related government grants. Where the document from the government has not specified the object to be granted, it will be determined according to the above principle.

##### 33. 政府補助

政府補助是指本集團從政府無償取得貨幣性資產或非貨幣性資產。政府補助在本集團能夠滿足其所附的條件以及能夠收到時予以確認。

政府補助為貨幣性資產的，按照實際收到的金額計量，對於按照固定的定額標準撥付的補助，或對年末有確鑿證據表明能夠符合財政扶持政策規定的相關條件且預計能夠收到財政扶持資金時，按照應收的金額計量；政府補助為非貨幣性資產的，按照公允價值計量，公允價值不能可靠取得的，按照名義金額(1元)計量。

本集團的政府補助分為與資產相關的政府補助和與收益相關的政府補助。與資產相關的政府補助，是指本集團取得的、用於購建或以其他方式形成長期資產的政府補助；與收益相關的政府補助，是指除與資產相關的政府補助之外的政府補助。如果政府文件中未明確規定補助對象，本集團按照上述原則進行判斷。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 33. Government grants (Continued)

An asset-related government grant is recognised as deferred income, and evenly amortised to profit or loss over the useful life of the related asset. For an income-related government grant, where the grant is a compensation for related expenses or losses to be incurred by the Group in the subsequent periods, the grant is recognised as deferred income, and included in profit or loss over the periods in which the related costs are recognised; where the grant is a compensation for related expenses or losses already incurred by the Group, the grant is recognised immediately in profit or loss for the current period.

### 34. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are recognized based on the temporary differences between the tax bases and the book value of assets and liabilities (temporary difference). Deferred tax asset is recognised for the deductible tax losses or tax credit that can be carried forward to subsequent years for deduction of taxable profit in accordance with tax laws. As at balance sheet date, deferred tax assets are determined using the applicable tax rates that are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available to offset the deductible temporary difference.

On the balance sheet date, the carrying value of the recognised deferred income tax assets is reviewed. If it is very likely that no future taxable profits will be available to deduct the deferred income tax assets, the carrying value of the deferred income tax assets will be reduced. If it is very likely that sufficient taxable profits will be available, the amount reduced will be reversed.

### 33. 政府補助(續)

與資產相關的政府補助確認為遞延收益，並在相關資產使用壽命內平均分配計入當期損益。與收益相關的政府補助，用於補償以後期間的相關費用或損失的，確認為遞延收益，並在確認相關費用的期間計入當期損益；用於補償已發生的相關費用或損失的，直接計入當期損益。

### 34. 遞延所得稅資產和遞延所得稅負債

本集團遞延所得稅資產和遞延所得稅負債根據資產和負債的計稅基礎與其賬面價值的差額(暫時性差異)計算確認。對於按照稅法規定能夠於以後年度抵減應納稅所得額的可抵扣虧損和稅款抵減，視同暫時性差異確認相應的遞延所得稅資產。於資產負債表日，遞延所得稅資產和遞延所得稅負債，按照預期收回該資產或清償該負債期間的適用稅率計量。

本集團以很可能取得用來抵扣可抵扣暫時性差異的應納稅所得額為限，確認由可抵扣暫時性差異產生的遞延所得稅資產。對已確認的遞延所得稅資產，當預計到未來期間很可能無法獲得足夠的應納稅所得額用以抵扣遞延所得稅資產時，應當減記遞延所得稅資產的賬面價值。在很可能獲得足夠的應納稅所得額時，減記的金額予以轉回。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 35. Lease

##### 35. 租賃

###### (1) Identification of lease

###### (1) 租賃的識別

Lease refers to a contract under which the leaser transfers the right of use of assets to the lessee for consideration within a certain period of time. At the commencement date of the contract, the Group assesses whether the contract is a lease or contains a lease. If a party to the contract transfers the right of use of an identified asset or several identified assets for consideration within a certain period of time, such contract is regarded as leasing or includes leasing. In order to determine whether the right to control the use of the identified assets within a certain period of time has been transferred in the contract, the Group assesses whether the customers in the contract are entitled to substantially all economic benefits arising from the use of the identified assets and have the right to dominate the use of identified assets during the period of use.

租賃，是指在一定期間內，出租人將資產的使用權讓與承租人以獲取對價的合同。在合同開始日，本集團評估合同是否為租賃或者包含租賃。如果合同一方讓渡了在一定期間內控制一項或多項已識別資產使用的權利以換取對價，則該合同為租賃或者包含租賃。為確定合同是否讓渡了在一定期間內控制已識別資產使用的權利，本集團評估合同中的客戶是否有權獲得在使用期間內因使用已識別資產所產生的幾乎全部經濟利益，並有權在該使用期間主導已識別資產的使用。

Where a contract concurrently contains multiple separate leases, the Group splits the contract and conduct accounting treatment respectively for all separate leases. Where a contract concurrently includes both leased and non-leased parts, the Group shall split the leased and non-leased parts and conduct accounting treatment.

合同中同時包含多項單獨租賃的，本集團將合同予以分拆，並分別對各項單獨租賃進行會計處理。合同中同時包含租賃和非租賃部分的，本集團將租賃和非租賃部分分拆後進行會計處理。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 35. Lease (Continued)

### 35. 租賃(續)

#### (2) The Group as lessee

#### (2) 本集團作為承租人

##### 1) Lease recognition

##### 1) 租賃確認

On the beginning date of the lease term, the Company recognizes the right-of-use assets and lease liabilities of the lease. For the recognition and measurement of right-of-use assets and lease liabilities, see “23. Right-of-use assets” and “28. Lease liabilities” of Note IV.

在租賃期開始日，本集團對租賃確認使用權資產和租賃負債。使用權資產和租賃負債的確認和計量參見附註四「23.使用權資產」以及「28.租賃負債」。

##### 2) Changes in leases

##### 2) 租賃變更

Changes in leases refer to the changes in the lease scope, lease consideration, and lease term other than the original contract terms, including the addition or termination of the rights of use of one or more leased assets, and the extension or shortening of the lease period stipulated in the contract. The effective date of the lease change refers to the date both parties agreed on the lease change.

租賃變更，是指原合同條款之外的租賃範圍、租賃對價、租賃期限的變更，包括增加或終止一項或多項租賃資產的使用權，延長或縮短合同規定的租賃期等。租賃變更生效日，是指雙方就租賃變更達成一致的日期。

If the finance lease changes and meets the following conditions, the Group will account for the lease as a separate case for accounting treatment: ① The lease modification expands the scope of the lease or extending the lease term by increasing the right to use one or more leased assets; ② The increased consideration is equal to the individual price of the expanded scope of the lease or the extended lease term, as adjusted by the contractual situation.

租賃發生變更且同時符合下列條件的，本集團將該租賃變更作為一項單獨租賃進行會計處理：①該租賃變更通過增加一項或多項租賃資產的使用權而擴大了租賃範圍或延長了租賃期限；②增加的對價與租賃範圍擴大部分或租賃期限延長部分的單獨價格按該合同情況調整後的金額相當。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 35. Lease (Continued)

#### 35. 租賃(續)

##### (2) The Group as lessee (Continued)

##### (2) 本集團作為承租人(續)

##### 2) Changes in leases (Continued)

##### 2) 租賃變更(續)

If accounting treatment for the modification of lease as a separate lease is not conducted, on the effective date, the Group shall apportion the consideration of the changed contract in accordance with the relevant provisions of the lease standards, and re-determine the lease period after the change; and discount the modified lease payments using the revised discount rate, in order to remeasure the lease liabilities. When calculating the present value of the lease payments after modification, the Group adopts the interest rate implicit in the lease for the remaining lease periods as the discount rate; if the lease interest rate implicit in the lease for the remaining lease period cannot be readily determined, the lessee's incremental borrowing rate shall then be used by the Group as the discount rate on the effective date of modification of lease. In view of the consequences of the above adjustment of the lease liabilities, the Group conducts accounting treatment in each of the following cases accordingly: ① if the modification of lease results in a narrower scope of lease or a shorter lease term, the lessee shall reduce the book value of the right-of-use assets, and recognise the gain or loss relevant to the partial or complete termination of the leases in the current profit or loss; ② for other modification of lease that may lead to remeasurement of lease liabilities, the lessee adjusts the book value of the right-of-use assets accordingly.

租賃變更未作為一項單獨租賃進行會計處理的，在租賃變更生效日，本集團按照租賃準則有關規定對變更後合同的對價進行分攤，重新確定變更後的租賃期；並採用修訂後的折現率對變更後的租賃付款額進行折現，以重新計量租賃負債。在計算變更後租賃付款額的現值時，本集團採用剩餘租賃期間的租賃內含利率作為折現率；無法確定剩餘租賃期間的租賃內含利率的，本集團採用租賃變更生效日的承租人增量借款利率作為折現率。就上述租賃負債調整的影響，本集團區分以下情形進行會計處理：①租賃變更導致租賃範圍縮小或租賃期縮短的，承租人應當調減使用權資產的賬面價值，並將部分終止或完全終止租賃的相關利得或損失計入當期損益。②其他租賃變更導致租賃負債重新計量的，承租人相應調整使用權資產的賬面價值。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 35. Lease (Continued)

### 35. 租賃(續)

#### (2) The Group as lessee (Continued)

#### (2) 本集團作為承租人(續)

##### 3) Short-term leases and low-value asset leases

##### 3) 短期租賃和低價值資產租賃

For short-term leases with a lease period of not more than 12 months and low-value asset leases which are brand-new assets, the Group does not recognise the right-of-use assets and lease liabilities. During different periods in the lease term, lease payments on short-term leases and leases of low-value assets are recognised as relevant asset costs or current profit or loss on a straight-line basis or other systematic and reasonable methods over the lease term.

對於租賃期不超過12個月的短期租賃和單項租賃資產為全新資產時價值較低的低價值資產租賃，本集團選擇不確認使用權資產和租賃負債。本集團將短期租賃和低價值資產租賃的租賃付款額，在租賃期內各個期間按照直線法或其他系統合理的方法計入相關資產成本或當期損益。

#### (3) The Group as a lessor

#### (3) 本集團為出租人

Based on assessment as stated in (1), if the contract is lease or includes lease, such lease for which the Group is a lessor are classified as finance or operating on the lease commencement date.

在(1)評估的該合同為租賃或包含租賃的基礎上，本集團作為出租人，在租賃開始日，將租賃分為融資租賃和經營租賃。

The lessor classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Other leases other than finance lease shall be classified as operating leases.

如果一項租賃實質上轉移了與租賃資產所有權有關的幾乎全部風險和報酬，出租人將該項租賃分類為融資租賃，除融資租賃以外的其他租賃分類為經營租賃。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

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### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 35. Lease (Continued)

#### 35. 租賃(續)

##### (3) The Group as a lessor (Continued)

##### (3) 本集團為出租人(續)

A lease is usually classified as a finance lease when one or more of the following conditions are satisfied: ① At the expiration of the lease term, the ownership of the leased asset is transferred to the lessee. ② The lessee has the option to purchase the leased asset. The purchase price entered into is sufficiently low compared to the fair value of the leased asset when the option is exercised. Therefore, it can be reasonably determined at the commencement date of the lease that the lessee will exercise the option. ③ Although the ownership of the asset is not transferred, the lease term accounts for the majority of the useful life of the leased assets(not lower than 75% of the useful life of the leased assets). ④ On the commencement date of the lease, the present value of the lease receivable amount is basically equivalent to the fair value of the leased asset (not lower than 90% of the fair value of the leased assets). ⑤ The leased assets are of a special nature. If no major modifications are made to them, only the lessee can use them. ⑥ A lease is also classified as a finance lease when one or more of the following conditions are satisfied: ① If the lessee cancels the lease, the loss caused to the lessor by such cancellation shall be borne by the lessee; ② The gain or loss arising from the fluctuation of the fair value of the balance value of the asset belongs to the lessee; ③ The lessee has the ability to continue the lease into the next period at rents well below market rates.

一項租賃存在下列一種或多種情形的，本集團通常將其分類為融資租賃：①在租賃期屆滿時，租賃資產的所有權轉移給承租人；②承租人有購買租賃資產的選擇權，所訂立的購買價款與預計行使選擇權時租賃資產的公允價值相比足夠低，因而在租賃開始日就可以合理確定承租人將行使該選擇權；③資產的所有權雖然不轉移，但租賃期佔租賃資產使用壽命的大部分(不低於租賃資產使用壽命的75%)；④在租賃開始日，租賃收款額的現值幾乎相當於租賃資產的公允價值(不低於租賃資產公允價值的90%)；⑤租賃資產性質特殊，如果不作較大改造，只有承租人才能使用。一項租賃存在下列一項或多項跡象的，本集團也可能將其分類為融資租賃：①若承租人撤銷租賃，撤銷租賃對出租人造成的損失由承租人承擔；②資產餘值的公允價值波動所產生的利得或損失歸屬於承租人；③承租人有能力以遠低於市場水平的租金繼續租賃至下一期間。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 35. Lease (Continued)

#### 35. 租賃(續)

##### (3) The Group as a lessor (Continued)

##### (3) 本集團為出租人(續)

##### 1) Accounting treatment for financial lease

##### 1) 融資租賃會計處理

##### Initial measurement

##### 初始計量

At the beginning of the lease term, the Company confirms the financial lease receivable on the financial lease and terminates the recognition of the financial lease assets. When the initial measurement of the financial lease receivable is made by the Group, the Group uses the net lease investment as the entry value of the finance lease receivables.

在租賃期開始日，本集團對融資租賃確認應收融資租賃款，並終止確認融資租賃資產。本集團對應收融資租賃款進行初始計量時，以租賃投資淨額作為應收融資租賃款的入帳價值。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

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### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 四、重要會計政策及會計估計(續)

#### 35. Lease (Continued)

#### 35. 租賃(續)

##### (3) The Group as a lessor (Continued)

##### (3) 本集團為出租人(續)

##### 1) Accounting treatment for financial lease (Continued)

##### 1) 融資租賃會計處理(續)

##### Initial measurement (Continued)

##### 初始計量(續)

The net lease investment is the sum of the unsecured residual value and the present value of rental receipts that has not been received on the start date of the lease term, which is discounted according to the interest rate in the lease term. The amount of the lease receivable refers to the amount that the Group should collect from the lessee for the purpose of transferring the leased assets during the lease term, including: ① The fixed payment amount and the substantial fixed payment amount to be paid by the lessee, if there is a lease incentive, the amount related to the lease incentive is deducted; ② Variable lease payments depending on the index or ratio, and such amounts, are determined at the initial measurement based on the index or proportion at the beginning of the lease period; ③ The exercise price of the purchase option, provided that it is reasonably determined that the lessee will exercise the option; ④ The lessee exercises the amount to be paid for the termination of the lease option, provided that the lease period reflects the lessee's exercise of the option to terminate the lease; ⑤ The residual value of the guarantee provided by the lessee, the party concerned with the lessee and the independent Collaborators with the financial ability to perform the guarantee obligation.

租賃投資淨額為未擔保餘值和租賃期開始日尚未收到的租賃收款額按照租賃內含利率折現的現值之和。租賃收款額，是指出租人因讓渡在租賃期內使用租賃資產的權利而應向承租人收取的款項，包括：① 承租人需支付的固定付款額及實質固定付款額；存在租賃激勵的，扣除租賃激勵相關金額；② 取決於指數或比率的可變租賃付款額，該款項在初始計量時根據租賃期開始日的指數或比率確定；③ 購買選擇權的行使價格，前提是合理確定承租人將行使該選擇權；④ 承租人行使終止租賃選擇權需支付的款項，前提是租賃期反映出承租人將行使終止租賃選擇權；⑤ 由承租人、與承租人有關的一方以及有經濟能力履行擔保義務的獨立第三方向出租人提供的擔保餘值。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 35. Lease (Continued)

### 35. 租賃(續)

#### (3) The Group as a lessor (Continued)

#### (3) 本集團為出租人(續)

##### 1) Accounting treatment for financial lease (Continued)

##### 1) 融資租賃會計處理(續)

###### Subsequent measurement

###### 後續計量

Such periodic interest rate refers to the embedded discount rate used to determine the net lease investment. In the case of intermediate lease, if it is impossible to determine the embedded discount rate under such intermediate lease, discount rate of the original lease shall be adopted and adjustments shall be made based on initial direct costs of such intermediate lease. For a financial lease modification that is not accounted for as a separate lease, if the lease is classified as a financial lease when the change becomes effective on the lease start date, its discount rate shall be revised according to relevant regulations.

本集團按照固定的週期性利率計算並確認租賃期內各個期間的利息收入。該週期性利率，是指確定租賃投資淨額採用內含折現率(轉租情況下，若轉租的租賃內含利率無法確定，採用原租賃的折現率(根據與轉租有關的初始直接費用進行調整))，或者融資租賃的變更未作為一項單獨租賃進行會計處理，且滿足假如變更在租賃開始日生效，該租賃會被分類為融資租賃條件時按相關規定確定的修訂後的折現率。

###### Accounting treatment for lease modification

###### 租賃變更的會計處理

If the finance lease changes and meets the following conditions, the Group will account for the change as a separate case for accounting treatment: ① The modification expands the scope of the lease by increasing the right to use one or more leased assets; ② The increased consideration is equal to the individual price of the expanded portion of the lease, as adjusted by the contractual situation.

融資租賃發生變更且同時符合下列條件的，本集團將該變更作為一項單獨租賃進行會計處理：①該變更通過增加一項或多項租賃資產的使用權而擴大了租賃範圍；②增加的對價與租賃範圍擴大部分的單獨價格按該合同情況調整後的金額相當。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 35. Lease (Continued)

### 35. 租賃(續)

#### (3) The Group as a lessor (Continued)

#### (3) 本集團為出租人(續)

##### 1) Accounting treatment for financial lease (Continued)

##### 1) 融資租賃會計處理(續)

Accounting treatment for lease modification (Continued)

租賃變更的會計處理(續)

For a financial lease modification that is not accounted for as a separate lease, if the lease is classified as an operating lease when the change becomes effective on the lease start date, the Group begins accounting as a new lease from the effective date of the lease change and uses the net lease investment before the effective date of the lease change as the book value of the leased asset.

如果融資租賃的變更未作為一項單獨租賃進行會計處理，且滿足假如變更在租賃開始日生效，該租賃會被分類為經營租賃條件的，本集團自租賃變更生效日開始將其作為一項新租賃進行會計處理，並以租賃變更生效日前的租賃投資淨額作為租賃資產的賬面價值。

##### 2) Accounting treatment for operating lease

##### 2) 經營租賃的會計處理

Treatment of lease payment

租金的處理

Rental receipts under an operating lease are recognised as rental income on a straight-line basis over the period of the lease.

在租賃期內各個期間，本集團採用直線法將經營租賃的租賃收款額確認為租金收入。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 35. Lease (Continued)

### 35. 租賃(續)

#### (3) The Group as a lessor (Continued)

#### (3) 本集團為出租人(續)

##### 2) Accounting treatment for operating lease (Continued)

##### 2) 經營租賃的會計處理(續)

Incentive measures provided

提供的激勵措施

Total rental is recognised on a straight-line basis over the period of the lease, without excluding the rent-free period, rental fee are recognised during the rent-free period. If the Group has undertaken certain expenses of the lessee, the expenses will be deducted from total rental income, and the rental income will be allocated according to the balance of the rental income after deduction.

提供免租期的，本集團將租金總額在不扣除免租期的整個租賃期內，按直線法進行分配，免租期內應當確認租金收入。本集團承擔了承租人某些費用的，將該費用自租金收入總額中扣除，按扣除後的租金收入餘額在租賃期內進行分配。

Initial direct costs

初始直接費用

The initial direct costs incurred by the Group in relation to the operating leases shall be capitalized as the costs of the subject leased asset and apportioned on the same basis as the rental income recognition during the lease term, and included in current profit or loss.

本集團發生的與經營租賃有關的初始直接費用應當資本化至租賃標的資產的成本，在租賃期內按照與租金收入相同的確認基礎分期計入當期損益。

Depreciation

折舊

For fixed assets in operating lease, the Group measures the depreciation in accordance with depreciation policies for similar assets; for other operating lease assets, the Group adopts a systematic and reasonable method on amortisation.

對於經營租賃資產中的固定資產，本集團採用類似資產的折舊政策計提折舊；對於其他經營租賃資產，採用系統合理的方法進行攤銷。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 35. Lease (Continued)

### 35. 租賃(續)

#### (3) The Group as a lessor (Continued)

#### (3) 本集團為出租人(續)

#### 2) Accounting treatment for operating lease (Continued)

#### 2) 經營租賃的會計處理(續)

##### Variable lease payments

##### 可變租賃付款額

The variable lease payments received by the Group that are not included in the lease receivables related to the operating leases are recognised in profit or loss in the period in which they are actually incurred.

本集團取得的與經營租賃有關的未計入租賃收款額的可變租賃付款額，在實際發生時計入當期損益。

##### Operating lease modification

##### 經營租賃的變更

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any received or receivable rental receipts relating to the original lease as part of the lease receipts for the new lease. Discontinued operation

經營租賃發生變更的，本集團自變更生效日開始，將其作為一項新的租賃進行會計處理，與變更前租賃有關的預收或應收租賃收款額視為新租賃的收款額。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 36. Discontinued operations

Discontinued operation refers to a component of the Group which meets one of the following requirements and can be distinguished separately and has been already disposed of or classified as held-for-sale: (1) the component represents an independent major line of business or a major independent geographical area of operations; (2) the component is part of a plan for the contemplated disposal of an independent major line of business or a major independent geographical area of operations; (3) the component is a subsidiary acquired exclusively for the purpose of resale.

##### 37. Accounting of income tax

The accounting of income tax of the Group will be conducted by adopting the balance sheet liability method. Income tax expenses include current income taxes and deferred income taxes. Other current income taxes and deferred income taxes or revenues are recognised in current profit or loss, except for the current income taxes and deferred income taxes that are related to the transactions and items directly included in shareholders' equity and the book value of deferred income taxes generated by business merger for goodwill adjustment.

Current income tax refers to the amount that is determined by calculation for transactions and events occurring in that phase and shall be paid by enterprises to the tax authority according to the tax laws, i.e. income tax payable; deferred income tax refers to the difference between the due amount of deferred income tax assets and liabilities that shall be recognised by adopting the balance sheet liability method at the end of the period and the original amount that has been recognised.

##### 36. 終止經營

終止經營，是指本集團滿足下列條件之一的、能夠單獨區分的組成部分，且該組成部分已經處置或劃分為持有待售類別：(1)該組成部分代表一項獨立的主要業務或一個單獨的主要經營地區；(2)該組成部分是擬對一項獨立的主要業務或一個單獨的主要經營地區進行處置的一項相關聯計劃的一部分；(3)該組成部分是專為轉售而取得的子公司。

##### 37. 所得稅的會計核算

本集團所得稅的會計核算採用資產負債表債務法。所得稅費用包括當期所得稅和遞延所得稅。除將與直接計入股東權益的交易和事項相關的當期所得稅和遞延所得稅計入股東權益，以及企業合併產生的遞延所得稅調整商譽的賬面價值外，其餘的當期所得稅和遞延所得稅費用或收益計入當期損益。

當期所得稅費用是指企業按照稅務規定計算確定的針對當期發生的交易和事項，應納給稅務部門的金額，即應交所得稅；遞延所得稅是指按照資產負債表債務法應予確認的遞延所得稅資產和遞延所得稅負債在期末應有的金額相對於原已確認金額之間的差額。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 38. Segment information

Operating segments are identified on the basis of internal organisation structure, management requirements and internal reporting policies. An operating segment represents a component of the Group that satisfied all of the following criteria: it engages in business activities from which it may earn revenue and incur expenses; whose operating results are regularly reviewed by the Company's management to make decisions about resources to be allocated to the segments and assess its performance; and whose accounting information such as financial position, operating results and cashflow is available to the Company.

Expenses incurred for more than one segment, other than those which is unable to be allocated reasonably, are allocated among segments on the basis of revenue proportion.

### 39. Safety production costs

Before 21 November 2022, the Group withholds, uses and accounts for safety production costs in accordance with the relevant rules under the Administrative Measures for Withholding and Using Enterprise Work Safety Funds (C.Q [2012] No.16) issued by the Ministry of Finance and State Administration of Work Safety on 14 February 2012. Since 21 November 2022, the Group withholds, uses and accounts for safety production costs in accordance with the relevant rules under the Administrative Measures for Withholding and Using Enterprise Work Safety Funds (C.Z [2022] No.136) issued by the Ministry of Finance and the Ministry of Emergency on 21 November 2022.

### 38. 分部信息

本集團根據內部組織架構、管理規定及內部彙報制度確定經營分部，以經營分部為基礎確定報告分部。經營分部，是指集團內同時滿足下列條件的組成部分：該組成部分能夠在日常活動中產生收入、發生費用；公司管理層能夠定期評價該組成部分的經營成果，以決定向其配置資源、評價其業績；公司能夠取得該組成部分的財務狀況、經營成果和現金流量等有關會計信息。

分部間轉移價格參照市場價格確定，共同費用除無法合理分配的部分外按照收入比例在不同的分部之間分配。

### 39. 安全生產費

2022年11月21日前，本集團根據財政部、國家安全生產監督管理總局2012年2月14日印布的《企業安全生產費用提取和使用管理辦法》(財企[2012]16號)的相關規定提取和使用、核算安全生產費。自2022年11月21日起，本集團根據財政部、應急部2022年11月21日印發的《企業安全生產費用提取和使用管理辦法》(財資[2022]136號)的相關規定提取和使用、核算安全生產費，原財企[2012]16號相應廢止本集團按規定標準提取安全生產費用，提取的安全生產費計入當期損益，同時記入專項儲備，在所有者權益項下單獨列示。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 39. Safety production costs (Continued)

The Group withholds the safety production cost according to the stipulated standards and the withheld safety production cost are included in the current profit or loss, as well as included in special reserves, which is presented separately under the owner's equity. If the withheld safety production cost is part of the expenses, it offsets special reserves directly when being used. If the use of the withheld safety production costs resulted in a fixed asset, through the construction in progress accounted of the expenses incurred, regarded as fixed asset when the safety projects reach the expected condition for use. At the same time, the cost of the formation of fixed assets offsets the special reserves, and confirm the cumulative depreciation as the same amount, the fixed assets shall be depreciated no longer in the subsequent period. If the amount of the special reserve is insufficient to be offset, it shall be directly included in the current profit or loss according to the actual amount.

##### 40. Changes in critical accounting policies and estimates

- (1) Changes in critical accounting policies: None.
- (2) Changes in critical accounting estimates: None.

##### 39. 安全生產費(續)

實際使用提取的安全生產費時，屬於費用性支出的，直接沖減專項儲備。使用提取的安全生產費形成固定資產的，通過「在建工程」科目歸集所發生的支出，待安全項目完工達到預定可使用狀態時確認為固定資產；同時，按照形成固定資產的成本沖減專項儲備，並確認相同金額的累計折舊，該固定資產在以後期間不再計提折舊。提取的專項儲備餘額不足沖減的，按實際發生額直接計入當期損益。

##### 40. 重要會計政策和會計估計變更

- (1) 重要會計政策變更：無。
- (2) 重要會計估計變更：無。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

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#### IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### 四、重要會計政策及會計估計(續)

##### 41. Critical accounting judgments and key sources of estimation uncertainty

(1) The application of the Group's accounting policies described in Note IV requires the Group to make judgments, estimations and assumptions about the carrying value of statement items that cannot be measured accurately. These judgments, estimations and assumptions are based on the Group's management's historical experience and consideration of other relevant factors, and actual results may differ from the Group's estimates.

(2) The key assumptions and uncertainties in the Group's accounting estimates that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in future periods are as follows:

1) *Impairment of financial instruments and contract assets*

The Group uses an expected credit loss model to assess the impairment of financial instruments and contract assets. The application of the expected credit loss model requires significant judgement and estimates, and to take into account all reasonable and substantiated information, including forward-looking information. In making these judgments and estimates, the Group inferred expected changes in debtors' credit risk based on historical repayment information combined with economic policies, macroeconomic indicators, industry risks and other factors. Different estimates may affect the provision for impairment and the amount of impairment provision made may not equal the actual amount of future impairment loss.

##### 41. 主要會計判斷及估計不確定性的主要來源

(1) 本集團在運用本附註四、所描述的會計政策中，本集團需要對無法準確計量的報表項目的賬面價值進行判斷、估計和假設。這些判斷、估計和假設是基於本集團管理層過去的歷史經驗，並在考慮其他相關因素的基礎上做出的，實際的結果可能與本集團的估計存在差異。

(2) 本集團會計估計中很可能導致未來期間資產、負債賬面價值做出重大調整的關鍵假設和不確定性如下：

1) *金融工具和合同資產減值*

本集團採用預期信用損失模型對金融工具和合同資產的減值進行評估，應用預期信用損失模型需要做出重大判斷和估計，需考慮所有合理且有依據的信息，包括前瞻性信息。在做出這些判斷和估計時，本集團根據歷史還款數據結合經濟政策、宏觀經濟指標、行業風險等因素推斷債務人信用風險的預期變動。不同的估計可能會影響減值準備的計提，已計提的減值準備可能並不等於未來實際的減值損失金額。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 41. Critical accounting judgments and key sources of estimation uncertainty (Continued)

### 41. 主要會計判斷及估計不確定性的主要來源(續)

(2) (Continued)

(2) (續)

#### 2) *Impairment of non-current assets other than financial assets*

#### 2) *除金融資產之外的非流動資產減值*

The Group determines at the balance sheet date whether there is any indication that non-current assets, other than financial assets, may be impaired. Goodwill and intangible assets with uncertain useful life are tested for impairment in addition to the annual impairment test, when there is an indication of impairment. Non-current assets other than financial assets are tested for impairment when there is an indication that the book value may not be recoverable. An impairment is indicated when the carrying value of an asset or group of assets is greater than the recoverable amount, which is the higher of the net fair value less the cost of disposal and the present value of estimated future cash flows. The net fair value less the cost of disposal is determined by reference to the agreed sale price or observable market price of a similar asset in an arm's length transaction, less incremental costs directly attributable to the disposal of the asset. In estimating the present value of future cash flows, management must estimate the expected future cash flows of the asset or group of assets and select the appropriate discount rate to determine the present value of the future cash flows.

本集團於資產負債表日對除金融資產之外的非流動資產判斷是否存在可能發生減值的跡象。對商譽和使用壽命不確定的無形資產，除每年進行的減值測試外，當其存在減值跡象時，也進行減值測試。其他除金融資產之外的非流動資產，當存在跡象表明其賬面金額不可收回時，進行減值測試。當資產或資產組的賬面價值高於可收回金額，即公允價值減去處置費用後的淨額和預計未來現金流量的現值中的較高者，表明發生了減值。公允價值減去處置費用後的淨額，參考公平交易中類似資產的銷售協議價格或可觀察到的市場價格，減去可直接歸屬於該資產處置的增量成本確定。預計未來現金流量現值時，管理層必須估計該項資產或資產組的預計未來現金流量，並選擇恰當的折現率確定未來現金流量的現值。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

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## 四、重要會計政策及會計估計(續)

### 41. Critical accounting judgments and key sources of estimation uncertainty (Continued)

### 41. 主要會計判斷及估計不確定性的主要來源(續)

(2) (Continued)

(2) (續)

3) *Provision for decline in value of inventories*

3) *存貨跌價準備*

In accordance with the Group's accounting policy on inventories, inventories are measured at the lower of cost or net realizable value, and provision for decline in value of inventories is made for inventories with cost higher than net realizable value and for obsolescence and slow-moving sales. The Group will re-estimate whether individual inventories are obsolete and slow-moving and whether net realizable value is lower than the cost of inventories at the balance sheet date. If there is a difference between the re-estimation result and the existing estimate, the difference will affect the carrying value of inventories in the period in which the estimate is changed.

本集團根據存貨會計政策，按照成本與可變現淨值孰低計量，對成本高於可變現淨值及陳舊和滯銷的存貨，計提存貨跌價準備。本集團將於資產負債表日對單個存貨是否陳舊和滯銷、可變現淨值是否低於存貨成本進行重新估計。如重新估計結果與現有估計存在差異，該差異將會影響估計改變期間的存貨賬面價值。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## IV. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

## 四、重要會計政策及會計估計(續)

### 41. Critical accounting judgments and key sources of estimation uncertainty (Continued)

### 41. 主要會計判斷及估計不確定性的主要來源(續)

(2) (Continued)

(2) (續)

#### 4) Goodwill impairment

#### 4) 商譽減值

The Group determines whether goodwill is impaired based on the recoverable amount of the estimated cash-generating unit to which goodwill has been allocated, being the higher of value in use or fair value less costs of disposal. The calculation of value in use requires the Group to estimate the future cash flows expected to be generated by each cash-generating unit and an appropriate discount rate to calculate the present value. Significant impairment could occur if actual future cash flows are less than expected or if there is a change in factual circumstances or government policy (resulting in a decrease in future cash flows related to operations).

本集團根據估計已分配商譽的現金產生單元的可收回金額來確定商譽是否減值，即使用價值或公平值減去處置成本中較高者。使用價值的計算要求本集團估計每個現金產生單元預期產生的未來現金流量及合適的貼現率以計算現值。倘若實際未來現金流少於預期，或事實情況或政府政策發生變化(導致未來現金流下降的相關經營)，則可能產生重大減值。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

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## V. TAXATION

## 五、稅項

### 1. Main types and rates of taxes

### 1. 主要稅種及稅率

| Type of taxes<br>稅種                              | Tax basis<br>計稅依據   | Tax rate<br>稅率                         |
|--|---|--|
| Value-added tax<br>增值稅                           | Taxable value added<br>應納稅增值額   | 13%, 9%, 6%, 5%, 3%<br>13%、9%、6%、5%、3% |
| City maintenance and construction tax<br>城市維護建設稅 | Flow-through tax payable<br>應納流轉稅額  | 5%, 7%<br>5%、7%                        |
| Educational surcharges<br>教育費附加                  | Flow-through tax payable<br>應納流轉稅額  | 3%<br>3%                               |
| Local educational surcharges<br>地方教育費附加          | Flow-through tax payable<br>應納流轉稅額  | 2%<br>2%                               |
| Enterprise income tax<br>企業所得稅                   | Turnover tax payable<br>應納稅所得額  | 15%, 20%<br>15%、20%                    |
| Real estate tax<br>房產稅                           | Based on 70% of the original value<br>of fixed assets for own use<br>按照自用固定資產原值的70% | 1.2%<br>1.2%                           |
|  | Based on rental income for fixed assets<br>leased out<br>租出固定資產按照租金收入               | 12%<br>12%                             |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## V. TAXATION (Continued)

## 五、稅項(續)

### 2. Notes on taxpayers subject to different enterprise income tax rates

### 2. 不同企業所得稅稅率納稅主體說明

| Name of taxpayer<br>納稅主體名稱  | Income tax rate<br>所得稅稅率 |
|---|--------------------------|
| Luzhou Xinglu Water (Group) Co., Ltd. (hereinafter referred to as "Water Headquarters")<br>瀘州市興瀘水務(集團)股份有限公司(以下簡稱「水務本部」)  | 15%                      |
| Luzhou Xinglu Water (Group) Co., Ltd. Lu County Branch<br>(hereinafter referred to as "Lu County Branch")<br>瀘州市興瀘水務(集團)股份有限公司瀘縣分公司(以下簡稱「瀘縣分公司」)                | 15%                      |
| Luzhou Xinglu Water (Group) Hejiang Water Co., Ltd.<br>(hereinafter referred to as "Hejiang Water")<br>瀘州市興瀘水務(集團)合江水業有限公司(以下簡稱「合江水業」)                          | 15%                      |
| Luzhou Nanjiao Water Co., Ltd. (hereinafter referred to as "Nanjiao Water")<br>瀘州市南郊水業有限公司(以下簡稱「南郊水業」)  | 15%                      |
| Luzhou Xinglu Water (Group) Beijiao Water Co., Ltd.<br>(hereinafter referred to as "Beijiao Water")<br>瀘州市興瀘水務(集團)北郊水業有限公司(以下簡稱「北郊水業」)                          | 15%                      |
| Luzhou Sitong Tap Water Engineering Co., Ltd.<br>(hereinafter referred to as "Sitong Engineering")<br>瀘州市四通自來水工程有限公司(以下簡稱「四通工程」)                                | 15%                      |
| Luzhou Xinglu Wastewater Treatment Co., Ltd.<br>(hereinafter referred to as "Xinglu Wastewater")<br>瀘州市興瀘污水處理有限公司(以下簡稱「興瀘污水」)                                   | 15%                      |
| Luzhou Xinghe Water Governance Co., Ltd.<br>(hereinafter referred to as "Xinghe Water Governance")<br>瀘州市興合水環境治理有限公司(以下簡稱「興合水環境」)                               | 15%                      |
| Xinglu Water (Group) Weiyuan Qingxi Water Co., Ltd.<br>(hereinafter referred to as "Weiyuan Water")<br>興瀘水務(集團)威遠清溪水務有限公司(以下簡稱「威遠水務」)                           | 15%                      |
| Weiyuan City Water Supply and Drainage Installation Engineering Co., Ltd.<br>(hereinafter referred to as "Weiyuan Installation")<br>威遠城市供排水安裝工程有限公司(以下簡稱「威遠安裝」) | 15%                      |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## V. TAXATION (Continued)

## 五、稅項(續)

### 2. Notes on taxpayers subject to different enterprise income tax rates (Continued)

### 2. 不同企業所得稅稅率納稅主體說明(續)

| Name of taxpayer<br>納稅主體名稱   | Income tax rate<br>所得稅稅率  |
|--|---------------------------|
| Luzhou Fanxing Environmental Development Co., Ltd.<br>(hereinafter referred to as “Fanxing Environmental”)<br>瀘州市繁星環保發展有限公司(以下簡稱「繁星環保」)                            | 15%                       |
| Dechang Xinglu Water Co., Ltd. (hereinafter referred to as “Dechang Water”)<br>德昌縣興瀘水務有限公司(以下簡稱「德昌水務」)   | 15%                       |
| Chengdu Qingbaijiang Xinglu Water Co., Ltd.<br>(hereinafter referred to as “Qingbaijiang Water”)<br>成都市青白江興瀘水務有限公司(以下簡稱「青白江水務」)                                    | 15%                       |
| Leshan Xinglu Water Xingjia Environmental Protection Technology Co., Ltd.<br>(hereinafter referred to as “Xingjia Environmental”)<br>樂山市興瀘水務興嘉環保科技有限公司(以下簡稱「興嘉環保」) | 2.5%                      |
| Leibo Xinglu Water Co., Ltd. (hereinafter referred to as “Leibo Water”)<br>雷波縣興瀘水務有限公司(以下簡稱「雷波水務」)   | 15%                       |
| Luzhou Xinglu Water (Group) Crystal Trading Co., Ltd.<br>(hereinafter referred to as “Crystal Trading”)<br>瀘州市興瀘水務(集團)水晶商貿有限公司(以下簡稱「水晶商貿」)                         | For details, see<br>3.③④⑤ |
| Luzhou Xinglu Zhihui Water Science and Technology Co., Ltd.<br>(hereinafter referred to as “Zhihui Technology”)<br>瀘州市興瀘智慧水務科技有限責任公司(以下簡稱「智慧科技」)                   | For details, see<br>3.③④⑤ |
| Luzhou Sitong Water Supply and Drainage Engineering Design Co., Ltd.<br>(hereinafter referred to as “Sitong Design”)<br>瀘州市四通給排水工程設計有限公司(以下簡稱「四通設計」)               | For details, see<br>3.③④⑤ |
| Luzhou Xinglu Water (Group) Xingxu Water Co., Ltd.<br>(hereinafter referred to as “Xingxu Water”)<br>瀘州市興瀘水務(集團)興敘水業有限公司(以下簡稱「興敘水業」)                               | For details, see<br>3.③④⑤ |
| Xuyong Yongxing Water Governance Co., Ltd.<br>(hereinafter referred to as “Yongxing Water Governance”)<br>敘永縣永星水環境治理有限公司(以下簡稱「永星水環境」)                              | For details, see<br>3.③④⑤ |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## V. TAXATION (Continued)

## 五、稅項(續)

### 3. Tax preferences

### 3. 稅收優惠

#### (1) Enterprise income tax

#### (1) 企業所得稅

- ① Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission on the Continuation of the Enterprise Income Tax for Implementation of Exploration and Development of Western Region (MOF Notice 2020 No. 23), enterprise income tax will be levied at a reduced rate of 15% on enterprises located in the western region in the encouraged industries from 1 January 2021 to 31 December 2030. Projects including Water Headquarters, Lu County Branch, Hejiang Water, Nanjiao Water, Beijiao Water, Sitong Engineering, Xinglu Wastewater, Xinghe Water Governance, Weiyuan Water, Weiyuan Installation, Fanxing Environmental, Dechang Water and Qingbaijiang Water meet the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission on the Continuation of the Enterprise Income Tax for Implementation of Exploration and Development of Western Region, and being in the encouraged industries as set out in the Catalogue of Industries Encouraged to Develop in the Western Region, they are entitled to enjoy the preferential tax policy under the Implementation of Exploration and Development of Western Region.

- ① 根據《財政部稅務總局國家發展改革委關於延續西部大開發企業所得稅政策的公告》(財政部公告2020年第23號)，自2021年1月1日至2030年12月31日，對設在西部地區的鼓勵類產業企業減按15%稅率徵收企業所得稅。興瀘水務本部、瀘縣分公司、合江水業、南郊水業、北郊水業、四通工程、興瀘污水、興合水環境、威遠水務、威遠安裝、繁星環保、德昌水務、青白江水務等項目符合《財政部稅務總局國家發展改革委關於延續西部大開發企業所得稅政策的公告》的規定，屬於《西部地區鼓勵類產業目錄》中的鼓勵類產業，享受西部大開發稅收優惠。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## V. TAXATION (Continued)

### 3. Tax preferences (Continued)

#### (1) Enterprise income tax (Continued)

- ② Pursuant to Article 27 of the Enterprise Income Law (EIT Law), the income of enterprises engaged in the investment and operation of public infrastructure projects supported by the state and the income derived from environmental protection projects or energy and water saving projects which meet relevant requirements are entitled to the tax preference of exemption and reduction. According to Article 88 of the Implementation Regulations of the EIT Law, eligible environmental protection, energy and water conservation projects, including public sewage treatment, public waste treatment, integrated development and utilization of biogas, energy saving and emission reduction technology transformation, desalination of seawater, etc. The gains of an enterprise engaged in environmental protection, energy saving and water saving projects that meet the conditions above shall be exempted from enterprise income tax from the first year to the third year, and halved from the fourth year to the sixth year, starting from the tax year in which the project obtains the first amount of production and operation income.

## 五、稅項(續)

### 3. 稅收優惠(續)

#### (1) 企業所得稅(續)

- ② 《企業所得稅法》第二十七條規定，從事國家重點扶持的公共基礎設施項目投資經營所得和從事符合條件的環境保護、節能節水項目的所得，享受免徵、減徵稅收優惠政策。根據《企業所得稅法實施條例》第八十八條規定，符合條件的環境保護、節能節水項目，包括公共污水處理、公共垃圾處理、沼氣綜合開發利用、節能減排技術改造、海水淡化等。企業從事上述規定的符合條件的環境保護、節能節水項目的所得，自項目取得第一筆生產經營收入所屬納稅年度起，第一年至第三年免徵企業所得稅，第四年至第六年減半徵收企業所得稅。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## V. TAXATION (Continued)

## 五、稅項(續)

### 3. Tax preferences (Continued)

### 3. 稅收優惠(續)

#### (1) Enterprise income tax (Continued)

#### (1) 企業所得稅(續)

According to the Notice of the Continuation of the Enterprise Income Tax for Implementation of Exploration and Development of Western Region (MOF Notice 2020 No. 23) by the Ministry of Finance, State Administration of Taxation and National Development and Reform Commission, enterprise income tax will be levied at a reduced rate of 15% on enterprises located in the western region in the encouraged industries from 1 January 2021 to 31 December 2030.

If an enterprise meets the conditions for the 15% preferential tax rate under the Implementation of Exploration and Development of Western Region and also meets the tax preference conditions under the EIT Laws and its implementation regulations and the requirements of the State Council, it is entitled to the tax preferences simultaneously.

During the 50% reduction period involving tax relief for a fixed period, the tax payable may be reduced by 50% based on the tax rate applicable to the enterprise.

根據《財政部稅務總局國家發展改革委關於延續西部大開發企業所得稅政策的公告》(財政部公告2020年第23號)，自2021年1月1日至2030年12月31日，對設在西部地區的鼓勵類產業企業減按15%稅率徵收企業所得稅。

企業既符合西部大開發15%優惠稅率條件，又符合《企業所得稅法》及其實施條例和國務院規定的各項稅收優惠條件的，可以同時享受。

在涉及定期減免稅的減半期內，可以按照企業適用稅率計算的應納稅額減半徵稅。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### V. TAXATION (Continued)

### 五、稅項(續)

#### 3. Tax preferences (Continued)

#### 3. 稅收優惠(續)

##### (1) Enterprise income tax (Continued)

##### (1) 企業所得稅(續)

| Name of taxpayer<br>納稅主體名稱   | Tax exemption period<br>免稅期 | 50% tax reduction<br>period<br>減半徵收期 |
|--|-----------------------------|--------------------------------------|
| Xinglu Wastewater (wastewater treatment plant in the east of the city)<br>興瀘污水(城東污水處理廠)  | 2016 – 2018<br>2016年-2018年  | 2019 – 2021<br>2019年-2021年           |
| Xinglu Wastewater (wastewater treatment plant in the south of the city)<br>興瀘污水(城南污水處理廠) | 2016 – 2018<br>2016年-2018年  | 2019 – 2021<br>2019年-2021年           |
| Fanxing Environmental (Gulin Project)<br>繁星環保(古蘭項目)                                      | 2019 – 2021<br>2019年-2021年  | 2022 – 2024<br>2022年-2024年           |
| Fanxing Environmental (Longmatan, Jiangyang and Naxi projects)<br>繁星環保(龍馬潭、江陽、納溪項目)      | 2018 – 2020<br>2018年-2020年  | 2021 – 2023<br>2021年-2023年           |
| Qingbaijiang Water<br>青白江水務  | 2020 – 2022<br>2020年-2022年  | 2023 – 2025<br>2023年-2025年           |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## V. TAXATION (Continued)

## 五、稅項(續)

### 3. Tax preferences (Continued)

### 3. 稅收優惠(續)

#### (1) Enterprise income tax (Continued)

#### (1) 企業所得稅(續)

- ③ According to the Notice of the State Administration of Taxation on Issues Concerning the Implementation of Preferential Income Tax Policies to Support the Development of Small and Low-Profit Enterprises and Individual Business ([2021] No. 12) and Notice of the Ministry of Finance and the State Taxation Administration on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprises (C.S [2022] No. 13), for the part of small and low-profit enterprises whose annual taxable income does not exceed RMB1 million, 12.5% shall be included in the taxable income, and the enterprise income tax shall be paid at the tax rate of 20%; for the part of annual taxable income exceeding RMB1 million but not exceeding RMB3 million, it shall be included in the taxable income at a reduced rate of 25% and the enterprise income tax shall be paid at the tax rate of 20%.

- ③ 根據《國家稅務總局關於落實支持小型微利企業和個體工商戶發展所得稅優惠政策有關事項的公告》(2021年第12號)和《財政部稅務總局關於進一步實施小微企業所得稅優惠政策的公告》財稅[2022]13號，對小型微利企業年應納稅所得額不超過100萬元的部分，減按12.5%計入應納稅所得額，按20%的稅率繳納企業所得稅；對年應納稅所得額超過100萬元但不超過300萬元的部分，減按25%計入應納稅所得額，按20%的稅率繳納企業所得稅。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## V. TAXATION (Continued)

## 五、稅項(續)

### 3. Tax preferences (Continued)

### 3. 稅收優惠(續)

#### (1) Enterprise income tax (Continued)

#### (1) 企業所得稅(續)

- ④ According to the Notice of Implementing the Preferential Income Tax Policies for Small and Micro Size Enterprises and Individual Industrial and Commercial Households by the Ministry of Finance and the State Administration of Taxation (Ministry of Finance and the State Administration of Taxation Notice 2021 No. 12), for the part of small and low-profit enterprises whose annual taxable income does not exceed RMB1 million, on the basis of the preferential policies stipulated in Article 2 of the Notice of Implementing Inclusive Tax Relief Policy for Small and Micro Size Enterprises (C.S [2019] No. 13) by the Ministry of Finance and the State Administration of Taxation, the enterprise income tax shall be reduced by half and accounted for at 2.5%.
- ⑤ According to the Notice of the Ministry of Finance and the State Taxation Administration on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprises (Cai Shui [2022] No. 13), for the part of annual taxable income exceeding RMB1 million but not exceeding RMB3 million, it shall be included in the taxable income at a reduced rate of 25% and the enterprise income tax shall be paid at the tax rate of 20%.

- ④ 根據《財政部稅務總局關於實施小微企業和個體工商戶所得稅優惠政策的公告》(財政部稅務總局公告2021年第12號)，對小型微利企業年應納稅所得額不超過100萬元部分，在《財政部稅務總局關於實施小微企業普惠性稅收減免政策的通知》(財稅[2019]13號)第二條規定的優惠政策基礎上，再減半徵收企業所得稅，按2.5%核算。
- ⑤ 根據《財政部稅務總局關於進一步實施小微企業所得稅優惠政策的公告》財稅[2022]13號，對年應納稅所得額超過100萬元但不超過300萬元部分，減按25%計入應納稅所得額，按20%的稅率繳納企業所得稅。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## V. TAXATION (Continued)

## 五、稅項(續)

### 3. Tax preferences (Continued)

### 3. 稅收優惠(續)

#### (2) Value-added tax

#### (2) 增值稅

- ① According to the Notice on the Issuance of the Catalog of Value-added Tax Benefits for Products and Services for Comprehensive Utilization of Resources (Cai Shui [2021] No. 40) of the Ministry of Finance and the State Administration of Taxation, with effective from 1 March 2022, the Taxpayers who engage in the sale of self-produced products for comprehensive utilization of resources and provision of services for comprehensive utilization of resources are entitled to the policy of instant refund of value-added tax. Xinglu Treatment which has provided services for sewage treatment since 1 March 2022 are entitled to the policy of instant refund of value-added tax with a tax refund rate of 70%.
- ② According to the Notice of the Ministry of Finance and the State Administration of Taxation on the Continued Implementation of Preferential Tax Policies for the Construction and Operation of Rural Drinking Water Safety Projects (Cai Shui [2016] No. 19), the Announcement of the Ministry of Finance and the State Administration of Taxation on the Continued Implementation of Preferential Tax Policies for Rural Drinking Water Safety Projects (MOF and SAT Announcement 2019 No. 67) and the Announcement of the Ministry of Finance and the State Administration of Taxation on the Extension of the Implementation Period of Certain Preferential Tax Policies (MOF and SAT Announcement 2021 No. 6), the revenue from the sale of tap water earned by the operation and management units responsible for drinking water projects in respect of the provision of domestic water to rural residents is exempt from value-added tax.

- ① 根據財政部、國家稅務總局《關於完善資源綜合利用增值稅政策的公告》(財稅[2021]40號)，自2022年3月1日起增值稅一般納稅人銷售自產的資源綜合利用產品和提供資源綜合利用勞務，可享受增值稅即征即退政策。興瀘污水自2022年3月1日起提供污水處理勞務享受增值稅即征即退政策，退稅率70%。
- ② 根據《財政部、國家稅務總局關於繼續實行農村飲水安全工程建設運營稅收優惠政策的通知》(財稅[2016]19號)、《財政部稅務總局關於繼續實行農村飲水安全工程稅收優惠政策的公告》(財政部稅務總局公告2019年第67號)、《財政部稅務總局關於延長部分稅收優惠政策執行期限的公告》(財政部稅務總局公告2021年第6號)的規定，對飲水工程運營管理單位向農村居民提供生活用水取得的自來水銷售收入，免徵增值稅。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS

## 六、合併財務報表主要項目註釋(續)

For the following disclosed financial statement data, unless otherwise noted, “Opening Balance” refers to the balance as at 1 January 2022; and “Closing Balance” refers to the balance as at 31 December 2022. “Current Year” refers to the period from 1 January to 31 December 2022; “Last Year” refers to the period from 1 January to 31 December 2021, with the currency denominated in RMB.

下列所披露的財務報表數據，除特別註明之外，「年初」系指2022年1月1日，「年末」系指2022年12月31日，「本年」系指2022年1月1日至12月31日，「上年」系指2021年1月1日至12月31日，貨幣單位為人民幣元。

### 1. Monetary funds

### 1. 貨幣資金

| Items                              | 項目                | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|------------------------------------|-------------------|-------------------------|-------------------------|
| Cash on hand                       | 庫存現金              | 4,526.43                | 7,363.71                |
| Bank deposits                      | 銀行存款              | 609,747,192.65          | 871,734,715.16          |
| Other monetary capitals            | 其他貨幣資金            | 4,000.00                | 2,500.00                |
| <b>Total</b>                       | <b>合計</b>         | <b>609,755,719.08</b>   | 871,744,578.87          |
| Including: Total deposits overseas | 其中：存放在境外的款項<br>總額 | 1,500,016.24            | 1,394,560.44            |
| Deposits with finance companies    | 存放於財務公司款項         |                         |                         |

Note 1: The deposit of RMB26.058 million in the Group's dedicated bank account was obtained as a special financing, which should be used exclusively for the Luzhou Jiangyang District Water Supply Project.

註1、本集團的專用銀行賬戶中2,605.80萬元存款為專項融資獲得資金，需專項用於瀘州市江陽區全域供水項目。

Note 2: The use of restricted monetary funds is described in detail in the disclosure in Note 56 herein.

註2、使用受到限制的貨幣資金詳見本附註56之披露。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 2. Bills receivable

| Items                       | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|-----------------------------|-----------|-------------------------|-------------------------|
| Bank acceptance notes       | 銀行承兌匯票    | 1,750,000.00            | 2,350,000.00            |
| Commercial acceptance notes | 商業承兌匯票    |                         | 348,572.00              |
| <b>Total</b>                | <b>合計</b> | <b>1,750,000.00</b>     | <b>2,698,572.00</b>     |

### 2. 應收票據

### 3. Accounts receivable

#### (1) Accounts receivable as shown by provision for bad debts

| Category                                 | 類別        | Book balance          |                | Closing balance      |                | Book value            |
|--|-----------|-----------------------|----------------|----------------------|----------------|-----------------------|
|  |           | 賬面餘額                  |                | 年末餘額                 |                |                       |
|  |           | Amount                | Proportion (%) | Amount               | Proportion (%) |                       |
|  |           | 金額                    | 比例(%)          | 金額                   | 計提比例(%)        | 賬面價值                  |
| Separate provision for bad debts         | 按單項計提壞賬準備 | 1,003,763.28          | 0.17           | 1,003,763.28         | 100.00         |                       |
| Provision for bad debts on a group basis | 按組合計提壞賬準備 | 573,874,167.50        | 99.83          | 47,489,554.81        | 8.28           | 526,384,612.69        |
| <b>Total</b>                             | <b>合計</b> | <b>574,877,930.78</b> | <b>100.00</b>  | <b>48,493,318.09</b> |                | <b>526,384,612.69</b> |

### 3. 應收賬款

#### (1) 應收賬款按壞賬計提方法分類列示



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 3. Accounts receivable (Continued)

#### (1) Accounts receivable as shown by provision for bad debts (Continued)

(Continued)

| Category                                 | 類別        | Book balance          |                | Provision for bad debts |                | Book value            |
|--|-----------|-----------------------|----------------|-------------------------|----------------|-----------------------|
|  |           | Amount                | Proportion (%) | Amount                  | Proportion (%) |                       |
|  |           | 賬面餘額                  | 比例(%)          | 壞賬準備                    | 計提比例(%)        | 賬面價值                  |
| Separate provision for bad debts         | 按單項計提壞賬準備 | 2,686,835.88          | 0.51           | 2,686,835.88            | 100.00         |                       |
| Provision for bad debts on a group basis | 按組合計提壞賬準備 | 523,240,518.15        | 99.49          | 37,181,919.26           | 7.11           | 486,058,598.89        |
| <b>Total</b>                             | <b>合計</b> | <b>525,927,354.03</b> | <b>100.00</b>  | <b>39,868,755.14</b>    |                | <b>486,058,598.89</b> |

### 3. 應收賬款(續)

#### (1) 應收賬款按壞賬計提方法分類列示(續)

(續表)

|  |           | Opening balance       |                | Provision for bad debts |                | Book value            |
|--|-----------|-----------------------|----------------|-------------------------|----------------|-----------------------|
|  |           | Amount                | Proportion (%) | Amount                  | Proportion (%) |                       |
|  |           | 賬面餘額                  | 比例(%)          | 壞賬準備                    | 計提比例(%)        | 賬面價值                  |
| Separate provision for bad debts         | 按單項計提壞賬準備 | 2,686,835.88          | 0.51           | 2,686,835.88            | 100.00         |                       |
| Provision for bad debts on a group basis | 按組合計提壞賬準備 | 523,240,518.15        | 99.49          | 37,181,919.26           | 7.11           | 486,058,598.89        |
| <b>Total</b>                             | <b>合計</b> | <b>525,927,354.03</b> | <b>100.00</b>  | <b>39,868,755.14</b>    |                | <b>486,058,598.89</b> |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 3. Accounts receivable (Continued)

### 3. 應收賬款(續)

#### (1) Accounts receivable as shown by provision for bad debts (Continued)

#### (1) 應收賬款按壞賬計提方法分類列示(續)

- 1) Separate provision for bad debts for accounts receivable

- 1) 按單項計提應收賬款壞賬準備

| Name  | 名稱            | Book balance<br>賬面餘額 | Provision for<br>bad debts<br>壞賬準備 | Closing balance<br>年末餘額                |  | Reason for<br>provision<br>計提理由        |
|---|---------------|----------------------|------------------------------------|--|--|--|
|   |               |                      |                                    | Provision<br>proportion (%)<br>計提比例(%) | Provision<br>proportion (%)<br>計提比例(%) |  |
| Sichuan Chuang Yu Real Estate Development Co., Ltd. | 四川創宇房地產開發有限公司 | 146,800.00           | 146,800.00                         | 100.00                                 | 100.00                                 | Not expected to be recovered<br>預計無法收回 |
| Sichuan Weiyuan Construction Group                  | 四川省威遠建業集團有限公司 | 627,668.00           | 627,668.00                         | 100.00                                 | 100.00                                 | Not expected to be recovered<br>預計無法收回 |
| Weiyuan County Sanwei Wine Company                  | 威遠縣三維酒業公司     | 178,534.40           | 178,534.40                         | 100.00                                 | 100.00                                 | Not expected to be recovered<br>預計無法收回 |
| Others petty in aggregate                           | 其他零星匯總        | 50,760.88            | 50,760.88                          | 100.00                                 | 100.00                                 | Not expected to be recovered<br>預計無法收回 |
| <b>Total</b>  | <b>合計</b>     | <b>1,003,763.28</b>  | <b>1,003,763.28</b>                |  |  |  |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 3. Accounts receivable (Continued)

#### (1) Accounts receivable as shown by provision for bad debts (Continued)

- 2) Provision for bad debts of accounts receivables on a group basis

| Ageing                    | 賬齡        | Closing balance       |                         |                          |
|---------------------------|-----------|-----------------------|-------------------------|--------------------------|
|                           |           | Book balance          | Provision for bad debts | Provision proportion (%) |
|                           |           | 賬面餘額                  | 壞賬準備                    | 計提比例(%)                  |
| Within 1 year (inclusive) | 1年以內(含1年) | 386,387,775.46        | 19,319,388.80           | 5.00                     |
| 1-2                       | 1-2年      | 139,727,173.28        | 13,972,717.32           | 10.00                    |
| 2-3                       | 2-3年      | 39,392,900.61         | 7,878,580.12            | 20.00                    |
| 3-4                       | 3-4年      | 1,629,249.30          | 814,624.66              | 50.00                    |
| 4-5                       | 4-5年      | 6,164,124.72          | 4,931,299.78            | 80.00                    |
| Over 5 years              | 5年以上      | 572,944.13            | 572,944.13              | 100.00                   |
| <b>Total</b>              | <b>合計</b> | <b>573,874,167.50</b> | <b>47,489,554.81</b>    |                          |

(Continued)

(續表)

| Ageing                    | 賬齡        | Opening balance       |                         |                        |
|---------------------------|-----------|-----------------------|-------------------------|------------------------|
|                           |           | Book balance          | Provision for bad debts | Provision proportion % |
|                           |           | 賬面餘額                  | 壞賬準備                    | 計提比例(%)                |
| Within 1 year (inclusive) | 1年以內(含1年) | 416,507,978.12        | 20,825,398.92           | 5.00                   |
| 1-2                       | 1-2年      | 85,591,207.37         | 8,559,120.74            | 10.00                  |
| 2-3                       | 2-3年      | 10,532,002.76         | 2,106,400.56            | 20.00                  |
| 3-4                       | 3-4年      | 9,815,648.96          | 4,907,824.48            | 50.00                  |
| 4-5                       | 4-5年      | 52,531.90             | 42,025.52               | 80.00                  |
| Over 5 years              | 5年以上      | 741,149.04            | 741,149.04              | 100.00                 |
| <b>Total</b>              | <b>合計</b> | <b>523,240,518.15</b> | <b>37,181,919.26</b>    |                        |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 3. Accounts receivable (Continued)

#### (2) The aging analysis of accounts receivable based on the transaction date is as follows

| Ageing                    | 賬齡        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---------------------------|-----------|-------------------------|-------------------------|
| Within 1 year (inclusive) | 1年以內(含1年) | 386,537,515.43          | 418,191,051.93          |
| 1-2                       | 1-2年      | 139,577,433.31          | 85,591,207.37           |
| 2-3                       | 2-3年      | 39,392,900.61           | 10,532,002.76           |
| 3-4                       | 3-4年      | 1,629,249.30            | 9,902,048.96            |
| 4-5                       | 4-5年      | 6,250,524.72            | 680,199.90              |
| Over 5 years              | 5年以上      | 1,490,307.41            | 1,030,843.11            |
| <b>Total</b>              | <b>合計</b> | <b>574,877,930.78</b>   | <b>525,927,354.03</b>   |

#### (3) Provision for bad debts of accounts receivable in the current year

| Category                | 類別   | Opening balance<br>年初餘額 | Provision<br>計提 | Changes during the current year<br>本年變動金額 |                                     |              | Closing balance<br>年末餘額 |
|-------------------------|------|-------------------------|-----------------|---|-------------------------------------|--------------|-------------------------|
|                         |      |                         |                 | Recoveries<br>or reversals<br>收回或轉回       | Write off or<br>charge off<br>轉銷或核銷 | Others<br>其他 |                         |
| Provision for bad debts | 壞賬準備 | 39,868,755.14           | 8,624,562.95    |   |                                     |              | 48,493,318.09           |

### 3. 應收賬款(續)

#### (2) 根據交易日期的應收賬款賬齡分析如下

#### (3) 本年應收賬款壞賬準備情況



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 3. Accounts receivable (Continued)

#### (4) Accounts receivable of top 5 closing balance by debtor

The total top five accounts receivable by debtor as at the end of the year amounted to RMB218,356,890.92, accounting for 37.98% of the closing balance of accounts receivable. A provision for bad debts of RMB15,601,168.72 in total was made as at the end of the year.

### 4. Prepayments

#### (1) Ageing of prepayment

| Items                     | 項目        | Closing balance<br>年末餘額 |                         | Opening balance<br>年初餘額 |                         |
|---------------------------|-----------|-------------------------|-------------------------|-------------------------|-------------------------|
|                           |           | Amount<br>金額            | Proportion (%)<br>比例(%) | Amount<br>金額            | Proportion (%)<br>比例(%) |
| Within 1 year (inclusive) | 1年以內(含1年) | 17,018,780.24           | 61.31                   | 10,340,927.57           | 52.26                   |
| 1-2                       | 1-2年      | 2,295,983.81            | 8.27                    | 4,503,367.12            | 22.76                   |
| 2-3                       | 2-3年      | 4,019,155.43            | 14.48                   | 2,547,200.61            | 12.87                   |
| Over 3 years              | 3年以上      | 4,425,311.35            | 15.94                   | 2,395,633.60            | 12.11                   |
| <b>Total</b>              | <b>合計</b> | <b>27,759,230.83</b>    | <b>100.00</b>           | <b>19,787,128.90</b>    | <b>100.00</b>           |

### 3. 應收賬款(續)

#### (4) 按欠款方歸集的年末餘額前五名的應收賬款情況

本年按欠款方歸集的年末餘額前五名應收賬款匯總金額218,356,890.92元,佔應收賬款年末餘額合計數的比例37.98%,相應計提的壞賬準備年末餘額匯總金額15,601,168.72元。

### 4. 預付款項

#### (1) 預付款項賬齡

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 4. Prepayments (Continued)

#### (2) Prepayment of top 5 closing balances by prepaid items

| Name of entity   | 單位名稱              | Closing balance<br>年末餘額 | Ageing<br>賬齡                                      | Proportion in the closing balance of prepayments<br>佔預付款項年末餘額的比率(%) |
|--|-------------------|-------------------------|---|---|
| Yongning Street Office of Naxi District People's Government of Luzhou City | 瀘州市納溪區人民政府永寧街道辦事處 | 12,000,000.00           | Within 1 year<br>1年以內                             | 43.23   |
| State Grid Sichuan Electric Power Company Luzhou Power Supply Company      | 國網四川省電力公司瀘州供電公司   | 9,379,930.41            | Within 5 years and more than 5 years<br>5年以內和5年以上 | 33.79   |
| Chengdu Zhongchengda Technology Co., Ltd.                                  | 成都眾誠達科技有限公司       | 588,507.00              | Within 1 year<br>1年以內                             | 2.12  |
| Sichuan Bohai Water Supply Equipment Co., Ltd                              | 四川博海供水設備有限公司      | 359,800.00              | Within 1 year<br>1年以內                             | 1.30  |
| Weiyuan Xinzhiba Real Estate Development Co., Ltd.                         | 威遠信智達房地產開發有限公司    | 318,569.09              | Within 1 year<br>1年以內                             | 1.15  |
| <b>Total</b>   | <b>合計</b>         | <b>22,646,806.50</b>    |   | <b>81.58</b>  |

### 4. 預付款項(續)

#### (2) 按預付對象歸集的年末餘額前五名的預付款情況

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 5. Other receivables

### 5. 其他應收款

| Items                | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|----------------------|-----------|-------------------------|-------------------------|
| Interest receivable  | 應收利息      |                         |                         |
| Dividends receivable | 應收股利      |                         |                         |
| Other receivables    | 其他應收款     | 135,172,092.35          | 148,145,229.62          |
| <b>Total</b>         | <b>合計</b> | <b>135,172,092.35</b>   | <b>148,145,229.62</b>   |

#### 5.1 Other receivables

#### 5.1 其他應收款

| Items                         | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|-------------------------------|-----------|-------------------------|-------------------------|
| Other accounts                | 其他收賬款     | 160,773,410.86          | 154,237,246.09          |
| Less: Provision for bad debts | 減：壞賬準備    | 25,601,318.51           | 6,092,016.47            |
| <b>Total</b>                  | <b>合計</b> | <b>135,172,092.35</b>   | <b>148,145,229.62</b>   |

#### (1) Classification of other receivables by nature of the amount

#### (1) 其他應收款按款項性質分類

| Nature of the amount  | 款項性質                     | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---|--------------------------|-------------------------|-------------------------|
| Municipal financial subsidy funds for the Luzhou City "One Household, One Meter" Renovation Project | 瀘州市城區「一戶一表」改造工程市、區財政補貼資金 | 140,420,033.77          | 141,615,032.92          |
| Deposits, collateral  | 押金、保證金                   | 2,616,592.10            | 2,610,721.43            |
| Payments withheld   | 代扣代繳款                    | 949,864.45              | 2,453,597.37            |
| Others  | 其他                       | 16,786,920.54           | 7,557,894.37            |
| <b>Total</b>  | <b>合計</b>                | <b>160,773,410.86</b>   | <b>154,237,246.09</b>   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 5. Other receivables (Continued)

### 5. 其他應收款(續)

#### 5.1 Other receivables (Continued)

#### 5.1 其他應收款(續)

(2) Provision for bad debts of other receivables

(2) 其他應收款壞賬準備計提情況

|                                |               | Stage 1                                    | Stage 2   | Stage 3   | Total         |
|--------------------------------|---------------|--|---|---|---------------|
|                                |               | 第一階段                                       | 第二階段  | 第三階段  |               |
|                                |               | Expected credit loss in the next 12 months | Expected credit loss for the entire duration (no credit impairment) | Expected credit loss for the entire duration (credit impairment has occurred) |               |
|                                |               | 未來12個月預期信用損失                               | 整個存續期預期信用損失(未發生信用減值)  | 整個存續期預期信用損失(已發生信用減值)  | 合計            |
| Provision for bad debts        | 壞賬準備          |  |   |   |               |
| Balance as at 1 January 2022   | 2022年1月1日餘額   | 229,667.31                                 | 703,676.22  | 5,158,672.94  | 6,092,016.47  |
| Provision in the current year  | 本年計提          | 493,261.91                                 | 18,883,844.66   | 132,195.47  | 19,509,302.04 |
| Reversal in the current year   | 本年轉回          |  |   |   |               |
| Write-off in the current year  | 本年轉銷          |  |   |   |               |
| Charge-off in the current year | 本年核銷          |  |   |   |               |
| Other changes                  | 其他變動          |  |   |   |               |
| Balance as at 31 December 2022 | 2022年12月31日餘額 | 722,929.22                                 | 19,587,520.88   | 5,290,868.41  | 25,601,318.51 |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 5. Other receivables (Continued)

### 5. 其他應收款(續)

#### 5.1 Other receivables (Continued)

#### 5.1 其他應收款(續)

(3) Other receivables presented by ageing

(3) 其他應收款按賬齡列示

| Ageing                    | 賬齡        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---------------------------|-----------|-------------------------|-------------------------|
| Within 1 year (inclusive) | 1年以內(含1年) | 9,865,238.14            | 99,338,481.92           |
| 1-2                       | 1-2年      | 97,534,155.85           | 48,522,499.65           |
| 2-3                       | 2-3年      | 47,157,230.28           | 460,677.41              |
| 3-4                       | 3-4年      | 361,360.02              | 564,558.17              |
| 4-5                       | 4-5年      | 564,558.16              | 192,356.00              |
| Over 5 years              | 5年以上      | 5,290,868.41            | 5,158,672.94            |
| <b>Total</b>              | <b>合計</b> | <b>160,773,410.86</b>   | 154,237,246.09          |

(4) Provision for bad debts of other receivables

(4) 其他應收款壞賬準備情況

| Category                | 類別   | Opening balance<br>年初餘額 | Provision<br>計提 | Changes during the current year<br>本年變動金額 |                                     |              | Closing balance<br>年末餘額 |
|-------------------------|------|-------------------------|-----------------|---|-------------------------------------|--------------|-------------------------|
|                         |      |                         |                 | Recoveries<br>or reversals<br>收回或轉回       | Write off or<br>charge off<br>轉銷或核銷 | Others<br>其他 |                         |
| Provision for bad debts | 壞賬準備 | 6,092,016.47            | 19,509,302.04   |   |                                     |              | 25,601,318.51           |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 5. Other receivables (Continued)

### 5. 其他應收款(續)

#### 5.1 Other receivables (Continued)

#### 5.1 其他應收款(續)

(5) Other receivables of top 5 closing balances by debtor

(5) 按欠款方歸集的年末餘額前五名的其他應收款情況

| Name of entity   | Nature of the amount              | Closing balance       | Ageing                 | Proportion in the total closing balance of other receivables (%) | Provision for bad debts Closing balance |
|--|-----------------------------------|-----------------------|------------------------|--|---|
| 單位名稱   | 款項性質                              | 年末餘額                  | 賬齡                     | 佔其他應收款年末餘額合計數的比例(%)  | 壞賬準備年末餘額                                |
| Luzhou Municipal Finance Bureau<br>瀘州市財政局  | Financial subsidy funds<br>財政補貼資金 | 140,420,033.77        | Within 3 years<br>3年以內 | 87.34  | 18,609,493.19                           |
| Sichuan Qianquan Environmental Technology Co., Ltd.<br>四川千泉環保科技有限公司                  | Others<br>其他                      | 2,663,524.82          | Within 1 year<br>1年以內  | 1.66   | 133,176.24                              |
| Luzhou Housing Provident Fund Management Center<br>瀘州市住房公積金管理中心                      | House maintenance funds<br>住房維修基金 | 2,023,645.27          | Over 5 years<br>5年以上   | 1.26   | 2,023,645.27                            |
| Leibo County Jinshajiang State-owned Assets Management Co., Ltd.<br>雷波縣金沙江國有資產經營有限公司 | Financial compensation<br>經濟補償金   | 1,832,955.59          | Within 1 year<br>1年以內  | 1.14   | 91,647.78                               |
| People's Government of Jiuzhi Town, Hejiang County<br>合江縣九支鎮人民政府                     | Others<br>其他                      | 1,634,135.62          | Within 1 year<br>1年以內  | 1.02   | 81,706.78                               |
| <b>Total</b>   | <b>合計</b>                         | <b>148,574,295.07</b> |                        | <b>92.42</b>   | <b>20,939,669.26</b>                    |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 5. Other receivables (Continued)

### 5. 其他應收款(續)

#### 5.1 Other receivables (Continued)

#### 5.1 其他應收款(續)

(6) Receivables involving government grants

(6) 涉及政府補助的應收款項

| Name of entity<br>單位名稱          | Grants<br>補助項目  | Closing balance<br>年末餘額 | Ageing<br>賬齡   | Amount expected to receive<br>預計收取        |                | Basis<br>依據                    |
|---------------------------------|---|-------------------------|----------------|---|----------------|--------------------------------|
|                                 |   |                         |                | Time<br>時間                                | Amount<br>金額   |                                |
| Luzhou Municipal Finance Bureau | "One Household, One Meter" renovation project in the urban area of Luzhou | 140,420,033.77          | Within 3 years | Subject to completion of costing of works | 140,420,033.77 | Lu Shi Fu Ban Fa (2019) No. 14 |
| 瀘州市財政局                          | 瀘州市城區「一戶一表」改造工程   | 140,420,033.77          | 3年以內           | 待工程造價結算完成                                 | 140,420,033.77 | 瀘市府辦發(2019)14號文件               |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 6. Inventories

#### (1) Classification of inventories

| Items                      | 項目        | Closing balance      |  | Opening balance      |  |                   |                      |
|----------------------------|-----------|----------------------|--|----------------------|--|-------------------|----------------------|
|                            |           | 年末餘額                 | Provision for declines in value of inventories/ provision for impairment of contract | 年初餘額                 | Provision for declines in value of inventories/ provision for impairment of contract |                   |                      |
|                            |           | Book balance         | performance costs  | Book value           | Book balance   | performance costs | Book value           |
|                            |           | 賬面餘額                 | 存貨跌價準備/合同履約成本減值準備  | 賬面價值                 | 賬面餘額   | 存貨跌價準備/合同履約成本減值準備 | 賬面價值                 |
| Raw materials              | 原材料       | 38,330,623.83        |  | 38,330,623.83        | 37,945,495.87  |                   | 37,945,495.87        |
| Low value consumables      | 低值易耗品     | 1,165,984.21         |  | 1,165,984.21         | 1,320,027.88   |                   | 1,320,027.88         |
| Finished goods             | 庫存商品      | 556,879.80           | 3,087.75   | 553,792.05           | 460,637.26   | 3,087.75          | 457,549.51           |
| Turnaround materials       | 周轉材料      |                      |  |                      | 1,470.00   |                   | 1,470.00             |
| Contract performance costs | 合同履約成本    | 49,425,161.50        |  | 49,425,161.50        | 14,001,096.55  |                   | 14,001,096.55        |
| <b>Total</b>               | <b>合計</b> | <b>89,478,649.34</b> | <b>3,087.75</b>  | <b>89,475,561.59</b> | <b>53,728,727.56</b>   | <b>3,087.75</b>   | <b>53,725,639.81</b> |

### 6. 存貨

#### (1) 存貨分類



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 6. Inventories (Continued)

#### 6. 存貨(續)

##### (2) Provision for declines in value of inventories and provision for impairment of contract performance costs

##### (2) 存貨跌價準備和合同履約成本減值準備

| Items          | 項目   | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 |              |                                   | Increase for the current year<br>本年減少 |          | Closing balance<br>年末餘額 |
|----------------|------|-------------------------|---------------------------------------|--------------|-----------------------------------|---------------------------------------|----------|-------------------------|
|                |      |                         | Provision<br>計提                       | Others<br>其他 | Turnback<br>or write-off<br>轉回或轉銷 | Others<br>其他                          |          |                         |
| Finished goods | 庫存商品 | 3,087.75                |                                       |              |                                   |                                       | 3,087.75 |                         |

#### 7. Other current assets

#### 7. 其他流動資產

| Items                                | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|--------------------------------------|-----------|-------------------------|-------------------------|
| Input tax to be deducted             | 待抵扣進項稅    | 74,973,889.70           | 52,150,930.62           |
| Prepayments of enterprise income tax | 預繳企業所得稅   | 23,668,413.96           | 22,231,666.99           |
| Prepayments of other taxes and fees  | 預繳其他稅費    | 236,753.60              | 39,205.08               |
| <b>Total</b>                         | <b>合計</b> | <b>98,879,057.26</b>    | 74,421,802.69           |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 8. Long-term receivables

### 8. 長期應收款

| Items                                | 項目         | Closing balance     |           |                     | Opening balance     |           |                     |
|--------------------------------------|------------|---------------------|-----------|---------------------|---------------------|-----------|---------------------|
|                                      |            | Book balance        | bad debts | Book value          | Book balance        | bad debts | Book value          |
|                                      |            | 賬面餘額                | 壞賬準備      | 賬面價值                | 賬面餘額                | 壞賬準備      | 賬面價值                |
| Finance lease payments               | 融資租賃款      | 5,919,361.81        |           | 5,919,361.81        | 5,593,899.76        |           | 5,593,899.76        |
| Including: Unrealized finance income | 其中：未實現融資收益 | 280,638.19          |           | 280,638.19          | 606,100.25          |           | 606,100.25          |
| <b>Total</b>                         | <b>合計</b>  | <b>5,919,361.81</b> |           | <b>5,919,361.81</b> | <b>5,593,899.76</b> |           | <b>5,593,899.76</b> |

### 9. Long-term debt investment

### 9. 長期股權投資

| Entity invested  | Opening balance<br>(Book value) | Increase in<br>investment | Reduction in<br>investment | Gains or losses<br>on investments<br>recognized<br>under the equity<br>method | Adjustment<br>of other<br>comprehensive<br>income | Change in the current year  |  |        | Provision for<br>impairment | Others | Closing balance<br>(Book value) | Closing balance<br>of provision<br>for impairment |
|--|---------------------------------|---------------------------|----------------------------|---|---|-----------------------------|--|--------|-----------------------------|--------|---------------------------------|---|
|  |                                 |                           |                            |   |   | Change in<br>other equities | Declared<br>cash dividends<br>or profits | 本年增減變動 |                             |        |                                 |   |
| 被投資單位  | (賬面價值)                          | 追加投資                      | 減少投資                       | 權益法下確認<br>的投資損益   | 其他<br>綜合收益調整                                      | 其他權益變動                      | 宣告發放現金<br>股利或利潤                          | 計提減值準備 | 其他                          | (賬面價值) | 年末餘額                            | 減值準備<br>年末餘額                                      |
| I. Joint ventures  |                                 |                           |                            |   |   |                             |  |        |                             |        |                                 |   |
| 一、聯營企業   |                                 |                           |                            |   |   |                             |  |        |                             |        |                                 |   |
| Sichuan Xiangjiaba Irrigation<br>Construction and Development<br>Co., Ltd. | 55,275,609.48                   |                           |                            | 590,950.85  |   |                             |  |        |                             |        | 55,866,560.33                   |   |
| 四川省向家壩灌區建設開發<br>有限責任公司   |                                 |                           |                            |   |   |                             |  |        |                             |        |                                 |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 9. Long-term debt investment (Continued)

Note: Sichuan Xiangjiaba Irrigation District Construction and Development Company Limited (hereinafter referred to as "Xiangjiaba Irrigation District Development Company") was established on 22 September 2013 and its shareholders consist of Sichuan Water Resources Development Group Company Limited, Yibin Qingyuan Water Group Company Limited, Zigong Fuxi Water Investment and Development Company Limited, Neijiang Investment Holding Group Company Limited and the Company. According to the articles of association of Xiangjiaba Irrigation District Development Company, the board of directors consists of 7 members, including 1 employee director, 2 directors assigned by Sichuan Water Resources Development Group Company Limited, and 4 directors assigned by the Company and three other investors. Any resolution of the board of directors shall be subject to the approval by more than half of all directors. The Company accounts for such investment under the equity method.

### 9. 長期股權投資(續)

註：四川省向家壩灌區建設開發有限責任公司(以下簡稱「向家壩灌區開發公司」)成立於2013年9月22日，股東分別是四川省水利發展集團有限公司、宜賓市清源水務集團有限公司、自貢釜溪水務投資開發有限公司、內江投資控股集團有限公司及本公司；根據向家壩灌區開發公司章程約定，董事會成員共7名，其中：職工董事1名，四川省水利發展集團有限公司委派2名董事，本公司與其他3位出資人各委派1名董事，董事會決議須經全體董事半數以上同意方可通過，本公司對該項投資按照權益法核算。

### 10. Investments in other equity instruments

#### (1) Investments in other equity instruments

| Items                     | 項目         | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---------------------------|------------|-------------------------|-------------------------|
| Sichuan Tianhua Co., Ltd. | 四川天華股份有限公司 | 21,252.07               | 21,252.07               |
| Total                     | 合計         | 21,252.07               | 21,252.07               |

### 10. 其他權益工具投資

#### (1) 其他權益工具投資情況

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 10. Investments in other equity instruments (Continued)

#### (2) Investments in equity instruments not for trading for the current year

### 10. 其他權益工具投資(續)

#### (2) 本年非交易性權益工具投資

| Items                     | 項目         | Dividend income recognized during the current year | Accumulative gains | Accumulative losses | Amount transferred from other comprehensive income to retained earnings | The reason why it is designated to be measured by fair value and its change is included to other comprehensive income | The reason for other comprehensive income to be transferred to retained earnings |
|---------------------------|------------|--|--------------------|---------------------|---|---|--|
|                           |            |  |                    |                     |   |   |  |
| Sichuan Tianhua Co., Ltd. | 四川天華股份有限公司 |  |                    |                     | 78,747.93   |   |  |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 11. Properties held for investment

### 11. 投資性房地產

#### (1) Investment real estate with cost measurement model

#### (1) 採用成本計量模式的投資性房地產

| Items   | 項目          | Building and structures<br>房屋、建築物 | Total<br>合計  |
|---|-------------|-----------------------------------|--------------|
| I. Original book value                                      | 一、賬面原值      |                                   |              |
| 1. Opening balance  | 1.年初餘額      | 5,533,862.88                      | 5,533,862.88 |
| 2. Increase for the current year                            | 2.本年增加金額    |                                   |              |
| 3. Decrease for the current year                            | 3.本年減少金額    |                                   |              |
| 4. Closing balance  | 4.年末餘額      | 5,533,862.88                      | 5,533,862.88 |
| II. Accumulative depreciation and accumulative amortisation | 二、累計折舊和累計攤銷 |                                   |              |
| 1. Opening balance  | 1.年初餘額      | 2,391,024.62                      | 2,391,024.62 |
| 2. Increase for the current year                            | 2.本年增加金額    | 164,703.58                        | 164,703.58   |
| (1) Provision or amortisation                               | (1)計提或攤銷    | 164,703.58                        | 164,703.58   |
| 3. Decrease for the current year                            | 3.本年減少金額    |                                   |              |
| 4. Closing balance  | 4.年末餘額      | 2,555,728.20                      | 2,555,728.20 |
| III. Provision for impairment                               | 三、減值準備      |                                   |              |
| 1. Opening balance  | 1.年初餘額      |                                   |              |
| 2. Increase for the current year                            | 2.本年增加金額    |                                   |              |
| 3. Decrease for the current year                            | 3.本年減少金額    |                                   |              |
| 4. Closing balance  | 4.年末餘額      |                                   |              |
| IV. Book value  | 四、賬面價值      |                                   |              |
| 1. Closing book value                                       | 1.年末賬面價值    | 2,978,134.68                      | 2,978,134.68 |
| 2. Opening book value                                       | 2.年初賬面價值    | 3,142,838.26                      | 3,142,838.26 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 11. Properties held for investment (Continued)

### 11. 投資性房地產(續)

#### (2) Investment properties without ownership certificates

#### (2) 未辦妥產權證書的投資性房地產

| Items<br>項目                  | Book value<br>賬面價值 | Reason for not completing certificate of ownership<br>未辦妥產權證書原因                      |
|------------------------------|--------------------|--|
| Facade of old street<br>老街門面 | 1,220,368.52       | In-kind capital contribution, without property rights transferred<br>實物出資劃入，產權尚未完成過戶 |

### 12. Fixed assets

### 12. 固定資產

| Items                    | 項目        | Closing<br>book value<br>年末賬面價值 | Opening<br>book value<br>年初賬面價值 |
|--------------------------|-----------|---------------------------------|---------------------------------|
| Fixed assets             | 固定資產      | 3,381,731,256.64                | 3,324,795,903.21                |
| Disposal of fixed assets | 固定資產清理    | 59,720.27                       | 44,532.74                       |
| <b>Total</b>             | <b>合計</b> | <b>3,381,790,976.91</b>         | 3,324,840,435.95                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 12. Fixed assets (Continued)

### 12. 固定資產(續)

#### 12.1 Fixed assets

#### 12.1 固定資產

##### (1) Particulars of fixed assets

##### (1) 固定資產情況

| Items | 項目                                     | Office facilities<br>辦公設備 | Building and<br>structures<br>房屋構築物 | Pipeline<br>assets<br>管網資產 | General<br>equipment<br>通用設備 | Transport<br>equipment<br>運輸設備 | Special<br>equipment<br>專用設備 | Total<br>合計      |
|-------|--|---------------------------|-------------------------------------|----------------------------|------------------------------|--------------------------------|------------------------------|------------------|
| I.    | Original book value                    | 一、賬面原值                    |                                     |                            |                              |                                |                              |                  |
| 1.    | Opening balance                        | 11,869,460.25             | 1,806,195,808.22                    | 1,446,156,753.84           | 82,619,889.19                | 17,659,741.50                  | 1,088,778,699.04             | 4,453,280,352.04 |
| 2.    | Increase for the current year          | 1,353,386.89              | 154,248,715.60                      | 128,488,956.55             | 3,259,359.43                 | 34,731.00                      | 137,251,756.90               | 424,636,906.37   |
| (1)   | Acquisition                            | 811,908.74                |                                     | 18,479.09                  | 1,598,476.31                 | 34,731.00                      | 11,642,402.95                | 14,105,998.09    |
| (2)   | Transfer to construction in progress   | 228,576.82                | 132,924,369.94                      | 96,640,781.02              | 1,326,550.00                 |                                | 65,761,334.83                | 296,881,612.61   |
| (3)   | Adjustment to category of fixed assets | 312,901.33                | 21,324,345.66                       | 31,829,696.44              | 334,333.12                   |                                | 59,848,019.12                | 113,649,295.67   |
| 3.    | Decrease for the current year          | 128,626.39                |                                     | 97,319,610.03              | 612,083.88                   | 442,735.39                     | 15,897,240.03                | 114,400,295.72   |
| (1)   | Disposal or retirement                 | 21,190.00                 |                                     |                            | 265,213.93                   | 369,120.00                     | 95,476.12                    | 751,000.05       |
| (2)   | Adjustment to category of fixed assets | 107,436.39                |                                     | 97,319,610.03              | 346,869.95                   | 73,615.39                      | 15,801,763.91                | 113,649,295.67   |
| 4.    | Closing balance                        | 13,094,220.75             | 1,960,444,523.82                    | 1,477,326,100.36           | 85,267,164.74                | 17,251,737.11                  | 1,210,133,215.91             | 4,763,516,962.69 |
| II.   | Accumulative depreciation              | 二、累計折舊                    |                                     |                            |                              |                                |                              |                  |
| 1.    | Opening balance                        | 8,811,274.39              | 250,813,877.71                      | 384,304,406.78             | 50,833,472.88                | 13,967,725.23                  | 402,723,990.42               | 1,111,454,747.41 |
| 2.    | Increase for the current year          | 1,202,057.20              | 72,880,537.09                       | 80,142,529.55              | 11,489,179.90                | 373,689.40                     | 109,967,236.19               | 276,055,229.33   |
| (1)   | Provision                              | 978,546.80                | 54,465,557.41                       | 78,879,059.92              | 9,439,526.10                 | 373,689.40                     | 109,865,669.51               | 254,002,049.14   |
| (2)   | Adjustment to category of fixed assets | 223,510.40                | 18,414,979.68                       | 1,263,469.63               | 2,049,653.80                 |                                | 101,566.68                   | 22,053,180.19    |
| 3.    | Decrease for the current year          | 124,613.72                | 1,233,343.32                        |                            | 426,989.87                   | 441,440.55                     | 20,527,584.65                | 22,753,972.11    |
| (1)   | Disposal or retirement                 | 20,342.40                 |                                     |                            | 251,276.05                   | 349,212.70                     | 79,960.77                    | 700,791.92       |
| (2)   | Adjustment to category of fixed assets | 104,271.32                | 1,233,343.32                        |                            | 175,713.82                   | 92,227.85                      | 20,447,623.88                | 22,053,180.19    |
| 4.    | Closing balance                        | 9,888,717.87              | 322,461,071.48                      | 464,446,936.33             | 61,895,662.91                | 13,899,974.08                  | 492,163,641.96               | 1,364,756,004.63 |
| III.  | Provision for impairment               | 三、減值準備                    |                                     |                            |                              |                                |                              |                  |
| 1.    | Opening balance                        |                           | 11,462,760.71                       |                            |                              |                                | 5,566,940.71                 | 17,029,701.42    |
| 2.    | Increase for the current year          |                           |                                     |                            |                              |                                |                              |                  |
| 3.    | Decrease for the current year          |                           |                                     |                            |                              |                                |                              |                  |
| 4.    | Closing balance                        |                           | 11,462,760.71                       |                            |                              |                                | 5,566,940.71                 | 17,029,701.42    |
| IV.   | Book value                             | 四、賬面價值                    |                                     |                            |                              |                                |                              |                  |
| 1.    | Closing book value                     | 3,205,502.88              | 1,626,520,691.63                    | 1,012,879,164.03           | 23,371,501.83                | 3,351,763.03                   | 712,402,633.24               | 3,381,731,256.64 |
| 2.    | Opening book value                     | 3,058,185.86              | 1,543,919,169.80                    | 1,061,852,347.06           | 31,786,416.31                | 3,692,016.27                   | 680,487,767.91               | 3,324,795,903.21 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 12. Fixed assets (Continued)

### 12. 固定資產(續)

#### 12.1 Fixed assets (Continued)

#### 12.1 固定資產(續)

(2) The rent out fixed asset under operating lease

(2) 通過經營租賃租出的固定資產

| Items                   | 項目    | Closing book value | 年末賬面價值 |
|-------------------------|-------|--------------------|--------|
| Building and structures | 房屋構築物 | 619,991.06         |        |

(3) Total Fixed asset without ownership certificate

(3) 未辦妥產權證書的固定資產

| Items                                | 項目      | Book value     | 賬面價值 | Reason for not completing certificate of ownership | 未辦妥產權證書原因 |
|--------------------------------------|---------|----------------|------|--|-----------|
| Beijiao Second Water Plant (Phase I) | 北郊二水廠一期 | 183,181,805.67 |      | Undergoing   | 辦理中       |

(4) Details of the Group's fixed assets for pledge or mortgage are disclosed in Note VI.56. Disclosure.

(4) 本集團用於抵押、質押的固定資產情況詳見本附註六.56之披露。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 12. Fixed assets (Continued)

### 12. 固定資產(續)

#### 12.2 Disposal of fixed assets

#### 12.2 固定資產清理

| Items                               | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|-------------------------------------|-----------|-------------------------|-------------------------|
| Retirement and disposal of vehicles | 車輛報廢清理    |                         | 488.24                  |
| Retirement of equipment             | 設備報廢      | 59,720.27               | 44,044.50               |
| <b>Total</b>                        | <b>合計</b> | <b>59,720.27</b>        | <b>44,532.74</b>        |

### 13. Construction in progress

### 13. 在建工程

#### (1) Particulars of constructions in progress

#### (1) 在建工程情況

| Items                                     | 項目        | Closing balance<br>年末餘額 |                                     | Opening balance<br>年初餘額 |                                     |
|---|-----------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|
|   |           | Book balance<br>賬面餘額    | Provision for<br>impairment<br>減值準備 | Book balance<br>賬面餘額    | Provision for<br>impairment<br>減值準備 |
| Water Plant Technical Improvement Project | 水廠技改項目工程  | 138,950,632.78          |                                     | 139,035,351.33          |                                     |
| Water Supply Pipe Network Project         | 供水管網工程    | 128,901,397.08          |                                     | 128,901,397.08          |                                     |
| New Sewage Treatment Plant Project        | 新建污水處理廠工程 | 77,549,106.60           |                                     | 77,549,106.60           |                                     |
| Other projects                            | 其他項目      | 9,229,404.63            |                                     | 9,144,686.08            |                                     |
| <b>Total</b>                              | <b>合計</b> | <b>354,630,541.09</b>   |                                     | <b>354,630,541.09</b>   |                                     |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 13. Construction in progress (Continued)

### 13. 在建工程(續)

#### (2) Change in key constructions in progress during the current year

#### (2) 重要在建工程項目本年變動情況

| Project name  | 工程名稱                  | Opening balance<br>年初餘額 | Increase for<br>the current year<br>本年增加 | Increase for the current year<br>本年減少    |                         | Closing balance<br>年末餘額 |
|---|-----------------------|-------------------------|--|--|-------------------------|-------------------------|
|   |                       |                         |  | Transferred to<br>fixed assets<br>轉入固定資產 | Other decreases<br>其他減少 |                         |
| Chengdong Project (Phase II)  | 城東二期工程                | 61,648,437.98           | 12,912,022.09                            |  |                         | 74,560,460.07           |
| Chengnan Project (Phase II)   | 城南二期工程                | 7,361,846.35            | 47,640,349.31                            |  |                         | 55,002,195.66           |
| Dechang Sewage Treatment Plant and its Supporting Pipeline Network (Phase I) Construction Project         | 德昌污水處理廠及其配套管網(一期)建設項目 | 52,388,831.25           | 25,160,275.35                            |  |                         | 77,549,106.60           |
| Hejiang Lingang Street Household Meter Renovation Project   | 合江臨港街道戶表改造工程          | 9,011,448.16            | 7,767,608.31                             | 16,779,056.47                            |                         |                         |
| Naxi Wastewater Treatment Plant   | 納溪污水處理廠               | 53,920,290.58           | 58,209,338.42                            | 112,129,629.00                           |                         |                         |
| Medium and high-pressure water pipeline from Hexi Pump Station to Naxi District                           | 河西加壓站至納溪城區中<br>高壓輸水管道 | 1,455,595.00            | 30,255,484.81                            |  |                         | 31,711,079.81           |
| Water Supply Project from Qiancao to Wine Industrial Park   | 茜草至酒業園區供水工程<br>(高科路段) | 30,898,571.17           | 21,147,450.56                            |  |                         | 52,046,021.73           |
| Water Transmission and Distribution Pipeline Installation from Beijiao Second Water Plant to Airport Road | 北郊二水廠至空港路輸<br>配水管道安裝  | 3,074,274.00            | 22,335,698.37                            | 25,409,972.37                            |                         |                         |
| Xinhe East Pump Station   | 新河東加壓站                | 10,114,759.00           | 34,500.00                                |  |                         | 10,149,259.00           |
| Zhangwan Wastewater Treatment Plant   | 張灣污水廠                 | 27,602,416.38           | 56,379,969.34                            | 79,080,832.97                            |                         | 4,901,552.75            |
| <b>Total</b>  | <b>合計</b>             | <b>257,476,469.87</b>   | <b>281,842,696.56</b>                    | <b>233,399,490.81</b>                    |                         | <b>305,919,675.62</b>   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 13. Construction in progress (Continued)

### 13. 在建工程(續)

#### (2) Change in key constructions in progress during the current year (Continued)

#### (2) 重要在建工程項目本年變動情況(續)

(Continued)

(續表)

| Project name   | 工程名稱                        | Estimate<br>預算數         | Proportion<br>of accumulative<br>engineering<br>investment in<br>the estimate (%)<br>工程累計投入<br>佔預算比例(%) | Engineering<br>Progress<br>工程進度 | Accumulative<br>amount of<br>capitalization<br>of interest<br>利息資本化<br>累計金額 | Including: Amount<br>of capitalization<br>of interest in the<br>current year (%)<br>其中:本年利息<br>資本化金額 | Interest<br>capitalization<br>rate for the<br>current year (%)<br>本年利息<br>資本化率(%) | Source<br>of funds<br>資金來源     |
|--|-----------------------------|-------------------------|---|---------------------------------|---|--|---|--------------------------------|
| Chengdong Project (Phase II)   | 城東二期工程                      | 952,301,100.00          | 7.83  | In progress<br>在建中              | 12,116,969.28   | 6,400,569.28   | 3.26-4.4  | Self-financing + loan<br>自籌+貸款 |
| Chengnan Project (Phase II)  | 城南二期工程                      | 178,605,700.00          | 30.80   | In progress<br>在建中              | 3,050,563.65  | 2,027,959.08   | 3.04-3.25   | Self-financing + loan<br>自籌+貸款 |
| Dechang County Industrial Concentration Area Wastewater Treatment Plant and its Supporting Pipeline Network (Phase I) Construction Project | 德昌縣工業集中區污水處理廠及其配套管網(一期)建設項目 | 80,539,300.00           | 96.29   | In progress<br>在建中              | 4,142,927.20  | 2,349,192.23   | 5.53  | Self-financing + loan<br>自籌+貸款 |
| Hejiang Lingang Street Household Meter Renovation Project  | 合江臨港街道戶表改造工程                | 16,020,614.40           | 104.73  | Completed<br>已完工                |   |  |   | Self-financing<br>自籌           |
| Naxi Wastewater Treatment Plant  | 納溪污水處理廠                     | 190,000,000.00          | 59.02   | Completed<br>已完工                | 3,165,824.24  | 1,337,415.92   | 3.26-4.8  | Self-financing + loan<br>自籌+貸款 |
| Medium and high-pressure water pipeline from Hexi Pump Station to Naxi District  | 河西加壓站至納溪城區中高壓輸水管線           | 79,044,893.86           | 40.12   | In progress<br>在建中              |   |  |   | Self-financing<br>自籌           |
| Water Supply Project from Qiancao to Wine Industrial Park  | 茜草至酒業園區供水工程(高科路段)           | 58,256,886.65           |   | In progress<br>在建中              |   |  |   | Self-financing<br>自籌           |
| Water Transmission and Distribution Pipeline Installation from Beijiao Second Water Plant to Airport Road                                  | 北郊二水廠至空港路輸配水管道安裝            | 30,360,434.27           | 83.69   | Completed<br>已完工                |   |  |   | Self-financing<br>自籌           |
| Xinhe East Pump Station  | 新河東加壓站                      | 26,149,173.00           | 38.81   | In progress<br>在建中              |   |  |   | Self-financing<br>自籌           |
| Zhangwan Wastewater Treatment Plant  | 張灣污水廠                       | 92,893,470.54           | 90.41   | In progress<br>在建中              | 356,277.72  | 326,833.28   | 5.30  | Self-financing + loan<br>自籌+貸款 |
| <b>Total</b>   | <b>合計</b>                   | <b>1,704,171,572.72</b> |   |                                 | <b>22,832,562.09</b>  | <b>12,441,969.79</b>   |   |                                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 14. Right-of-use assets

### 14. 使用權資產

| Items                            | 項目        | Building and structures<br>房屋建築物 | Land use rights<br>土地使用權 | Total<br>合計  |
|----------------------------------|-----------|----------------------------------|--------------------------|--------------|
| I. Original book value           | 一、賬面原值    |                                  |                          |              |
| 1. Opening balance               | 1. 年初餘額   | 2,296,332.02                     | 1,503,936.94             | 3,800,268.96 |
| 2. Increase for the current year | 2. 本年增加金額 |                                  |                          |              |
| 3. Decrease for the current year | 3. 本年減少金額 |                                  | 1,503,936.94             | 1,503,936.94 |
| (1) Other decrease               | (1) 其他減少  |                                  | 1,503,936.94             | 1,503,936.94 |
| 4. Closing balance               | 4. 年末餘額   | 2,296,332.02                     |                          | 2,296,332.02 |
| II. Accumulative depreciation    | 二、累計折舊    |                                  |                          |              |
| 1. Opening balance               | 1. 年初餘額   | 1,929,061.93                     | 150,393.70               | 2,079,455.63 |
| 2. Increase for the current year | 2. 本年增加金額 | 176,211.73                       | 150,393.72               | 326,605.45   |
| (1) Provision                    | (1) 計提    | 176,211.73                       | 150,393.72               | 326,605.45   |
| 3. Decrease for the current year | 3. 本年減少金額 |                                  | 300,787.42               | 300,787.42   |
| (1) Others                       | (1) 其他    |                                  | 300,787.42               | 300,787.42   |
| 4. Closing balance               | 4. 年末餘額   | 2,105,273.66                     |                          | 2,105,273.66 |
| III. Provision for impairment    | 三、減值準備    |                                  |                          |              |
| 1. Opening balance               | 1. 年初餘額   |                                  |                          |              |
| 2. Increase for the current year | 2. 本年增加金額 |                                  |                          |              |
| 3. Decrease for the current year | 3. 本年減少金額 |                                  |                          |              |
| 4. Closing balance               | 4. 年末餘額   |                                  |                          |              |
| IV. Book value                   | 四、賬面價值    |                                  |                          |              |
| 1. Closing book value            | 1. 年末賬面價值 | 191,058.36                       |                          | 191,058.36   |
| 2. Opening book value            | 2. 年初賬面價值 | 367,270.09                       | 1,353,543.24             | 1,720,813.33 |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 15. Intangible Assets (Continued)

### 15. 無形資產

#### (1) Breakdown of intangible assets

#### (1) 無形資產明細

| Items   | 項目              | Office and               |                      |                           | Total<br>合計      |
|---|-----------------|--------------------------|----------------------|---------------------------|------------------|
|   |                 | Land use rights<br>土地使用權 | Franchising<br>特許經營權 | other software<br>辦公及其他軟件 |                  |
| I. Original book value                            | 一、賬面原值          |                          |                      |                           |                  |
| 1. Opening balance                                | 1.年初餘額          | 504,317,693.15           | 1,111,927,317.66     | 15,798,872.18             | 1,632,043,882.99 |
| 2. Increase for the current year                  | 2.本年增加金額        | 40,804,825.35            | 17,911,678.17        | 4,045,935.88              | 62,762,439.40    |
| (1) Acquisition                                   | (1)購置           |                          |                      | 2,323,935.02              | 2,323,935.02     |
| (2) Transfer from completed BOT project suppliers | (2)完工的BOT項目商運轉入 |                          |                      |                           |                  |
| (3) Transfer to construction in progress          | (3)在建工程轉入       | 40,804,825.35            | 17,911,678.17        | 1,722,000.86              | 60,438,504.38    |
| 3. Decrease for the current year                  | 3.本年減少金額        |                          | 694,757.75           |                           | 694,757.75       |
| (1) Disposal                                      | (1)處置           |                          | 694,757.75           |                           | 694,757.75       |
| 4. Closing balance                                | 4.年末餘額          | 545,122,518.50           | 1,129,144,238.08     | 19,844,808.06             | 1,694,111,564.64 |
| II. Accumulative amortisation                     | 二、累計攤銷          |                          |                      |                           |                  |
| 1. Opening balance                                | 1.年初餘額          | 67,366,576.15            | 169,963,794.09       | 6,837,523.61              | 244,167,893.85   |
| 2. Increase for the current year                  | 2.本年增加金額        | 14,516,543.61            | 37,213,431.04        | 1,562,377.49              | 53,292,352.14    |
| (1) Provision                                     | (1)計提           | 14,516,543.61            | 37,213,431.04        | 1,562,377.49              | 53,292,352.14    |
| 3. Decrease for the current year                  | 3.本年減少金額        |                          | 47,828.48            |                           | 47,828.48        |
| (1) Disposal                                      | (1)處置           |                          | 47,828.48            |                           | 47,828.48        |
| 4. Closing balance                                | 4.年末餘額          | 81,883,119.76            | 207,129,396.65       | 8,399,901.10              | 297,412,417.51   |
| III. Provision for impairment                     | 三、減值準備          |                          |                      |                           |                  |
| 1. Opening balance                                | 1.年初餘額          |                          |                      |                           |                  |
| 2. Increase for the current year                  | 2.本年增加金額        |                          |                      |                           |                  |
| 3. Decrease for the current year                  | 3.本年減少金額        |                          |                      |                           |                  |
| 4. Closing balance                                | 4.年末餘額          |                          |                      |                           |                  |
| IV. Book value                                    | 四、賬面價值          |                          |                      |                           |                  |
| 1. Closing book value                             | 1.年末賬面價值        | 463,239,398.74           | 922,014,841.43       | 11,444,906.96             | 1,396,699,147.13 |
| 2. Opening book value                             | 2.年初賬面價值        | 436,951,117.00           | 941,963,523.57       | 8,961,348.57              | 1,387,875,989.14 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 15. Intangible Assets (Continued)

### 15. 無形資產(續)

#### (2) Franchising presented under intangible assets as of the end of the year

#### (2) 截止年末在無形資產中列示的特許經營權情況

| Project company<br>項目公司       | Project name<br>項目名稱   | Original value<br>原值    | Net value<br>淨值       |
|-------------------------------|--|-------------------------|-----------------------|
| Water Headquarters<br>水務本部    | Franchising project of water supply to the entire Jiangyang District of Luzhou<br>瀘州市江陽區全域供水特許經營權項目  | 417,903,000.00          | 361,714,361.34        |
| Fanxing Environmental<br>繁星環保 | Franchising project of urban and rural wastewater treatment in Gulian County, Jiangyang District, Longmatan District, and Naxi District in Luzhou City<br>瀘州市古蔭縣、江陽區、龍馬潭區、納溪區鄉鎮和農村污水處理特許經營項目 | 320,674,621.82          | 287,174,465.99        |
| Weiyuan Water<br>威遠水務         | Weiyuan County Liangfeng Water Plant<br>威遠縣糧豐水廠  | 247,692,216.26          | 138,347,830.10        |
| Qingbaijiang Water<br>青白江水務   | European Industrial City Wastewater Treatment Plant (Phase I)<br>歐洲產業城污水處理廠一期  | 142,874,400.00          | 134,778,184.00        |
| <b>Total</b>                  | <b>合計</b>  | <b>1,129,144,238.08</b> | <b>922,014,841.43</b> |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 15. Intangible Assets (Continued)

### 15. 無形資產(續)

#### (3) Land use rights without certificates of ownership

#### (3) 未辦妥產權證書的土地使用權

| Project company<br>項目公司   | Name of asset<br>資產名稱  | Book value<br>賬面價值  | Reason for not completing<br>certificate of ownership<br>未辦妥產權證書原因                      |
|---------------------------|--|---------------------|---|
| Leibo Water<br>雷波水務       | Huangjuebao Water<br>黃桷堡水廠                                   | 549,994.97          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Leibo Water<br>雷波水務       | Haiwan Water Plant<br>海灣水廠                                   | 526,550.31          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Leibo Water<br>雷波水務       | Nantian Water Tank<br>南田供水池                                  | 116,522.48          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Leibo Water<br>雷波水務       | Water Tank in Beimen<br>Water Supply Plant<br>北門供水廠水池        | 250,116.48          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Leibo Water<br>雷波水務       | Shikala Water Plant<br>石卡拉水廠                                 | 173,011.20          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Leibo Water<br>雷波水務       | Huanglang Water Plant<br>黃琅水廠                                | 125,931.72          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Leibo Water<br>雷波水務       | Qinglong Street<br>Dormitory<br>青龍街宿舍                        | 547,251.36          | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| Xinglu Wastewater<br>興瀘污水 | Gulin Wastewater<br>Treatment Plant<br>(Phase II)<br>古蘭污水廠二期 | 3,086,685.18        | To be handled in accordance with<br>procedures after government approval<br>待政府批復後按程序辦理 |
| <b>Total</b>              | <b>合計</b>  | <b>5,376,063.70</b> |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 15. Intangible Assets (Continued)

- (4) Details of the Group's intangible assets for pledge or mortgage are disclosed in Note VI.56. Disclosure.

### 16. Goodwill

#### (1) Original value of goodwill

| Name of invested entity | 被投資單位名稱   | Opening balance      | Increase for the current year |                | Increase for the current year |                 | Closing balance      |
|-------------------------|-----------|----------------------|-------------------------------|----------------|-------------------------------|-----------------|----------------------|
|                         |           |                      | 本年增加                          | Other increase | 本年減少                          | Other decreases |                      |
|                         |           | 年初餘額                 | Formed by enterprise merger   | Other increase | Disposal                      | Other decreases | 年末餘額                 |
|                         |           | 企業合併形成               | 其他增加                          | 處置             | 其他減少                          |                 |                      |
| Weiyuan Installation    | 威遠安裝      | 10,446,361.39        |                               |                |                               |                 | 10,446,361.39        |
| Weiyuan Water           | 威遠水務      | 9,757,041.51         |                               |                |                               |                 | 9,757,041.51         |
| Fanxing Environmental   | 繁星環保      | 5,444,527.86         |                               |                |                               |                 | 5,444,527.86         |
| Hejiang Water           | 合江水業      | 1,915,122.71         |                               |                |                               |                 | 1,915,122.71         |
| Naxi Water              | 納溪水業      | 576,119.60           |                               |                |                               |                 | 576,119.60           |
| <b>Total</b>            | <b>合計</b> | <b>28,139,173.07</b> |                               |                |                               |                 | <b>28,139,173.07</b> |

Note: The Group recognizes the asset group or group of assets which the goodwill belongs to based on whether the primary cash inflows from the asset group which the goodwill belongs to are independent of the cash inflows from other assets or asset groups, and taking into account the manner in which the management of the Company manages its production and operation activities and the manner in which it makes decisions about the ongoing use or disposal of assets, etc., and the asset group or portfolio of asset groups which are able to benefit from the synergies of the business combinations. With the discounted cash flow method, the management conducted an impairment test on goodwill at the end of the year, and no impairment reserve was required this year after the test.

### 15. 無形資產(續)

- (4) 本集團用於抵押、質押的無形資產情況詳見本附註六.56之披露。

### 16. 商譽

#### (1) 商譽原值

註：本集團以商譽所在資產組產生的主要現金流入是否獨立於其他資產或者資產組的現金流入為依據；同時，考慮企業管理層管理生產經營活動的方式和對資產的持續使用或者處置的決策方式等，能夠從企業合併的協同效應中受益的資產組或者資產組組合，確認商譽所在資產組或資產組合，採用折現現金流量法，管理層年末對商譽進行了減值測試，經測試本年無需計提減值準備。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 17. Long-term deferred expenses

### 17. 長期待攤費用

| Items   | 項目                  | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Amortization for the current year<br>本年攤銷 | Other decrease for the current year<br>本年其他減少 | Closing balance<br>年末餘額 |
|---|---------------------|-------------------------|---------------------------------------|---|---|-------------------------|
| Luzhou City Urban Area Household Meter Renovation Project (Phase I) | 瀘州市主城區自來水戶表改造工程(一期) | 217,318,233.76          |                                       | 23,602,505.52                             | 1,991,665.25                                  | 191,724,062.99          |
| Old Urban Area Household Meter Renovation                           | 老城區戶表改造             | 11,399,744.95           |                                       | 1,159,608.60                              |   | 10,240,136.35           |
| Others in aggregate   | 其他匯總                | 9,404,585.92            | 1,716,204.56                          | 2,842,437.55                              |   | 8,278,352.93            |
| <b>Total</b>  | <b>合計</b>           | 238,122,564.63          | 1,716,204.56                          | 27,604,551.67                             | 1,991,665.25                                  | 210,242,552.27          |

### 18. Deferred tax assets and deferred tax liabilities

### 18. 遞延所得稅資產和遞延所得稅負債

#### (1) Deferred tax assets before offsetting

#### (1) 未經抵銷的遞延所得稅資產

| Items  | 項目             | Closing balance<br>年末餘額                      |                                       | Opening balance<br>年初餘額                      |                                       |
|--|----------------|--|---------------------------------------|--|---------------------------------------|
|  |                | Deductible temporary differences<br>可抵扣暫時性差異 | Deferred income tax assets<br>遞延所得稅資產 | Deductible temporary differences<br>可抵扣暫時性差異 | Deferred income tax assets<br>遞延所得稅資產 |
| Provision for bad debts                                      | 壞賬準備           | 74,094,636.60                                | 11,114,195.51                         | 45,960,771.61                                | 6,801,767.00                          |
| Provision for asset impairment                               | 資產減值準備         | 17,032,789.17                                | 2,554,918.38                          | 3,087.75                                     | 77.19                                 |
| Estimated liabilities  | 預計負債           | 8,940,090.19                                 | 1,341,013.53                          |  |                                       |
| Changes in fair value of other equity instruments investment | 其他權益工具投資公允價值變動 | 78,747.93                                    | 11,812.19                             | 78,747.93                                    | 11,812.19                             |
| <b>Total</b>   | <b>合計</b>      | 100,146,263.89                               | 15,021,939.61                         | 46,042,607.29                                | 6,813,656.38                          |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 18. Deferred tax assets and deferred tax liabilities (Continued)

### 18. 遞延所得稅資產和遞延所得稅負債(續)

#### (2) Deferred tax liabilities before offsetting

#### (2) 未經抵銷的遞延所得稅負債

| Items  | 項目                   | Closing balance              |                                 | Opening balance              |                                 |
|--|----------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|
|  |                      | Taxable temporary difference | Deferred income tax liabilities | Taxable temporary difference | Deferred income tax liabilities |
|  |                      | 應納稅暫時性差異                     | 遞延所得稅負債                         | 應納稅暫時性差異                     | 遞延所得稅負債                         |
| Adjustment to the book value of the fair value of consolidation not under common control | 非同一控制下合併公允價值對賬面價值的調整 |                              |                                 |                              |                                 |
|  |                      | 37,227,395.13                | 5,584,109.27                    | 39,452,975.00                | 5,917,946.25                    |

#### (3) Breakdown of unrecognized deferred tax assets

#### (3) 未確認遞延所得稅資產明細

| Items             | 項目    | Closing balance | Opening balance |
|-------------------|-------|-----------------|-----------------|
|                   |       | 年末餘額            | 年初餘額            |
| Deductible losses | 可抵扣虧損 | 17,136,173.43   | 3,067,989.13    |

#### (5) The deductible tax losses for unrecognized deferred tax assets will expire in following timeframe

#### (5) 未確認遞延所得稅資產的可抵扣虧損將於以下年度到期

| Year         | 年份        | Closing balance      | Opening balance     | Remark |
|--------------|-----------|----------------------|---------------------|--------|
|              |           | 年末金額                 | 年初金額                | 備註     |
| 2025         | 2025      | 931,856.32           | 2,378,163.67        |        |
| 2026         | 2026      | 538,897.47           | 689,825.46          |        |
| 2027         | 2027      | 15,665,419.64        |                     |        |
| <b>Total</b> | <b>合計</b> | <b>17,136,173.43</b> | <b>3,067,989.13</b> |        |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 19. Other non-current assets

### 19. 其他非流動資產

| Items                                       | 項目            | Closing balance       |            |                       | Opening balance |            |               |
|---|---------------|-----------------------|------------|-----------------------|-----------------|------------|---------------|
|   |               | Book balance          | impairment | Book value            | Book balance    | impairment | Book value    |
|   |               | 賬面餘額                  | 減值準備       | 賬面價值                  | 賬面餘額            | 減值準備       | 賬面價值          |
| Prepaid construction and equipment costs    | 預付工程、設備款      | 155,603,695.17        |            | 155,603,695.17        | 1,248,493.40    |            | 1,248,493.40  |
| Leshan City Shizhong District PPP Project*1 | 樂山市市中區PPP項目*1 | 22,736,256.07         |            | 22,736,256.07         | 22,736,256.07   |            | 22,736,256.07 |
| Hejiang Zhangwan Project*2                  | 合江張灣項目*2      | 21,550,897.95         |            | 21,550,897.95         | 23,199,335.65   |            | 23,199,335.65 |
| <b>Total</b>                                | <b>合計</b>     | <b>199,890,849.19</b> |            | <b>199,890,849.19</b> | 47,184,085.12   |            | 47,184,085.12 |

Note 1: The pre-investment amount of RMB22,736,256.07 for the Leshan City Shizhong District Wastewater PPP Project of Xingjia Environmental. In accordance with Articles 13.6.1(1) and 16.4.3 of the Wastewater Treatment and Wastewater Pipeline Network Construction PPP Project Contract signed by the Company, China Construction Bureau (Group) Co., Ltd. and Leshan Shizhong District Housing and Urban-Rural Development Bureau on October 28, 2021, and the [2021] No. 126 Document of Leshan Municipal Housing Construction Company, we inform our subsidiary Xingjia Environmental Protection Company that the project of wastewater treatment facilities and wastewater pipeline network construction in Leshan Shizhong District has been terminated due to force majeure. At present, the project has been suspended, and our company has not settled the project with Leshan Municipal Housing and Construction Bureau. Therefore, Xingjia Environmental Protection, a subsidiary of our company, presents these assets as other non-current assets.

註1：興嘉環保的樂山市市中區污水PPP項目的前期投入款22,736,256.07元。為2021年10月28日樂山市市中區住房和城鄉建設局根據本公司與中國建築一局(集團)有限公司與樂山市市中區住建局三方簽訂的《樂山市市中區污水處理及污水管網建設PPP項目合同》第13.6.1條第(1)款、第16.4.3條約定，根據樂中住建[2021]126號文件，通知本公司之子公司興嘉環保的樂山市市中區污水處理設施及污水管網建設項目受不可抗力影響而終止，目前該項目已停工，本公司與樂山市市中區住建局尚未進行項目的結算，故本公司之子公司興嘉環保將該部分資產按其他非流動資產列報。

Note 2: The Company and the Housing and Urban-Rural Development Bureau of Shizhong District of Leshan City have not yet settled the project. Accordingly, the Company presents the relevant assets under other non-current assets.

註2：本公司擬以合江張灣項目資產作為實物出資、增資與合水環境，目前暫未對與合水環境完成注資，故將該資產作為其他非流動資產列報。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 20. Short-term borrowings

### 20. 短期借款

#### (1) Classification of short-term borrowing

#### (1) 短期借款分類

| Category of borrowings         | 借款類別      | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|--------------------------------|-----------|-------------------------|-------------------------|
| Credit borrowings              | 信用借款      | 160,000,000.00          | 239,000,000.00          |
| Interest payable on borrowings | 借款應付利息    | 126,077.78              | 282,822.21              |
| <b>Total</b>                   | <b>合計</b> | <b>160,126,077.78</b>   | <b>239,282,822.21</b>   |

Note: The Group's borrowing rates for the above borrowings at the end of the year ranged from 3.4% to 3.7% per annum (3.1% to 3.9% at the beginning of the year).

註：本集團上述借款的年末借款年利率為3.4%至3.7%（年初為3.1%至3.9%）。

(2) Outstanding short-term due as at the end of the period: None.

(2) 已逾期未償還的短期借款：無。

### 21. Accounts payable

### 21. 應付帳款

#### (1) The aging analysis of accounts payable (including related party accounts payable) based on the transaction date is as follows

#### (1) 根據交易日期的應付帳款(包括關聯方應付帳款)賬齡分析如下

| Ageing                    | 賬齡        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---------------------------|-----------|-------------------------|-------------------------|
| Within 1 year (inclusive) | 1年以內(含1年) | 150,463,797.59          | 327,982,283.81          |
| 1-2                       | 1-2年      | 106,476,660.19          | 38,682,173.95           |
| 2-3                       | 2-3年      | 7,369,539.90            | 127,030,455.09          |
| 3-4                       | 3-4年      | 93,166,387.12           | 21,754,232.81           |
| 4-5                       | 4-5年      | 8,831,510.87            | 19,003,782.51           |
| Over 5 years              | 5年以上      | 9,808,825.45            | 5,383,859.71            |
| <b>Total</b>              | <b>合計</b> | <b>376,116,721.12</b>   | <b>539,836,787.88</b>   |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 21. Accounts payable (Continued)

### 21. 應付帳款(續)

#### (2) Significant accounts payable aged over 1 year

#### (2) 賬齡超過1年的重要應付帳款

| Name of entity  | 單位名稱           | Closing balance      | Including:<br>over 1 year | Reason for being<br>not settled or<br>carried forward<br>未償還或結轉<br>的原因 |
|---|----------------|----------------------|---------------------------|--|
| Sichuan Zhongrong Investment Construction Industry Co., Ltd.    | 四川中蓉投建實業有限公司   | 27,087,947.23        | 27,087,947.23             | Unsettled project payment<br>未結算工程款                                    |
| Sichuan Haokang Construction Engineering Co., Ltd.              | 四川浩康建設工程有限公司   | 18,372,359.73        | 18,372,359.73             | Unsettled project payment<br>未結算工程款                                    |
| China Chemical Engineering Seventh Construction Company Limited | 中國化學工程第七建設有限公司 | 16,378,560.92        | 16,378,560.92             | Unsettled project payment<br>未結算工程款                                    |
| Hongfeng Group (Fujian) Co., Ltd.                               | 宏峰集團(福建)有限公司   | 8,176,743.00         | 8,176,743.00              | Unsettled project payment<br>未結算工程款                                    |
| China MCC5 Group Corp. Ltd.                                     | 中國五冶集團有限公司     | 5,267,151.45         | 5,267,151.45              | Unsettled project payment<br>未結算工程款                                    |
| <b>Total</b>  | <b>合計</b>      | <b>75,282,762.33</b> | <b>75,282,762.33</b>      |  |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 22. Contract liabilities

### 22. 合同負債

| Items                            | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|----------------------------------|-----------|-------------------------|-------------------------|
| Water Supply Project             | 供水項目      | 68,129,597.67           | 75,704,309.39           |
| Engineering Construction Project | 工程建設項目    | 155,385,693.72          | 118,324,544.15          |
| Others                           | 其他        | 902,811.41              |                         |
| <b>Total</b>                     | <b>合計</b> | <b>224,418,102.80</b>   | 194,028,853.54          |

The Group's contractual liabilities as at 31 December 2021 are recognised as revenue in the year ending 31 December 2022 and the contractual liabilities as at 31 December 2022 will be recognised as revenue in the next one to two years.

本集團於2021年12月31日的合同負債於截至2022年12月31日止年度確認為收入，而於2022年12月31日的合同負債將於未來一到兩年內確認收入。

The Group generally receives 70% to 100% (2021: 70% to 100%) of the consideration from customers in advance of the commencement of construction work. The change in contract liabilities is mainly due to the size and volume of installation contract work for which the Group has received consideration in advance from customers. The Group normally receives consideration from customers no later than 1 month before the commencement of water supply services.

本集團一般於建設工程開始前預收取客戶70%至100%(2021年：70%至100%)的對價。合同負債的變動主要是由於本集團已預收客戶對價的安裝合同工程的規模和數量。本集團通常在自來水供應服務開始前不遲於1個月收到客戶的對價。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 23. Employee compensation payable

### 23. 應付職工薪酬

#### (1) Classification of compensations payable to employees

#### (1) 應付職工薪酬分類

| Items   | 項目             | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Increase for the current year<br>本年減少 | Closing balance<br>年末餘額 |
|---|----------------|-------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Short-term compensations                              | 短期薪酬           | 46,635,568.11           | 134,564,518.71                        | 137,732,682.56                        | 43,467,404.26           |
| Post-employment benefits – defined contribution plans | 離職後福利 – 設定提存計劃 | 695,812.87              | 17,650,777.56                         | 17,665,751.29                         | 680,839.14              |
| Termination benefits                                  | 辭退福利           |                         |                                       |                                       |                         |
| Other benefits due within 1 year                      | 一年內到期的其他福利     |                         |                                       |                                       |                         |
| <b>Total</b>  | <b>合計</b>      | <b>47,331,380.98</b>    | <b>152,215,296.27</b>                 | <b>155,398,433.85</b>                 | <b>44,148,243.40</b>    |

#### (2) Short-term compensations

#### (2) 短期薪酬

| Items   | 項目          | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Increase for the current year<br>本年減少 | Closing balance<br>年末餘額 |
|---|-------------|-------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Salaries, bonuses, allowances, and subsidies    | 工資、獎金、津貼和補貼 | 45,272,198.57           | 103,433,095.85                        | 106,500,062.52                        | 42,205,231.90           |
| Employee benefits                               | 職工福利費       |                         | 6,167,159.32                          | 6,167,159.32                          |                         |
| Social insurance                                | 社會保險費       | 27,240.23               | 9,176,956.85                          | 9,176,956.85                          | 27,240.23               |
| Including: Medical insurance                    | 其中: 醫療保險費   | 26,286.91               | 8,416,612.71                          | 8,416,612.71                          | 26,286.91               |
| Work-related injury insurance                   | 工傷保險費       | 416.95                  | 442,484.94                            | 442,484.94                            | 416.95                  |
| Maternity insurance                             | 生育保險費       | 536.37                  | 20,644.09                             | 20,644.09                             | 536.37                  |
| Other insurances                                | 其他保險        |                         | 297,215.11                            | 297,215.11                            |                         |
| Housing provident funds                         | 住房公積金       | 119,919.92              | 12,624,891.00                         | 12,680,964.00                         | 63,846.92               |
| Labour union funds and employee education funds | 工會經費和職工教育經費 | 1,216,209.39            | 3,162,415.69                          | 3,207,539.87                          | 1,171,085.21            |
| <b>Total</b>                                    | <b>合計</b>   | <b>46,635,568.11</b>    | <b>134,564,518.71</b>                 | <b>137,732,682.56</b>                 | <b>43,467,404.26</b>    |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 23. Employee compensation payable (Continued)

#### (3) Defined contribution plans

The Group participates in social insurance programs established by government agencies in accordance with the regulations. Under the plans, the Group makes contributions to these plans in accordance with the relevant local government regulations. Apart from the above-mentioned deposit fees, the Group has no further obligation to make further payments. The corresponding expenses are charged to current profit or loss or to the cost of the related assets as incurred. The Group's contributions to the pension insurance and unemployment insurance plans for the year are as follows.

### 23. 應付職工薪酬(續)

#### (3) 設定提存計劃

本集團按規定參加政府機構設立的社會保險計劃。根據計劃，本集團按照當地政府的有關規定向該等計劃繳存費用。除上述繳存費用外，本集團不再承擔進一步支付義務。相應的支出於發生時計入當期損益或相關資產成本。本集團本年應分別向養老保險、失業保險計劃繳存費用如下：

| Items                   | 項目        | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Increase for the current year<br>本年減少 | Closing balance<br>年末餘額 |
|-------------------------|-----------|-------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Basic pension insurance | 基本養老保險    | 663,410.95              | 17,011,100.83                         | 17,011,100.83                         | 663,410.95              |
| Unemployment insurance  | 失業保險費     | 32,401.92               | 639,676.73                            | 654,650.46                            | 17,428.19               |
| <b>Total</b>            | <b>合計</b> | <b>695,812.87</b>       | <b>17,650,777.56</b>                  | <b>17,665,751.29</b>                  | <b>680,839.14</b>       |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 24. Tax payable

### 24. 應交稅費

| Items                                      | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|--|-----------|-------------------------|-------------------------|
| Enterprise income tax                      | 企業所得稅     | 11,351,575.05           | 12,196,170.68           |
| Value-added tax                            | 增值稅       | 4,081,416.90            | 8,675,770.78            |
| Water resource tax                         | 水資源稅      | 3,940,415.57            | 4,513,247.13            |
| City maintenance and construction tax      | 城市維護建設稅   | 340,947.99              | 477,491.63              |
| Educational surcharges                     | 教育費附加     | 160,204.77              | 217,949.69              |
| Local educational surcharges               | 地方教育費附加   | 100,899.87              | 145,859.55              |
| Individual income tax                      | 個人所得稅     | 137,586.41              | 100,919.09              |
| Employment security funds for the disabled | 殘保金       | 68,591.52               | 74,300.00               |
| Stamp tax                                  | 印花稅       | 163,811.99              | 453,463.70              |
| <b>Total</b>                               | <b>合計</b> | <b>20,345,450.07</b>    | <b>26,855,172.25</b>    |

### 25. Other payables

### 25. 其他應付款

| Items             | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|-------------------|-----------|-------------------------|-------------------------|
| Interests payable | 應付利息      |                         |                         |
| Dividends payable | 應付股利      |                         |                         |
| Other payables    | 其他應付款     | 228,941,609.61          | 179,435,483.30          |
| <b>Total</b>      | <b>合計</b> | <b>228,941,609.61</b>   | <b>179,435,483.30</b>   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 25. Other payables (Continued)

### 25. 其他應付款(續)

#### 25.1 Other payables

#### 25.1 其他應付款

(1) Other payables by nature

(1) 其他應付款按款項性質分類

| Nature of the amount                              | 款項性質      | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---|-----------|-------------------------|-------------------------|
| Deposits, collateral                              | 押金、保證金    | 116,203,626.23          | 99,191,344.11           |
| Amounts paid from or to governmental institutions | 政府機構往來款   | 64,594,941.88           | 35,710,496.83           |
| Amounts collected or paid on behalf of others     | 代收代付款項    | 30,003,503.80           | 25,491,514.84           |
| Consideration for land acquisition                | 土地收購款     | 4,219,634.05            | 5,419,634.05            |
| Payments withheld                                 | 代扣代繳款     | 1,583,566.73            | 1,298,816.70            |
| Others  | 其他        | 12,336,336.92           | 12,323,676.77           |
| <b>Total</b>                                      | <b>合計</b> | <b>228,941,609.61</b>   | <b>179,435,483.30</b>   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 25. Other payables (Continued)

### 25. 其他應付款(續)

#### 25.1 Other payables (Continued)

#### 25.1 其他應付款(續)

(2) Significant other payables aged over 1 year

(2) 賬齡超過1年的重要其他應付款

| Name of entity  | 單位名稱         | Closing balance      | Including: over 1 year | Reason for being   |
|---|--------------|----------------------|------------------------|--|
|   |              |                      |                        | not settled or carried forward   |
|   |              | 年末餘額                 | 其中:1年以上                | 未償還或結轉的原因  |
| Hejiang County Finance Bureau   | 合江縣財政局       | 61,893,430.50        | 17,830,462.64          | Collection of funds from the government earmarked for special projects |
| China Seventh Construction Engineering Group Co., Ltd. Huamao Co., Ltd. | 中七建工集團華貿有限公司 | 25,413,813.57        | 15,651,449.13          | 代收政府專項撥付資金   |
|   |              |                      |                        | Deposits, collateral   |
|   |              |                      |                        | 押金、保證金   |
| <b>Total</b>  | <b>合計</b>    | <b>87,307,244.07</b> | <b>33,481,911.77</b>   |  |

### 26. Non-current liabilities due within one year

### 26. 一年內到期的非流動負債

| Items  | 項目           | Closing balance       | Opening balance       |
|--|--------------|-----------------------|-----------------------|
|  |              | 年末餘額                  | 年初餘額                  |
| Long-term borrowings due within one year     | 一年內到期的長期借款   | 186,228,311.35        | 156,695,993.85        |
| Bonds payable due within one year            | 一年內到期的應付債券   | 2,054,680.34          | 721,468,263.50        |
| Long-term payables due within one year       | 一年內到期的長期應付款  | 15,941,665.67         | 40,753,553.21         |
| Lease liabilities due within one year        | 一年內到期的租賃負債   | 43,304.54             | 352,549.40            |
| Special government bonds due within one year | 一年內到期的政府專項債券 | 12,448,566.50         | 8,114,460.90          |
| <b>Total</b>                                 | <b>合計</b>    | <b>216,716,528.40</b> | <b>927,384,820.86</b> |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 27. Other current liabilities

#### 27. 其他流動負債

| Items                                   | 項目    | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---|-------|-------------------------|-------------------------|
| Output value-added tax to be recognised | 待轉銷項稅 | 2,009,968.14            | 1,968,400.84            |

#### 28. Long-term borrowings

#### 28. 長期借款

##### (1) Classification of long-term borrowings

##### (1) 長期借款分類

| Category of borrowings | 借款類別      | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|------------------------|-----------|-------------------------|-------------------------|
| Pledge borrowing       | 質押借款      | 284,761,808.41          | 351,030,626.16          |
| Guarantee borrowing    | 保證借款      | 917,916,259.72          | 959,625,738.58          |
| Credit borrowing       | 信用借款      | 718,250,000.00          | 80,000,000.00           |
| <b>Total</b>           | <b>合計</b> | <b>1,920,928,068.13</b> | 1,390,656,364.74        |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 28. Long-term borrowings (Continued)

### 28. 長期借款(續)

#### (2) The principal amount of the above borrowings is repayable as follows

#### (2) 上述借款的本金須於以下期間償還

| Items   | 項目                      | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---|-------------------------|-------------------------|-------------------------|
| Within 1 year   | 一年以內                    | 183,542,813.68          | 154,925,502.76          |
| Over 1 year after balance sheet date, but no more than 2 years  | 資產負債表日後超過一年, 但不超過兩年     | 457,869,944.68          | 161,004,377.76          |
| Over 2 years after balance sheet date, but no more than 5 years | 資產負債表日後超過兩年, 但不超過五年     | 770,280,238.04          | 450,633,128.28          |
| Over 5 years after balance sheet date                           | 資產負債表日後超過五年             | 692,777,885.41          | 779,018,858.70          |
| Less: Borrowings due within one year under current liabilities  | 減: 流動負債項下所示<br>一年內到期的借款 | 183,542,813.68          | 154,925,502.76          |
| <b>Net long-term borrowings</b>                                 | <b>長期借款淨額</b>           | <b>1,920,928,068.13</b> | 1,390,656,364.74        |

Note 1: The interest rate range for the Group's long-term borrowings at the end of the year was 1.2% to 7.5% (1.2% to 7.5% at the beginning of the year).

註1: 本集團年末長期借款的利率區間為1.2%至7.5%(年初為1.2%至7.5%)。

Note 2: For details of the Group's mortgage and pledge borrowings at the end of the year, please refer to Note VI. 56.

註2: 本集團年末抵押、質押借款信息詳見附註六.56。

### 29. Bonds payable

### 29. 應付債券

#### (1) Classification of bonds payable

#### (1) 應付債券分類

| Items          | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|----------------|-----------|-------------------------|-------------------------|
| 19 Lu Water 01 | 19瀘水01    | 103,791,063.62          |                         |
| 19 Lu Water 02 | 19瀘水02    |                         |                         |
| <b>Total</b>   | <b>合計</b> | <b>103,791,063.62</b>   |                         |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 29. Bonds payable (Continued)

#### (2) Change in bonds payable

| Name of bond   | Total face value      | Date of issue     | Term of bond | Amount issued         | Opening balance | Issued in the current year | Provision for interest at face value | Amortisation of premium or discount | Resale in the current year | Reclassification of non-current liabilities due within 1 year | Closing balance       |
|----------------|-----------------------|-------------------|--------------|-----------------------|-----------------|----------------------------|--------------------------------------|-------------------------------------|----------------------------|---|-----------------------|
| 債券名稱           | 面值總額                  | 發行日期              | 債券期限         | 發行金額                  | 年初餘額            | 本年發行                       | 按面值計提利息                              | 溢折攤銷                                | 本年回售                       | 1年內到期的非流動負債重分類轉入  | 年末餘額                  |
| 19 Lu Water 01 | 500,000,000.00        | 26 April 2019     | 5            | 500,000,000.00        |                 |                            | 29,950,000.00                        | 512,745.75                          | 395,500,000.00             | 498,778,317.87  | 103,791,063.62        |
| 19瀘水01         |                       | 2019.4.26         | 5年           |                       |                 |                            |                                      |                                     |                            |   |                       |
| 19 Lu Water 02 | 200,000,000.00        | 23 September 2019 | 5            | 200,000,000.00        |                 |                            | 10,000,000.00                        | 563,479.03                          | 200,000,000.00             | 199,436,520.97  |                       |
| 19瀘水02         |                       | 2019.9.23         | 5年           |                       |                 |                            | 10,000,000.00                        | 563,479.03                          | 200,000,000.00             | 199,436,520.97  |                       |
| <b>Total</b>   | <b>700,000,000.00</b> |                   |              | <b>700,000,000.00</b> |                 |                            | <b>39,950,000.00</b>                 | <b>1,076,224.78</b>                 | <b>595,500,000.00</b>      | <b>698,214,838.84</b>   | <b>103,791,063.62</b> |
| <b>合計</b>      |                       |                   |              |                       |                 |                            |                                      |                                     |                            |   |                       |

Note 1: On 26 April 2019, the Company issued Bond 19 Lu Water 01 in the amount of RMB500 million at a coupon rate of 5.99% for a term of 5 years, with an option for the issuer to adjust the coupon rate and an option for the investor to sell back at the end of the third year. The Company plans to reduce the coupon rate at the end of the third year of the life of the 19 Lu Water 01 bonds at its option. Bond investors chose to repurchase RMB395.5 million.

Note 2: On 23 September 2019, the Company issued Bond 19 Lu Water 02 in the amount of RMB200 million at a coupon rate of 5% for a term of 5 years, with an option for the issuer to adjust the coupon rate and an option for the investor to sell back at the end of the third year. The Company plans to reduce the coupon rate at the end of the third year of the life of the 19 Lu Water 02 bonds at its option. Investors chose to repurchase all bonds.

### 29. 應付債券(續)

#### (2) 應付債券的增減變動

註1：本公司於2019年4月26日發行19瀘水01債券，發行規模為5億元，發行期限為5年，票面利率為5.99%，附第3年末發行人調整票面利率選擇權和投資人回售選擇權，本公司在19瀘水01債券存續期的第3年末，選擇下調票面利率，債券投資人選擇回購39,550萬元。

註2：本公司於2019年9月23日發行19瀘水02債券，發行規模為2億元，發行期限為5年，票面利率為5%，附第3年末發行人調整票面利率選擇權和投資人回售選擇權，本公司在19瀘水02債券存續期的第3年末，選擇下調票面利率，投資人選擇回購全部債券。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 30. Lease liabilities

#### 30. 租賃負債

| Items           | 項目   | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|-----------------|------|-------------------------|-------------------------|
| Operating lease | 經營租賃 |                         | 1,297,709.43            |

#### 31. Long-term payables

#### 31. 長期應付款

| Items              | 項目        | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|--------------------|-----------|-------------------------|-------------------------|
| Long-term payables | 長期應付款     | 713,834,768.81          | 554,776,456.47          |
| Specific payables  | 專項應付款     | 30,515,558.09           | 30,515,558.09           |
| <b>Total</b>       | <b>合計</b> | <b>744,350,326.90</b>   | <b>585,292,014.56</b>   |

#### 31.1 Long-term payables

#### 31.1 長期應付款

| Nature of the amount  | 款項性質             | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---|------------------|-------------------------|-------------------------|
| Payments for finance leases under sale and leaseback            | 售後回租的融資租賃款       | 19,958,670.50           | 63,073,867.32           |
| Special government bonds  | 政府專項債            | 710,000,000.00          | 535,000,000.00          |
| Borrowings from the Finance                                     | 財政廳借款            | 500,000.00              | 500,000.00              |
| Less: unrecognized finance costs                                | 減：未確認融資費用        | 682,236.02              | 3,043,857.64            |
| Including: Payments for finance leases under sale and leaseback | 其中：售後回租的融資租賃款    | 682,236.02              | 3,043,857.64            |
| Less: Non-current liabilities classified as due within one year | 減：劃分為一年內到期的非流動負債 | 15,941,665.67           | 40,753,553.21           |
| Including: Payments for finance leases under sale and leaseback | 其中：售後回租的融資租賃款    | 15,941,665.67           | 40,753,553.21           |
| <b>Total</b>  | <b>合計</b>        | <b>713,834,768.81</b>   | <b>554,776,456.47</b>   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 31. Long-term payables (Continued)

### 31. 長期應付款(續)

#### 31.2 Special payables

#### 31.2 專項應付款

| Items  | 項目           | Opening balance<br>年初餘額 | Increase for the<br>current year<br>本年增加 | Increase for the<br>current year<br>本年減少 | Closing balance<br>年末餘額 | Reason for<br>formation<br>形成原因                    |
|--|--------------|-------------------------|--|--|-------------------------|--|
| Grants from the Ecological Environment Bureau of Luzhou City | 瀘州市生態環境局補助資金 | 343,648.36              |  |  | 343,648.36              | Nature of the funds is not yet clear<br>尚未明確資金款項性質 |
| Luzhou Municipal Finance Bureau                              | 瀘州市財政局       | 30,171,909.73           |  |  | 30,171,909.73           |  |
| <b>Total</b>   | <b>合計</b>    | <b>30,515,558.09</b>    |  |  | <b>30,515,558.09</b>    |  |

### 32. Estimated liabilities

### 32. 預計負債

| Items   | 項目                 | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 | Reason for<br>formation<br>形成原因 |
|---|--------------------|-------------------------|-------------------------|---------------------------------|
| Expenditure on renewal of wastewater treatment facilities and tap water production facilities | 污水處理設施、自來水生產設施更新支出 | 8,940,090.19            | 4,451,887.98            | Note 1<br>註1                    |

Note 1: Expenditure on the subsequent major repairment, renewal and transformation of projects such as the BOT project represents the expenditure expected to be incurred under the franchise agreement for maintaining the relevant infrastructure in a certain state of use prior to its transfer to the contract grantor. The Group recognizes the estimated liability on a period-by-period basis, based on the best estimate of the expenditure required to settle the related current obligations and taking into account the time value of money, based on the expected future cash outlay for equipment replacement expenditure over the concession period.

註1：BOT等項目後續大修更新改造支出系按照特許經營權協議，對於為使有關基礎設施在移交給合同授予方之前保持一定的使用狀態，預計將發生的支出。本集團根據預計特許經營期內設備更新支出的未來現金開支，按照履行相關現時義務所需支出的最佳估計數，並考慮貨幣時間價值，逐期確認預計負債。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income

### 33. 遞延收益

#### (1) Classification of deferred revenue

#### (1) 遞延收益分類

| Items             | 項目   | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Increase for the current year<br>本年減少 | Closing balance<br>年末餘額 |
|-------------------|------|-------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Government grants | 政府補助 | 268,555,468.11          | 3,253,400.92                          | 28,677,138.92                         | <b>243,131,730.11</b>   |

#### (2) Government grant projects

#### (2) 政府補助項目

| Government grant project  | Opening balance<br>年初餘額 | New granted amount for the current year<br>本年新增補助金額 | Amount included to non-operating revenue in the current year<br>本年計入營業外收入金額 | Amount of other revenue included in the current year<br>本年計入其他收益金額 | Amount of write-down costs and expenses in the current year<br>本年沖減成本費用金額 | Other changes | Closing balance<br>年末餘額 | Related to assets/<br>Related to revenue<br>與資產相關/<br>與收益相關 | Remark |
|---|-------------------------|---|---|--|---|---------------|-------------------------|---|--------|
| Grant for the Luzhou City "One Household, One Meter" Renovation Project (Phase I)<br>瀘州市主城區「一戶一表」改造工程(一期)補助 | 130,390,940.19          |   |   | 14,161,503.28  |   | 1,194,999.15  | <b>115,034,437.76</b>   | Related to assets   | Note 1 |
| Grant for the technical improvement of the Related to assets<br>鴨兒凼提升擴容政府補助                                 | 29,056,533.20           |   |   | 3,883,040.04   |   |               | <b>25,173,493.16</b>    | Related to assets   | Note 2 |
| Construction fund grant for Erdaoxi Wastewater Treatment Plant<br>二道溪污水處理廠建設資金補助                            | 22,158,107.91           |   |   | 1,875,153.36   |   |               | <b>20,282,954.55</b>    | Related to assets   | Note 3 |
| Construction fund grant for Erdaoxi Project (Phase III)<br>二道溪二期項目建設資金補助                                    | 20,631,936.76           |   |   | 1,290,063.24   |   |               | <b>19,341,873.52</b>    | Related to assets   | Note 4 |
| Subsidy for the external pipe network of the Aptian sewage treatment plant<br>鴨兒凼污水處理廠外管網補助                 | 13,533,381.46           |   |   | 1,376,276.04   |   |               | <b>12,157,105.42</b>    | Related to assets   | Note 5 |
| Construction fund grant for Erdaoxi Project (Phase II)<br>二道溪二期項目建設資金補助                                     | 12,128,717.87           |   |   | 1,850,370.72   |   |               | <b>10,278,347.15</b>    | Related to assets   | Note 6 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

|  | Opening balance | New granted amount for the current year | Amount included to non-operating revenue in the current year | Amount of other revenue included in the current year | Amount of write-down costs and expenses in the current year | Other changes | Closing balance | Related to assets/ Related to revenue | Remark  |
|--|-----------------|---|--|--|---|---------------|-----------------|---------------------------------------|---------|
| 政府補助項目   | 年初餘額            | 本年新增補助金額                                | 本年計入營業外收入金額  | 其他收益金額   | 本年沖減成本費用金額  | 其他變動          | 年末餘額            | 與資產相關/<br>與收益相關                       | 備註      |
| Central fund grant for Naxi Project (Phase III)  | 10,000,000.00   |   |  | 387,641.66   |   |               | 9,612,358.34    | Related to assets                     | Note 7  |
| 納溪二期中央資金補助   |                 |   |  |  |   |               |                 | 與資產相關                                 | 註7      |
| Grant for the technical improvement of Yaerdang Wastewater Treatment Plant                                     | 9,295,480.54    |   |  | 475,325.16   |   |               | 8,820,155.38    | Related to assets                     | Note 8  |
| 鴨兒凼污水處理廠廠內技改補助   | 8,199,488.57    | 2,603,400.92                            | 1,125,476.15   |  |   |               | 9,677,413.34    | 與資產相關                                 | 註8      |
| Fund of Urban Water Supply Network Project   |                 |   |  |  |   |               |                 | Related to assets                     | Note 9  |
| 城市供水管網改造工程款  |                 |   |  |  |   |               |                 | 與資產相關                                 | 註9      |
| Grant for the relocation and reconstruction of Shawan Water Tank   | 5,085,349.92    |   |  | 391,180.76   |   |               | 4,694,169.16    | Related to assets                     | Note 10 |
| 沙灣水池拆遷重建補償款  |                 |   |  |  |   |               |                 | 與資產相關                                 | 註10     |
| Grant for the construction of water supply facilities in poor counties and counties with severe water shortage | 4,000,000.00    |   |  | 400,000.00   |   |               | 3,600,000.00    | Related to assets                     | Note 11 |
| 貧困縣及嚴重缺水縣城供水設施建設補助   |                 |   |  |  |   |               |                 | 與資產相關                                 | 註11     |
| Land grant for Qiancao Water Plant   | 2,800,000.00    |   |  | 175,000.00   |   |               | 2,625,000.00    | Related to assets                     | Note 12 |
| 茜草水廠土地補助   |                 |   |  |  |   |               |                 | 與資產相關                                 | 註12     |
| Compensation for the occupation and relocation of certain water supply assets in Zhangwan Industrial Park      | 1,275,531.69    |   |  | 91,109.36  |   |               | 1,184,422.33    | Related to assets                     | Note 13 |
| 張灣工業園區部分給水管資產佔用搬遷補償  |                 |   |  |  |   |               |                 | 與資產相關                                 | 註13     |
| Science and Technology Talent Bureau municipal innovation development funds                                    |                 | 150,000.00                              |  |  |   |               | 150,000.00      | Related to revenue                    | Note 14 |
| 科技人才局市級創新發展資金  |                 |   |  |  |   |               |                 | 與收益相關                                 | 註14     |
| Grant for Chengnan Wastewater Treatment Plant (Phase II)   |                 | 500,000.00                              |  |  |   |               | 500,000.00      | Related to assets                     | Note 15 |
| 城南污水處理廠二期工程補助  |                 |   |  |  |   |               |                 | 與資產相關                                 | 註15     |
| <b>Total</b>   | 268,555,468.11  | 3,253,400.92                            |  | 27,482,139.77  |   | 1,194,999.15  | 243,131,730.11  |                                       |         |
| <b>合計</b>  |                 |   |  |  |   |               |                 |                                       |         |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 1: According to the Notice of the Office of the People's Government of Luzhou City on the Issuance of the Implementation Plan for the Transformation of Household Meters for Tap Water Supply in Major Urban Area of Luzhou City (Lu Shi Fu Ban Fa [2019] No. 14) and the Approval from the Development and Reform Commission of Luzhou City for the Feasibility Study Report of the Transformation Project of Household Meters for Tap Water Supply in Major Urban Area of Luzhou City (Lu Shi Fa Gai Xing Shen [2020] No. 59), in order to improve the standard of water supply management in the urban area of Luzhou City, the Company has implemented the "One Household, One Meter" Renovation Project for approximately 200,800 households in urban area in five years from 2019 onwards, with 40% of the transformation cost borne by the Company and 60% of the transformation cost subsidized by the urban financial grants;

註1：根據瀘州市人民政府辦公室《關於印發〈瀘州市主城區自來水戶表改造實施方案〉的通知》(瀘市府辦發[2019]14號)、瀘州市發展和改革委員會《關於瀘州市主城區自來水戶表改造工程可行性研究報告的批復》(瀘市發改行審[2020]59號)，為提高瀘州市城區供水管理水平，從2019年起分五年對城區約20.08萬戶居民實施「一戶一表」改造工程，改造費用本公司承擔40%、市區財政補貼60%；

Note 2: According to the Notice of the Development and Reform Commission of Luzhou City on the Transfer of the 2017 Central Budgetary Investment Plan for the Prevention and Control of Water Pollution in Key River Basins (L.S.F.G.G.H [2017] No. 195), the Company successively received grants of RMB42 million from the Finance Bureau of Luzhou City for upgrading and expanding the capacity of Yaerdang during the period from 2017 to 2018, and the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註2：根據瀘州市發展和改革委員會《關於轉下達重點流域水污染防治2017年中央預算內投資計劃的通知》(瀘市發改規劃[2017]195號)，本公司於2017至2018年期間，陸續收到瀘州市財政局撥付的鴨兒函提升擴容補助款4200萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 3: According to the Notice of the Housing and Urban-Rural Planning and Construction Bureau of Luzhou City on the Issuance of the 2012 Budget of Special Funds for Supporting Pipeline Network of Urban Wastewater Treatment Facilities (L.S.C.Z [2012] No. 115), the Notice of the Development and Reform Commission of Sichuan Province on the Transfer of 2009 New Central Budgetary Investment Plan for Urban Wastewater and Garbage Treatment Facility Projects (C.F.G.T.Z [2009] No. 180), and the Notice of the Finance Bureau of Luzhou City on the Issuance of the 2009 Budget (Funding) for the Construction of Urban Wastewater and Garbage Treatment Facilities with Expanded Domestic Needs for State Bond Investment (C.S.C.T [2009] No. 54), and the Notice of the Finance Bureau of Luzhou City on the Issuance of the 2010 Central Budgetary Infrastructure Expenditure and Budget (Funding) for Urban Wastewater and Garbage Treatment Facilities (Batch I) (C.S.C.T [2010] No. 34), the Company successively received grants of RMB48.62 million from the Finance Bureau of Luzhou City for the construction of Erdaoxi Wastewater Treatment Plant during the period from 2009 to 2012, and the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註3：根據瀘州市住房和城鄉規劃建設局《關於下達2012年城鎮污水處理設施配套管網專項資金預算的通知》(瀘市財綜[2012]115號)、四川省發展和改革委員會《關於轉下達城鎮污水垃圾處理設施項目2009年新增中央預算內投資計劃的通知》(川發改投資[2009]180號)、瀘州市財政局《關於下達2009年城鎮污水垃圾處理設施項目建設擴大內需國債投資預算(撥款)的通知》(川市財投[2009]54號)、瀘州市財政局《關於下達2010年城鎮污水垃圾處理設施(第一批)重點預算內基建支出、預算(撥款)的通知》(川市財投[2010]34號)，本公司於2009年至2012年期間，陸續收到瀘州市財政局撥付的二道溪污水處理廠建設資金補助4,862.00萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 4: According to the Notice of the Finance Department of Sichuan Province on the Issuance of the 2018 Budget of Special Funds for Projects under the Three-Year Promotion Plan for the Construction of Urban Wastewater and Township Garbage Treatment Facilities (C.C.T [2018] No. 6), the Notice of the Finance Bureau of Luzhou City on the Issuance of the 2018 Provincial Budget of Special Funds for Projects under the Three-Year Promotion Plan for the Construction of Urban Wastewater and Township Garbage Treatment Facilities (L.S.C.Z [2018] No. 28), and the Notice of the Finance Department of Sichuan Province on the Issuance of the 2020 Budget of the Second Batch of Provincial Special Funds for Township Construction and Development (C.C.J [2020] No. 191), the Company successively received grants of RMB22.21 million from the Urban Management and Administrative Laws Enforcement Bureau of Luzhou City for the construction of Erdaoxi Wastewater Treatment Project (Phase III) during the period from 2018 to 2020, and the Company has amortised the government grants over the estimated useful life of the assets of the project to other income;

註4：根據四川省財政廳《關於下達2018年城鎮污水城鄉垃圾處理設施建設三年推進方案項目專項資金預算的通知》(川財投[2018]6號)、瀘州市財政局《關於下達省級2018年城鎮污水城鄉垃圾處理設施建設三年推進方案項目專項資金預算的通知》(瀘市財綜[2018]28號)、四川省財政廳《關於下達2020年第二批省級城鄉建設發展專項資金預算的通知》(川財建[2020]191號)，本公司於2018年至2020年期間，陸續收到瀘州市城市管理和行政執法局撥付的二道溪三期污水處理項目建設資金補助2,221.00萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

#### (2) Government grant projects (Continued)

Note 5: According to the Notice of the Finance Bureau of Luzhou City on the Issuance of the Grant of Special Funds for the Technological Transformation Project for External Sewage Interception Pipelines of Yaerdang Wastewater Treatment Plant issued by the Finance Bureau of Luzhou City in 2010, the Company received the special grant of RMB2,752.55 from the Finance Bureau of Luzhou City for the technological transformation project for external sewage interception pipelines of Yaerdang Wastewater Treatment Plant in July 2011, and the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

Note 6: According to the Notice on the Issuance of the 2013 Central Infrastructure Investment Budget (Funding) for the Project of Prevention and Control of Water Pollution in Key River Basins issued by the Finance Bureau of Luzhou City (L.S.C.T [2013] No. 76), the Company successively received grants of RMB22.80 million from the Finance Bureau of Luzhou City for the construction of Erdaoxi Wastewater Treatment Plant (Phase II) and the Supporting Pipeline Network during the period from 2014 to 2016, and the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

### 33. 遞延收益(續)

#### (2) 政府補助項目(續)

註5：根據瀘州市財政局2010年發佈的《瀘州市財政局關於下達鴨兒凼污水處理廠廠外截污幹管技改工程專項補助資金的通知》，本公司於2011年7月收到瀘州市財政局撥付的鴨兒凼污水處理廠廠外截污幹管技改工程專項補助款2,752.55元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

註6：根據瀘州市財政局發佈的《關於下達2013年重點流域水污染治理項目中央基建投資預算(撥款)的通知》(瀘市財投[2013]76號)，本公司於2014年至2016年期間，陸續收到瀘州市財政局撥付的二道溪污水處理廠二期工程及配套管網建設資金補助2,280.00萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 7: According to the Notice on the Issuance of the 2021 Budget of the Second Batch of Provincial Special Funds for Township Construction and Development issued by the Finance Department of Sichuan Province and the Housing and Urban-Rural Construction Department of Sichuan Province (C.C.J [2021] No. 92), the Request for Instructions on Allocating the 2021 Budget of the Second Batch of Provincial Special Funds for Township Construction and Development issued by the Finance Bureau of Luzhou City, the Housing and Urban-Rural Construction Bureau of Luzhou City and the Urban Management and Administrative Laws Enforcement Bureau of Luzhou City (L.S.C [2021] No. 112), and the approval for the request from the leaders of the municipal government of Luzhou City, the Company received the grant of RMB10 million from the Urban Management and Administrative Laws Enforcement Bureau of Luzhou City for the construction of Naxi Wastewater Treatment Plant (Phase III) on 19 November 2021. the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註7：根據四川省財政廳、四川省住房和城鄉建設廳《關於下達2021年第二批省級城鄉建設發展專項資金預算的通知》(川財建[2021]92號)、瀘州市財政局瀘州市住房和城鄉建設局、瀘州市城市管理行政執法局《關於分配2021年第二批省級城鄉建設發展專項資金預算的請示》(瀘市財[2021]112號)及瀘州市政府領導對該請示的批復，本公司於2021年11月19日收到瀘州市城市管理行政執法局撥付的納溪污水處理廠三期工程建設補助資金1,000.00萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 8: According to the Minutes of the Meeting for Considering the Issues Regarding the Rectification and Construction of Sewage Interception Pipelines of Jiangyang Wastewater Treatment Company Within A Time Limit and the Construction of Erdaoxi Wastewater Treatment Plant issued by the Finance Bureau of Luzhou City (L.S.F.Y [2008] No. 23), the Company successively received the grants of RMB30.2177 million from the Finance Bureau of Luzhou City for the internal technological transformation of Yaerdang Wastewater Treatment Plant during the period from 2012 to 2013, and the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註8：根據瀘州市財政局《研究江陽污水處理公司限期整治及截污幹管建設和二道溪污水處理廠建設問題會議紀要》(瀘市府閱[2008]23號)，本公司於2012至2013年期間，陸續收到瀘州市財政局撥付的鴨兒凼污水處理廠廠內技改補助3,021.77萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

Note 9: According to the Approval from the Development and Reform Commission of Sichuan Province for the Feasibility Study Report of the Transformation Project of Urban Water Supply Pipelines in Luzhou City (C.F.G.T.Z [2012] No. 1251), the Company successively received the grants of RMB6.8 million from the Finance Bureau of Luzhou City for the transformation project of urban water supply pipelines in Luzhou City during the period from 2015 to 2016; Lu County Branch successively received the grants of RMB10.158 million from the Finance Bureau of Luzhou City according to the pipeline transformation agreement entered into with the People's Government of Lu County during the period from 2014 to 2022; and the Company and Lu County Branch have amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註9：根據《四川省發展和改革委員會關於瀘州市城市供水管網改造工程可行性研究報告的批復》(川發改投資[2012]1251號)，本公司於2015年至2016年期間，陸續收到瀘州市財政局撥付的瀘州市城市供水管網改造工程補貼專項資金680.00萬元；瀘縣分公司根據與瀘縣人民政府簽訂的管網改造合同在2014年至2022年期間，陸續收到瀘州市財政局補助款1,015.80萬元；本公司及瀘縣分公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 10: Due to the needs for municipal planning of Luzhou City, the houses and land and water supply pipelines of Jiangnan Water in Shaxi area of Jiangyang District were relocated during the period from 2013 to 2014. According to the Agreement of Monetary Compensation for Urban Housing Demolition and Relocation entered into between Jiangnan Water and the Command Department for the Land Collection and Demolition and Relocation of the Shaxi Area of Jiangyang District of Luzhou City on 22 February 2013, the Tap Water Pipeline Relocation Agreement entered into between Jiangnan Water and the Unified Land Collection and Consolidation Center of Luzhou City on 8 March 2013, the Tap Water Pipeline Route Relocation Agreement entered into between Jiangnan Water and the Unified Land Collection and Consolidation Center of Luzhou City on 25 July 2013, and the Asset Evaluation Report issued by Sichuan Xinhe Assets Appraisal Co., Ltd. on 22 February 2014 (C.X.Z.P.B.Z [2013] No. 6002), Jiangnan Water successively received the compensation for relocation of RMB13.8261 million during the period from 2013 to 2014. Jiangnan Water has transferred the grants to deferred income and the government grants to other income over the estimated useful life of the assets; In 2020, the Company will absorb and merge with Jiangnan Water and continue the treatment accordingly.

註10：由於瀘州市政規劃的需要，2013年至2014年期間對江南水業位於江陽區沙碛片區的房屋土地及供水管道進行了搬遷，根據2013年2月22日江南水業與瀘州市江陽區沙碛片區征拆指揮部簽訂的《城市房屋拆遷貨幣補償協議書》、2013年3月8日與瀘州市土地統征和整理中心簽訂的《自來水管道搬遷協議》、2013年7月25日與瀘州市土地統征和整理中心簽訂的《自來水管道線路搬遷協議》及2014年2月22日四川信合資產評估有限責任公司出具的《資產評估報告》(川信資評報字[2013]第6002號)，江南水業於2013年至2014年期間，陸續收到搬遷補償款共計1,382.61萬元，江南水業將補助轉入遞延收益，按照資產預計使用期限將政府補助款轉至其他收益；2020年本公司吸收合併江南水業，相應延續處理。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 11: According to the Notice on the Issuance of the 2009 Budget (Funding) of Central Budgetary Infrastructure Expenditure for the Construction of Water Supply Facilities in Poor Counties and Counties with Severe Water Shortage with Expanded Domestic Needs issued by the Finance Bureau of Luzhou City on 15 June 2009 (L.S.C.T [2009] No. 50), from 2010 to 2011, the Company successively received the special grants of RMB8 million from the Finance Bureau of Luzhou City for the construction of water supply facilities in poor counties and counties with severe water shortage, and the Company has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註11：根據瀘州市財政局2009年6月15日下達的《關於下達2009年貧困縣及嚴重缺水縣城供水設施建設擴大內需中央預算內基建支出預算(撥款)的通知》(瀘市財投〔2009〕50號)，本公司於2010至2011年期間，陸續收到瀘州市財政局撥付的貧困縣及嚴重缺水縣城供水設施建設專項資金補助800.00萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

Note 12: Xinglu Water received the grants of RMB3.5 million for land premiums of Qiancao Second Water Plant from Luzhou City Xinglu Investment Group Co., Ltd. in June 2014 and Xinglu Water has amortised the government grants over the estimated useful life of the assets of the project and transferred such grants to other income;

註12：興瀘水務於2014年6月收到瀘州市興瀘投資集團有限公司撥付的茜草二水廠征地補助款350.00萬元，興瀘水務按照該項目資產預計使用期限攤銷，將政府補助款轉至其他收益；

Note 13: According to the Agreement on Relocation of Pipelines for the Construction of the Park Avenue Project entered into between Hejiang Water and Unified Land Collection Service Office of Hejiang County, the pipelines at the avenue of the park in Hejiang will be relocated due to needs for municipal construction, and Hejiang Water received the compensation for the relocation of RMB2.78 million from the Finance Bureau of Hejiang County in February 2015. Hejiang Water has transferred the grants to deferred income and the government grants to other income over the estimated useful life of the assets;

註13：根據合江水業與合江縣統一徵用土地服務辦公室簽訂的《園區大道工程建設桿管線搬遷協議》，因市政建設需要，對合江園區大道的桿管線進行搬遷，合江水業於2015年2月收到合江縣財政局支付的搬遷補償款項278.00萬元，合江水業將補助轉入遞延收益，按照資產預計使用期限將政府補助款轉至其他收益；

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 33. Deferred income (Continued)

### 33. 遞延收益(續)

#### (2) Government grant projects (Continued)

#### (2) 政府補助項目(續)

Note 14: According to the "Notice on the Issuance of the 2022 Municipal Science and Technology Project Project" (L.S.K.R [2022] No. 124), the Company received RMB150,000 in funding for the municipal science and technology project in 2022, which is required to apply for acceptance and is included in other income in a lump sum after acceptance.

註14：根據瀘州市科學技術和人才工作局文件《關於下達2022年市級科技計劃項目的通知》(瀘市科人〔2022〕124號)，本公司於2022年收到市級科技計劃項目資金15萬元，該項目按要求需要申請驗收，驗收後一次性計入其他收益；

Note 15: According to the "Notice of Decomposition and Issuance of the Project Preliminary Work Incentive 2022 Provincial Budgetary Capital Construction Investment Plan" (L.S.F.G.Z [2022] No. 427), the Company received RMB500,000 in 2022 from the provincial budgetary capital construction investment plan (preliminary work incentive funds) for the Luzhou urban domestic wastewater treatment plant expansion and sludge disposal project, which has not yet been completed and will be amortised over the estimated useful life of the project assets when the project reaches its intended useable state, and the government grants will be transferred to other revenue.

註15：根據瀘州市發展和改革委員會《關於分解下達項目前期工作激勵2022年省預算內基本建設投資計劃的通知》(瀘市發改重〔2022〕427號)，本公司於2022年收到50萬元瀘州市城市生活污水處理廠擴建及污泥處置項目省預算內基本建設投資計劃(前期工作激勵資金)，該工程尚未完工，待工程達到預定可使用狀態，將按照該項目資產的預計使用期限攤銷，將政府補助款轉至其他收益。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 34. Share capital

### 34. 股本

| Items                  | 項目   | Opening balance | New shares issued | Change in the current year (+/-) |                             |        | Subtotal | Closing balance |
|------------------------|------|-----------------|-------------------|----------------------------------|-----------------------------|--------|----------|-----------------|
|                        |      |                 |                   | Share donation                   | Shares from provident funds | Others |          |                 |
|                        |      |                 |                   | 本年變動增減(+/-)                      |                             |        |          |                 |
|                        |      | 年初餘額            | 發行新股              | 送股                               | 公積金轉股                       | 其他     | 小計       | 年末餘額            |
| Total number of shares | 股份總數 | 859,710,000.00  |                   |                                  |                             |        |          | 859,710,000.00  |

### 35. Capital reserve

### 35. 資本公積

| Items                  | 項目        | Opening balance       | Increase for the current year | Increase for the current year | Closing balance       |
|------------------------|-----------|-----------------------|-------------------------------|-------------------------------|-----------------------|
|                        |           |                       |                               |                               |                       |
| Share premium          | 股本溢價      | 418,174,747.31        |                               |                               | 418,174,747.31        |
| Other capital reserves | 其他資本公積    | 2,272,467.04          |                               |                               | 2,272,467.04          |
| <b>Total</b>           | <b>合計</b> | <b>420,447,214.35</b> |                               |                               | <b>420,447,214.35</b> |





## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 37. Special reserve

#### 37. 專項儲備

| Items               | 項目     | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Increase for the current year<br>本年減少 | Closing balance<br>年末餘額 |
|---------------------|--------|-------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Safe production fee | 安全生產經費 | 17,010,566.37           | 5,104,015.25                          | 5,341,745.49                          | <b>16,772,836.13</b>    |

#### 38. Surplus reserve

#### 38. 盈餘公積

| Items                         | 項目        | Opening balance<br>年初餘額 | Increase for the current year<br>本年增加 | Increase for the current year<br>本年減少 | Closing balance<br>年末餘額 |
|-------------------------------|-----------|-------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Statutory surplus reserve     | 法定盈餘公積    | 63,270,498.50           | 602,419.91                            |                                       | <b>63,872,918.41</b>    |
| Discretionary surplus reserve | 任意盈餘公積    | 148,392.19              |                                       |                                       | <b>148,392.19</b>       |
| Others                        | 其他        | 10,837.70               |                                       |                                       | <b>10,837.70</b>        |
| <b>Total</b>                  | <b>合計</b> | <b>63,429,728.39</b>    | <b>602,419.91</b>                     |                                       | <b>64,032,148.30</b>    |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 39. Undistributed profits

### 39. 未分配利潤

| Items  | 項目                 | The current year<br>本年  | The previous Year<br>上年 |
|--|--------------------|-------------------------|-------------------------|
| <b>Closing balance of the previous year</b>  | <b>上年年末金額</b>      | <b>1,115,598,107.93</b> | 959,029,566.17          |
| More: Adjustment to undistributed profits at the beginning of the year                         | 加：年初未分配利潤調整數       |                         | -22,839,298.40          |
| Including: Adjustment following the new rules of Accounting Standards for Business Enterprises | 其中：《企業會計準則》新規定追溯調整 |                         | -22,839,298.40          |
| <b>Opening balance of the current year</b>   | <b>本年年初金額</b>      | <b>1,115,598,107.93</b> | 936,190,267.77          |
| More: Net profits attributable to the owners of the parent in the current year                 | 加：本年歸屬於母公司股東的淨利潤   | <b>203,224,562.23</b>   | 241,926,358.08          |
| Transfer from other comprehensive income   | 其他綜合收益轉入           |                         | 97,539.26               |
| Less: Appropriation of statutory surplus reserve   | 減：提取法定盈餘公積         | <b>602,419.91</b>       | 11,033,457.18           |
| Dividends payable on ordinary shares*1   | 應付普通股股利*1          | <b>42,985,500.00</b>    | 51,582,600.00           |
| <b>Closing amount of the current year</b>  | <b>本年年末金額</b>      | <b>1,275,234,750.25</b> | 1,115,598,107.93        |

The profit distribution plan of 2020 was considered and approved at the 2020 annual general meeting convened on 11 June 2021, pursuant to which a cash dividend of RMB0.06 (tax inclusive) per share was distributed to all shareholder in July and August 2021, and the total cash dividend distributed amounted to RMB51,582,600.00 (tax inclusive) calculated based on the total number of share capital, being 859,710,000.00 shares.

2020年度利潤分配已經2021年6月11日召開的2020年度股東大會審議通過，以總股本859,710,000.00股為基數，向全體股東每股派發現金紅利人民幣0.06元(含稅)，共派發現金紅利人民幣51,582,600.00元(含稅)，已於2021年7月、8月分派實施。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 39. Undistributed profits (Continued)

The profit distribution plan of 2021 was considered and approved at the 2021 annual general meeting convened on 10 June 2022, pursuant to which a cash dividend of RMB0.05 (tax inclusive) per share was distributed to all shareholder in July 2022, and the total cash dividend distributed amounted to RMB42,985,500.00 (tax inclusive) calculated based on the total number of share capital, being 859,710,000.00 shares.

### 39. 未分配利潤(續)

2021年度利潤分配已經2022年6月10日召開的2021年度股東大會審議通過，以總股本859,710,000.00股為基數，向全體股東每股派發現金紅利人民幣0.05元(含稅)，共派發現金紅利人民幣42,985,500.00元(含稅)，已於2022年7月分派實施。

### 40. Operating revenue and operating cost

#### (1) Particulars of operating revenue and costs

### 40. 營業收入、營業成本

#### (1) 營業收入和營業成本情況

| Items                | 項目        | Amount incurred in the current year |                       | Amount incurred in the previous year |                       |
|----------------------|-----------|-------------------------------------|-----------------------|--------------------------------------|-----------------------|
|                      |           | Revenue                             | Cost                  | Revenue                              | Cost                  |
|                      |           | 本年發生額                               |                       | 上年發生額                                |                       |
|                      |           | 收入                                  | 成本                    | 收入                                   | 成本                    |
| Principal operations | 主營業務      | 1,294,533,265.23                    | 815,992,470.12        | 1,324,085,641.18                     | 776,102,703.68        |
| Other operations     | 其他業務      | 58,886,003.45                       | 43,410,802.56         | 46,012,292.64                        | 25,401,468.75         |
| <b>Total</b>         | <b>合計</b> | <b>1,353,419,268.68</b>             | <b>859,403,272.68</b> | <b>1,370,097,933.82</b>              | <b>801,504,172.43</b> |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 40. Operating revenue and operating cost (Continued)

### 40. 營業收入、營業成本(續)

#### (2) Particulars of revenue from contracts

#### (2) 合同產生的收入的情況

| Categories of contract             | 合同分類    | Incurring revenue amount for the current year<br>本年收入發生額 | Costs incurred during the current year<br>本年成本發生額 |
|------------------------------------|---------|--|---|
| Classification by type of goods    | 按商品類型分類 | <b>1,353,419,268.68</b>                                  | <b>859,403,272.68</b>                             |
| Including: water supply business   | 其中：供水業務 | <b>411,068,715.05</b>                                    | <b>367,513,125.31</b>                             |
| Wastewater treatment business      | 污水處理業務  | <b>523,977,947.58</b>                                    | <b>301,847,999.35</b>                             |
| Engineering business               | 工程業務    | <b>359,486,602.61</b>                                    | <b>146,631,345.46</b>                             |
| Others                             | 其他      | <b>58,886,003.45</b>                                     | <b>43,410,802.56</b>                              |
| Classification by business area    | 按經營地區分類 | <b>1,353,419,268.68</b>                                  | <b>859,403,272.68</b>                             |
| Including: inside Sichuan Province | 其中：四川省內 | <b>1,353,419,268.68</b>                                  | <b>859,403,272.68</b>                             |
| Outside Sichuan Province           | 四川省外    |  |   |

#### (3) Information related to the performance of contractual obligations

#### (3) 與履約義務相關的信息

Revenue from the sale of tap water is recognized when the Group transmits tap water to customers and the customers have accepted the tap water at the relevant rates, and is subject to regulation and periodic review by local government authorities, and the recoverability of the related receivables is reasonably assured. According to the relevant water supply contracts and franchising agreements, the Group shall provide customers with tap water that meets the quality requirements for tap water supply as stipulated by the relevant government authorities. Payment of the transaction price for tap water sales is made when the customer accepts the tap water and settlement is normally made within one month in accordance with the relevant sales agreement, with some customers paying in advance.

自來水銷售收入在本集團向客戶傳輸自來水且客戶已按相關費率接納自來水時確認，並受地方政府機關監管及定期審查，相關應收款的可回收性有合理保證。根據相關自來水供應合同及特許經營協議，本集團須向用戶提供符合有關政府部門規定的自來水供應質量要求的自來水。自來水銷售交易價格的支付在客戶接受自來水且通常根據相關銷售協議在一個月內結算時完成，且部分客戶會提前支付。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 40. Operating revenue and operating cost (Continued)

### 40. 營業收入、營業成本(續)

#### (3) Information related to the performance of contractual obligations (Continued)

#### (3) 與履約義務相關的信息(續)

Revenues from wastewater treatment operation services are recognized at the point of wastewater treatment and are based on monthly wastewater treatment readings at the relevant rates, which are regulated by the local government and reviewed periodically, and the collectability of the related receivables is reasonably assured. Where the service franchising arrangement guarantees the Group's minimum wastewater treatment capacity, the Group recognizes revenue from wastewater treatment operation services based on the higher of the actual wastewater treatment capacity and the guaranteed minimum wastewater treatment capacity, less the amount attributable to the guaranteed minimum wastewater treatment capacity. According to the relevant franchising agreement, the Group shall ensure that the treated wastewater complies with the pollutant discharge standards stipulated by the relevant government authorities. Payment of the transaction price for wastewater treatment operations services is subject to a three-month credit period following treatment and is typically completed upon settlement within three to six months following treatment.

污水處理營運服務收入在污水處理之時點確認，按每月污水處理量讀數按相關費率確認，地方政府對此加以規範並進行定期審查，相關應收款之可回收性有合理保證。服務特許經營安排保證集團最低污水處理量之情況下，本集團根據實際污水處理量和保證最低污水處理量間之較高者扣除屬於保證最低污水處理量之數額，確認污水處理營運服務收入。根據相關特許經營協議，本集團須確保所處理的污水符合相關政府部門規定的污染物排放標準。污水處理營運服務交易價格的支付在污水處理後有三個月信用期且通常在污水處理後在三到六月內結算時完成。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 40. Operating revenue and operating cost (Continued)

### 40. 營業收入、營業成本(續)

#### (3) Information related to the performance of contractual obligations (Continued)

#### (3) 與履約義務相關的信息(續)

Revenues from the provision of installation services are derived from fixed-price contracts with customers, such as real estate developers and water customers. This type of contract is signed prior to the commencement of services. Under the terms of the contract, the Group is required to perform installation services at the customer's specific location and the Group's performance creates or improves an asset that the customer controls at the time the asset is created or improved. Completion of performance obligations is measured at completion, with revenue recognized at the point of completion, and this method best describes the Group's performance in terms of transfer of service control. These construction contracts include payment schedules that require milestone payments during installation once certain specified milestones have been reached, and typically require the customer to make advance payments prior to the commencement of installation services and incur contractual liabilities until revenue recognition for a particular contract exceeds its advance deposit. According to the relevant agreements with customers, the Group shall provide repair services in case of quality problems. Contract assets, net of contract liabilities relating to the same contract, are recognised in the period in which the installation services are performed and represent the Group's rights to receive remuneration for the services as they depend on the Group's future performance in the specified phase of the contract. When such rights become unconditional, the contract asset is transferred to a trade receivable and, unless time has elapsed, is treated as an unconditional payment for the contractual period.

提供安裝服務的收入來自與客戶簽訂的固定價格合同，例如房地產商和自來水用戶。此類合同在開始提供服務前簽訂。根據合同條款，本集團需在客戶特定地點履行安裝服務，且本集團的履約創造或改良了客戶在資產被創造或改良時就控制的資產。完成履約義務按完工計量，於完工時點確認收入，且該方法最能描述本集團在轉移服務控制方面之履約行為。這些建築合同包括付款安排表，一旦達到某些特定的階段，就需要在安裝期間進行階段付款，且通常要求客戶在安裝服務開始前提前付款，且會產生合同負債直到某一合同的收入確認超過其預存款。根據與客戶簽訂的相關協議，如有質量問題本集團須提供維修服務。合同資產(扣除與同一合同有關的合同負債)於進行安裝服務的期間確認，代表本集團獲得服務報酬的權利，因為該等權利取決於本集團未來履行合同中指定階段的表現。當這種權利成為無條件時，合同資產轉為貿易應收款，除非時間已經過去，否則作為無條件支付的合同階段。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 40. Operating revenue and operating cost (Continued)

### 40. 營業收入、營業成本(續)

#### (3) Information related to the performance of contractual obligations (Continued)

#### (3) 與履約義務相關的信息(續)

Revenues from the construction and upgrading of water supply and wastewater treatment infrastructure are derived from service concession agreements with the respective governments. During the construction and upgrade process, the Group provides construction and upgrade services for water supply and wastewater treatment infrastructure over a period of time based on payments and inputs, and recognizes revenue at the fair value of the consideration. Under the franchising arrangement, these revenues constitute a portion of the construction costs of building new infrastructure or upgrading to existing infrastructure. Under the relevant service franchising agreements, the Group is required to construct and upgrade infrastructure to meet the relevant technical standards stipulated by the relevant government authorities. Where a service franchising arrangement provides the Group with a minimum service volume guarantee, the Group recognises revenue from construction and upgrade services directly related to the guarantee based on the above fair value, taking into account the financing component of the transaction, and the Group records it as a contractual asset accordingly. Contract assets are transferred to receivables under a service franchising arrangement upon completion of construction and upgrade services.

提供自來水供應和污水處理基礎設施之建設和升級服務之收入來自與有關政府簽訂的服務特許經營協議。在建設和升級過程中，本集團根據付出和投入，在一段時間內提供自來水供應和污水處理基礎設施之建設和升級服務，並以其對價之公允值確認收入。在特許經營安排下，這些收入構成了新基礎設施建設或升級到現有基礎設施的一部分建造成本。根據相關服務特許經營協議，本集團需要建設和升級基礎設施，以滿足相關政府部門規定的相關技術標準，若服務特許權安排向本集團提供最低服務水量保證，則本集團根據上述公平值確認與保證直接相關的建造及升級服務收入，考慮到了交易中的融資部分，並且本集團相應地將其記錄為合同資產。合同資產在建造和升級服務完成後根據服務特許權安排轉移到應收款。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 40. Operating revenue and operating cost (Continued)

### 40. 營業收入、營業成本(續)

#### (3) Information related to the performance of contractual obligations (Continued)

#### (3) 與履約義務相關的信息(續)

As at 31 December 2022, the total transaction price allocated by the Group to the remaining performance obligations (unsatisfied or partially unsatisfied) of the installation services amounted to RMB59,219,500 (2021: RMB174,666,000) (including tax), which will be recognised as revenue in the next one to two years.

截至2022年12月31日，集團分配給安裝服務剩餘履約義務(未滿足或部分未滿足)之交易價格總額為人民幣5,921.95萬元(2021年：人民幣17,466.60萬元)(含稅)，將於未來一到兩年內確認為收入。

In addition to the above, the Group is also responsible for the on-going construction and upgrading of the water supply and wastewater treatment infrastructure. As of December 31, 2022 and 2021, the Group has entered into capital commitment contracts for these infrastructure projects as disclosed in Note VI. 22. These infrastructure projects will be recognized as revenue over the next one to two years based on the fair value of the consideration for the construction and upgrade services.

除上述外，本集團亦有責任持續建設及升級自來水供應及污水處理基礎設施。截至2022年12月31日和2021年12月31日，如附註六.22所披露，本集團已訂立該等基建工程的資本承擔合同。該等基建工程將於未來一到兩年內按建設及升級服務代價的公允價值確認為收入。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 六、合併財務報表主要項目註釋(續)

### 41. Taxes and surcharges

| Items                                 | 項目        | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|---------------------------------------|-----------|--|---|
| Water resource tax                    | 水資源稅      | 15,590,864.49                                      | 14,721,094.76                                       |
| City maintenance and construction tax | 城市維護建設稅   | 1,786,680.10                                       | 2,440,415.27  |
| Educational surcharges                | 教育費附加     | 864,427.37   | 1,139,305.21  |
| Local educational surcharges          | 地方教育費附加   | 576,180.43   | 759,641.35  |
| Real estate tax                       | 房產稅       | 4,086,169.20                                       | 3,427,361.47  |
| Land use tax                          | 土地使用稅     | 7,229,177.28                                       | 6,364,326.48  |
| Stamp tax                             | 印花稅       | 572,337.97   | 782,495.29  |
| Others                                | 其他        | 376,723.14   | 362,307.98  |
| <b>Total</b>                          | <b>合計</b> | <b>31,082,559.98</b>                               | 29,996,947.81                                       |

### 41. 稅金及附加

### 42. Cost of sales

| Items                         | 項目        | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|-------------------------------|-----------|--|---|
| Employee compensation         | 職工薪酬      | 16,266,865.42                                      | 18,179,247.80                                       |
| Labor costs                   | 勞務費用      | 3,529,100.36                                       | 2,626,959.05  |
| Depreciation and amortisation | 折舊及攤銷     | 469,970.92   | 649,030.09  |
| Office expenses               | 辦公費       | 1,832,653.37                                       | 1,893,475.41  |
| Others                        | 其他        | 2,207,458.52                                       | 1,729,047.64  |
| <b>Total</b>                  | <b>合計</b> | <b>24,306,048.59</b>                               | 25,077,759.99                                       |

### 42. 銷售費用

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 43. Management expenses

#### 43. 管理費用

| Items                                     | 項目         | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|---|------------|--|---|
| Employee compensation                     | 職工薪酬       | 69,974,470.59                                      | 75,302,747.21                                       |
| Labor costs                               | 勞務費用       | 3,793,846.69                                       | 2,762,378.44  |
| Business entertainment expenses           | 業務招待費      | 1,108,003.09                                       | 1,389,156.65  |
| Travel expenses                           | 差旅費        | 373,132.94   | 750,939.19  |
| Office expenses                           | 辦公費        | 2,404,568.14                                       | 3,647,727.79  |
| Promotion costs                           | 宣傳費        | 857,438.29   | 743,576.93  |
| Depreciation and amortisation             | 折舊及攤銷      | 4,365,512.43                                       | 4,395,999.91  |
| Intermediary organ fees                   | 中介機構費      | 4,791,104.65                                       | 6,258,982.35  |
| Of which: Audit fees for listed companies | 其中：上市公司審計費 | 1,780,000.00                                       | 1,280,000.00  |
| Others                                    | 其他         | 6,761,886.99                                       | 6,363,769.95  |
| <b>Total</b>                              | <b>合計</b>  | <b>94,429,963.81</b>                               | <b>101,615,278.42</b>                               |

#### 44. Research and development expenses

#### 44. 研發費用

| Items                 | 項目        | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|-----------------------|-----------|--|---|
| Employee compensation | 職工薪酬      | 43,571.65  |   |
| Material fee          | 材料費       | 710,569.70   |   |
| Others                | 其他        | 67,177.21  |   |
| <b>Total</b>          | <b>合計</b> | <b>821,318.56</b>                                  |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 45. Finance costs

### 45. 財務費用

| Items                                    | 項目         | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|--|------------|--|---|
| Interest expenses                        | 利息費用       | 131,262,539.84                                     | 127,363,911.77                                      |
| Less: Interest incomes                   | 減：利息收入     | 7,111,485.48                                       | 9,786,316.49  |
| More: Foreign exchange losses            | 加：匯兌損失     | 55,111.44  | 226,350.98  |
| More: Interest fees on lease liabilities | 加：租賃負債利息費用 | 80,504.37  | 116,179.24  |
| More: Other expenses                     | 加：其他支出     | 930,720.01   | 2,064,418.13  |
| <b>Total</b>                             | <b>合計</b>  | <b>125,217,390.18</b>                              | <b>119,984,543.63</b>                               |

### 46. Other revenue

### 46. 其他收益

#### (1) Breakdown of other income

#### (1) 其他收益明細

| Source of other revenue                                | 產生其他收益的來源      | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|--|----------------|--|---|
| Tax deduction  | 稅費減免           | 3,340,358.52                                       | 4,772,241.84  |
| Government grants transferred from deferred income     | 遞延收益轉入的政府補助    | 27,482,139.77                                      | 25,437,636.50                                       |
| Others government grants related to general activities | 其他與日常活動相關的政府補貼 | 32,581,207.00                                      | 4,298,996.44  |
| <b>Total</b>   | <b>合計</b>      | <b>63,403,705.29</b>                               | <b>34,508,874.78</b>                                |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 46. Other revenue (Continued)

### 46. 其他收益(續)

#### (2) Breakdown of government grants

#### (2) 政府補助明細

| Items  | 項目                         | 2022年度        | 2021年度        | Sources and basis<br>來源和依據 | Related to assets /related to revenue<br>與資產/<br>收益相關 |
|--|----------------------------|---------------|---------------|----------------------------|---|
| Total direct included amount   | 直接計入合計                     | 35,921,565.52 | 9,071,238.28  |                            |   |
| Including: tax reduction   | 其中：稅費減免                    | 3,340,358.52  | 4,772,241.84  |                            | Related to revenue<br>與收益相關                           |
| Incremental grant for sludge disposal  | 污泥處置增量補助款                  | 30,860,000.00 |               | Note 1<br>註1               | Related to revenue<br>與收益相關                           |
| Fiscal and financial interaction bonus funds   | 財政金融互動獎補資金                 | 200,000.00    | 3,415,800.00  |                            | Related to revenue<br>與收益相關                           |
| Government grant for improving the quality of listed companies   | 提高上市公司質量政府補助               | 700,000.00    |               |                            | Related to revenue<br>與收益相關                           |
| Subsidy for job stability  | 穩崗補貼                       | 666,029.69    | 143,354.25    |                            | Related to revenue<br>與收益相關                           |
| Other petty grants   | 其他零星補助                     | 155,177.31    | 739,842.19    |                            | Related to revenue<br>與收益相關                           |
| Transfer from deferred income  | 遞延收益轉入                     | 27,482,139.77 | 25,437,636.50 |                            |   |
| Including: Compensation for the occupation and relocation of certain water supply assets in Zhangwan Industrial Park | 其中：張灣工業園區部分給水管資產<br>佔用搬遷補償 | 91,109.36     | 91,109.36     |                            | Related to assets<br>與資產相關                            |
| Construction fund grant for Erdaoxi Project (Phase III)  | 二道溪三期項目建設資金補助              | 1,290,063.24  | 1,290,063.24  |                            | Related to assets<br>與資產相關                            |
| Subsidy for the external pipe network of the Aptian sewage treatment plant   | 鴨兒凼污水處理廠廠外管網補助             | 1,376,276.04  | 1,376,276.04  |                            | Related to assets<br>與資產相關                            |
| Grant for the technical improvement of Yaerdang Wastewater Treatment Plant   | 鴨兒凼污水處理廠廠內技改補助             | 475,325.16    | 1,925,122.19  |                            | Related to assets<br>與資產相關                            |
| Grant for the technical improvement of the Related to assets   | 鴨兒凼提升擴容政府補助                | 3,883,040.04  | 3,883,040.04  |                            | Related to assets<br>與資產相關                            |
| Construction fund grant for Erdaoxi Wastewater Treatment Plant   | 二道溪污水處理廠建設資金補助             | 1,875,153.36  | 2,524,519.99  |                            | Related to assets<br>與資產相關                            |
| Construction fund grant for Erdaoxi Project (Phase II)   | 二道溪二期項目建設資金補助              | 1,850,370.72  | 1,850,370.72  |                            | Related to assets<br>與資產相關                            |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 46. Other revenue (Continued)

### 46. 其他收益(續)

#### (2) Breakdown of government grants (Continued)

#### (2) 政府補助明細(續)

| Items  | 項目                    | 2022                 | 2021                 | Sources   | Related to assets          |
|--|-----------------------|----------------------|----------------------|-----------|----------------------------|
|  |                       |                      |                      | and basis | /related to revenue        |
|  |                       | 2022年度               | 2021年度               | 來源和依據     | 與資產/<br>收益相關               |
| Central fund grant for Naxi Project (Phase III)  | 納溪三期中央資金補助            | 387,641.66           |                      |           | Related to assets<br>與資產相關 |
| Subsidy for Urban Water Supply Network Project   | 城市供水管網工程補助            | 1,125,476.15         | 1,310,045.14         |           | Related to assets<br>與資產相關 |
| Jiangnan Shawan land compensation  | 江南沙灣土地補償              | 391,180.76           | 391,180.76           |           | Related to assets<br>與資產相關 |
| Grant for Luzhou City Urban Area Household Meter Renovation Project (Phase I)                                  | 瀘州市主城區自來水戶表改造工程(一期)補助 | 14,161,503.28        | 10,220,909.02        |           | Related to assets<br>與資產相關 |
| Grand for the construction of water supply facilities in poor counties and counties with severe water shortage | 貧困縣及嚴重缺水縣城供水設施建設補助    | 400,000.00           | 400,000.00           |           | Related to assets<br>與資產相關 |
| Land compensation for Qiancao No. 2 Water Treatment Plant  | 茜草二水廠土地補償款            | 175,000.00           | 175,000.00           |           | Related to assets<br>與資產相關 |
| <b>Total</b>   | <b>合計</b>             | <b>63,403,705.29</b> | <b>34,508,874.78</b> |           |                            |

Note 1: Pursuant to the Reply Opinion on the Application of Xinglu Wastewater Treatment Company for Wastewater Treatment Operating Funds issued by Luzhou Municipal Finance Bureau on 15 November 2021 (L.S.C.C [2021] No. 104) and the letter received by Luzhou Municipal People's Government Office, it was approved that the incremental sludge disposal cost of Xinglu Wastewater Treatment Company from October 2018 to August 2021 was RMB47.476 million, and 65% of the approved amount was allocated. Xinglu Wastewater Treatment Company received the above-mentioned grant of RMB30.86 million for the period.

註1：根據2021年11月15日瀘州市財政局《關於興瀘污水公司申請污水處理運營資金的回復意見》(瀘市財城[2021]104號)、瀘州市人民政府辦公室收文處理箋，核定興瀘污水公司2018年10月-2021年8月期間污泥處置增量成本4,747.60萬元，並按該核定金額的65%予以撥付，興瀘污水公司於本期收到上述補助資金3,086萬元。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 47. Income from investment

#### 47. 投資收益

| Items   | 項目                 | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|---|--------------------|--|---|
| Income from long-term equity investments<br>accounted under the equity method | 權益法核算的長期股權<br>投資收益 | 590,950.85   | 673,396.83  |

#### 48. Impairment loss on credit

#### 48. 信用減值損失

| Items                                    | 項目        | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|--|-----------|--|---|
| Loss of bad debts of accounts receivable | 應收賬款壞賬損失  | -8,624,562.95                                      | -15,411,118.67                                      |
| Loss of bad debts of other receivables   | 其他應收款壞賬損失 | -19,509,302.04                                     | -1,258,623.88                                       |
| <b>Total</b>                             | <b>合計</b> | <b>-28,133,864.99</b>                              | <b>-16,669,742.55</b>                               |

#### 49. Impairment losses on assets

#### 49. 資產減值損失

| Items                           | 項目       | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|---------------------------------|----------|--|---|
| Impairment loss on fixed assets | 固定資產減值損失 |  | -12,215,470.04                                      |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 50. Gains on disposal of assets

### 50. 資產處置收益

| Items                             | 項目       | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 | Amount<br>included in<br>non-recurring<br>profit or loss of<br>the current year<br>計入本年<br>非經常性<br>損益的金額 |
|-----------------------------------|----------|--|---|--|
|                                   |          |  |   |  |
| Gains on disposal of fixed assets | 固定資產處置收益 | 296.34   |   | 296.34   |

### 51. Total non-operating revenue

### 51. 營業外收入

#### (1) Particulars of non-operating income

#### (1) 營業外收入明細

| Items   | 項目          | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 | Amount<br>included in<br>non-recurring<br>profit or loss of<br>the current year<br>計入本年<br>非經常性<br>損益的金額 |
|---|-------------|--|---|--|
|   |             |  |   |  |
| Gain from the damage and retirement of non-current assets | 非流動資產毀損報廢利得 | 78,916.09  | 1,309,758.56  | 78,916.09  |
| Government grants   | 政府補助        |  | 202,929.50  |  |
| Penalty income  | 罰款收入        | 167,493.00   | 75,848.00   | 167,493.00   |
| Default compensation income                               | 違約賠償收入      | 3,175,436.85                                       | 3,990,066.26  | 3,175,436.85   |
| Others  | 其他          | 353,470.47   | 3,848,516.39  | 353,470.47   |
| <b>Total</b>  | <b>合計</b>   | <b>3,775,316.41</b>                                | <b>9,427,118.71</b>                                 | <b>3,775,316.41</b>  |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 51. Total non-operating revenue (Continued)

### 51. 營業外收入(續)

#### (2) Breakdown of government grants

#### (2) 政府補助明細

| Items  | 項目         | Amount                       | Amount                        | Sources and basis | Related to assets/ related to revenue<br>與資產相關/<br>與收益相關 |
|--|------------|------------------------------|-------------------------------|-------------------|--|
|  |            | incurred in the current year | incurred in the previous year |                   |  |
|  |            | 本年發生額                        | 上年發生額                         | 來源和依據             |  |
| Subsidy for vocational training for enterprise employees | 企業職工技能培訓補貼 |                              | 202,929.50                    |                   |  |

### 52. Non-operating expense

### 52. 營業外支出

| Items   | 項目          | Amount               | Amount                | Amount   |
|---|-------------|----------------------|-----------------------|--|
|   |             | for the current year | for the previous year | included in non-recurring profit or loss of the current year |
|   |             | 本年金額                 | 上年金額                  | 計入本年非經常性損益的金額  |
| Loss on damage and retirement of non-current assets | 非流動資產毀損報廢損失 | 374,613.27           | 21,453.68             | 374,613.27   |
| Public donation expenses                            | 公益性捐贈支出     | 52,802.90            | 12,004.60             | 52,802.90  |
| Fines and other compensation expenses               | 罰款及其他賠償支出   | 348,679.91           | 191.33                | 348,679.91   |
| Overdue fine  | 滯納金         | 254,022.26           | 86,707.65             | 254,022.26   |
| Others  | 其他          | 8,587.07             | 201,000.68            | 8,587.07   |
| <b>Total</b>  | <b>合計</b>   | <b>1,038,705.41</b>  | 321,357.94            | 1,038,705.41   |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 53. Income tax expense

#### (1) Income tax expense

| Items  | 項目                     | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|--|------------------------|--|---|
| Current income tax expense<br>calculated in accordance with the<br>Tax Law and related regulations | 按稅法及相關規定計算<br>的當期所得稅費用 | 42,057,736.97                                      | 48,848,909.31                                       |
| Deferred income tax expense  | 遞延所得稅費用                | -8,542,120.21                                      | -2,501,688.86                                       |
| <b>Total</b>   | <b>合計</b>              | <b>33,515,616.76</b>                               | <b>46,347,220.45</b>                                |

### 53. 所得稅費用

#### (1) 所得稅費用

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 53. Income tax expense (Continued)

### 53. 所得稅費用(續)

#### (2) Adjustment process of accounting profit and income tax expenses

#### (2) 會計利潤與所得稅費用調整過程

| Items  | 項目                             | Amount incurred in the current year<br>本年發生額 |
|--|--------------------------------|--|
| Total consolidated profits for the current year  | 本年合併利潤總額                       | 256,756,413.37                               |
| Income tax expense calculated at statutory/ applicable tax rates   | 按法定/適用稅率計算的所得稅費用               | 38,513,462.01                                |
| Effect of application of different tax rate to subsidiaries  | 子公司適用不同稅率的影響                   | -428,412.69                                  |
| Adjustment to income tax in previous period  | 調整以前期間所得稅的影響                   | -889,006.23                                  |
| Effect of non-taxable income   | 非應稅收入的影響                       | -88,642.63                                   |
| Effect of non-deductible cost, expense and loss  | 不可抵扣的成本、費用和損失的影響               | 671,272.71                                   |
| Effect of utilization of deductible losses unrecognized as deferred tax assets in previous period                    | 使用前期未確認遞延所得稅資產的可抵扣虧損的影響        | -98,478.67                                   |
| Effect of deductible temporary difference or deductible loss unrecognized as deferred tax assets in the current year | 本年未確認遞延所得稅資產的可抵扣暫時性差異或可抵扣虧損的影響 | -2,736,450.97                                |
| Change in the opening balance of deferred income tax assets/liabilities due to tax rate adjustment                   | 稅率調整導致期初遞延所得稅資產/負債餘額的變化        | -1,428,126.77                                |
| Income tax expense   | 所得稅費用                          | 33,515,616.76                                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 54. Items of Cash Flow Statement

### 54. 現金流量表項目

#### (1) Other cash received/paid related to operating/investing/fundraising activities

#### (1) 收到/支付的其他與經營/投資/籌資活動有關的現金

1) Other cash received related to operating activities

1) 收到的其他與經營活動有關的現金

| Items   | 項目           | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|---|--------------|--|---|
| Funds received in relation to government grants | 收到的政府補助相關款項等 | 34,562,519.86                                      | 19,875,818.27                                       |
| Provisional receipts                            | 暫收款項         | 48,776,876.33                                      | 15,626,928.82                                       |
| Collateral                                      | 保證金          | 10,867,408.43                                      | 33,297,444.25                                       |
| Bank interest income                            | 銀行利息收入       | 8,117,928.99                                       | 9,786,316.49  |
| Others  | 其他           | 3,659,941.61                                       | 8,775,694.26  |
| <b>Total</b>                                    | <b>合計</b>    | <b>105,984,675.22</b>                              | <b>87,362,202.09</b>                                |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 54. Items of Cash Flow Statement (Continued)

#### 54. 現金流量表項目(續)

(1) Other cash received/paid related to operating/investing/fundraising activities

(1) 收到/支付的其他與經營/投資/籌資活動有關的現金(續)

2) Other cash paid related to operating activities

2) 支付的其他與經營活動有關的現金

| Items                   | 項目        | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|-------------------------|-----------|--|---|
| Collateral              | 保證金       | 6,190,157.79                                       | 13,143,673.20                                       |
| Advances                | 代墊款       | 2,656,703.77                                       | 40,849,477.93                                       |
| Brokerage fee           | 中介費       | 3,807,100.92                                       | 1,969,563.16  |
| Property management fee | 物管費       | 3,693,415.85                                       | 4,668,128.80  |
| Office expenses         | 辦公費       | 2,343,308.36                                       | 991,112.14  |
| Telecommunication fees  | 通訊費       | 1,842,556.18                                       | 2,117,562.45  |
| Others                  | 其他        | 20,912,093.87                                      | 16,596,882.49                                       |
| <b>Total</b>            | <b>合計</b> | <b>41,445,336.74</b>                               | 80,336,400.17                                       |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 54. Items of Cash Flow Statement (Continued)

### 54. 現金流量表項目(續)

(1) *Other cash received/paid related to operating/investing/fundraising activities (Continued)*

(1) *收到/支付的其他與經營/投資/籌資活動有關的現金(續)*

3) *Other cash payments related to financing activities*

3) *支付的其他與籌資活動有關的現金*

| Items   | 項目            | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|---|---------------|--|---|
| Repayment of principal of loans from former shareholders of Weiyuan Water | 歸還威遠水務原股東借款本金 |  | 44,700,000.00                                       |
| Payment of lease liabilities  | 支付租賃負債        | 235,844.21   | 2,133,900.42  |
| Payment of interest on loans made by Weiyuan Water to employees           | 支付威遠水務向員工借款利息 |  | 205,718.28  |
| Payment of special bond handling fee                                      | 支付專項債券手續費     | 398.00   |   |
| <b>Total</b>  | <b>合計</b>     | <b>236,242.21</b>                                  | <b>47,039,618.70</b>                                |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 54. Items of Cash Flow Statement (Continued)

### 54. 現金流量表項目(續)

#### (2) Supplementary information to consolidated cash flows statement

#### (2) 合併現金流量表補充資料

| Items  | 項目                              | Amount for the current year<br>本年年額 | Amount for the previous year<br>上年金額 |
|--|---------------------------------|-------------------------------------|--------------------------------------|
| <b>1. Reconciliation of net profit to cash flows from operating activities:</b>                                | <b>1. 將淨利潤調節為經營活動現金流量：</b>      |                                     |                                      |
| Net profit   | 淨利潤                             | 223,240,796.61                      | 260,974,830.88                       |
| More: Impairment losses on assets  | 加：資產減值損失                        |                                     | 12,215,470.04                        |
| Impairment loss on credit  | 信用減值損失                          | 28,133,864.99                       | 16,669,742.55                        |
| Depreciation of fixed assets, depletion of oil and gas assets and depreciation of productive biological assets | 固定資產折舊、油氣資產折耗、生產性生物資產折舊         | 254,166,752.72                      | 221,838,535.66                       |
| Depreciation of right-of-use assets  | 使用權資產折舊                         | 326,605.45                          | 891,309.75                           |
| Amortization of intangible assets  | 無形資產攤銷                          | 53,292,599.80                       | 63,975,859.52                        |
| Amortization of long-term prepaid expenses   | 長期待攤費用攤銷                        | 27,604,551.67                       | 21,248,599.42                        |
| Loss on disposal of fixed assets, intangible assets and other long-term assets (gain denoted in "-")           | 處置固定資產、無形資產和其他長期資產的損失(收益以「-」填列) | -296.34                             |                                      |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 54. Items of Cash Flow Statement (Continued)

### 54. 現金流量表項目(續)

#### (2) Supplementary information to consolidated cash flows statement (Continued)

#### (2) 合併現金流量表補充資料(續)

| Items  | 項目                   | Amount for the current year<br>本年年金額 | Amount for the previous year<br>上年金額 |
|--|----------------------|--------------------------------------|--------------------------------------|
| Loss on retirement of fixed assets (gain denoted in "-")       | 固定資產報廢損失(收益以「-」填列)   | 295,697.18                           | -1,288,304.88                        |
| Loss on change in fair value (gain denoted in "-")             | 公允價值變動損失(收益以「-」填列)   |                                      |                                      |
| Financial expenses (gain denoted in "-")                       | 財務費用(收益以「-」填列)       | 131,343,044.21                       | 117,693,774.52                       |
| Investment loss (gain denoted in "-")                          | 投資損失(收益以「-」填列)       | -590,950.85                          | -673,396.83                          |
| Decrease in deferred tax assets (increase denoted in "-")      | 遞延所得稅資產的減少(增加以「-」填列) | -8,208,283.23                        | -2,168,929.34                        |
| Increase in deferred tax liabilities (decrease denoted in "-") | 遞延所得稅負債的增加(減少以「-」填列) | -333,836.98                          | -332,759.52                          |
| Decrease in inventories (increase denoted in "-")              | 存貨的減少(增加以「-」填列)      | -35,749,921.78                       | 35,613,149.33                        |
| Decrease in operating receivables (increase denoted in "-")    | 經營性應收項目的減少(增加以「-」填列) | -87,292,988.07                       | -265,979,621.55                      |
| Increase in operating payables (decrease denoted in "-")       | 經營性應付項目的增加(減少以「-」填列) | 11,009,190.37                        | 56,518,052.98                        |
| Others   | 其他                   |                                      |                                      |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 54. Items of Cash Flow Statement (Continued)

### 54. 現金流量表項目(續)

#### (2) Supplementary information to consolidated cash flows statement (Continued)

#### (2) 合併現金流量表補充資料(續)

| Items   | 項目                           | Amount for the current year<br>本年金額 | Amount for the previous year<br>上年金額 |
|---|------------------------------|-------------------------------------|--------------------------------------|
| <b>Net cash flows from operating activities</b>   | <b>經營活動產生的現金流量淨額</b>         | <b>597,236,825.75</b>               | 537,196,312.53                       |
| <b>2. Significant investment and financing activities not involving cash receipts and payments:</b> | <b>2. 不涉及現金收支的重大投資和籌資活動：</b> |                                     |                                      |
| Capital transferred from debt   | 債務轉為資本                       |                                     |                                      |
| Convertible company bonds due within 1 year   | 一年內到期的可轉換公司債券                |                                     |                                      |
| Fixed assets under finance leases   | 融資租入固定資產                     |                                     |                                      |
| <b>3. Net movement in cash and cash equivalents:</b>  | <b>3. 現金及現金等價物淨變動情況：</b>     |                                     |                                      |
| Closing balance of cash   | 現金的年末餘額                      | <b>609,751,719.08</b>               | 871,742,078.87                       |
| Less: Opening balance of cash   | 減：現金的年初餘額                    | <b>871,742,078.87</b>               | 1,036,192,605.00                     |
| More: Closing balance of cash equivalents   | 加：現金等價物的年末餘額                 |                                     |                                      |
| Less: Opening balance of cash equivalents   | 減：現金等價物的年初餘額                 |                                     |                                      |
| Net increase in cash and cash equivalents   | 現金及現金等價物淨增加額                 | <b>-261,990,359.79</b>              | -164,450,526.13                      |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 54. Items of Cash Flow Statement (Continued)

##### (3) Cash and cash equivalents

| Items  | 項目                 | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|--|--------------------|-------------------------|-------------------------|
| Cash   | 現金                 | 609,751,719.08          | 871,742,078.87          |
| Including: Cash on hand  | 其中：庫存現金            | 4,526.43                | 7,363.71                |
| Bank deposits that are readily available for payment           | 可隨時用於支付的<br>銀行存款   | 609,747,192.65          | 871,734,715.16          |
| Other monetary capitals that are readily available for payment | 可隨時用於支付的<br>其他貨幣資金 |                         |                         |
| Cash equivalents   | 現金等價物              |                         |                         |
| Including: Bond investments due within three months            | 其中：三個月內到期的債券<br>投資 |                         |                         |
| Closing balance of cash and cash equivalents                   | 年末現金和現金等價物<br>餘額   | 609,751,719.08          | 871,742,078.87          |

#### 55. Items of statement of changes in shareholders' equity: None.

#### 54. 現金流量表項目(續)

##### (3) 現金和現金等價物

#### 55. 股東權益變動表項目：無。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 56. Assets with limited ownership or use rights

#### 56. 所有權或使用權受到限制的資產

| Items<br>項目  | Closing<br>book value<br>年末賬面價值 | Reason for limitation<br>受限原因   |
|--|---------------------------------|---|
| Monetary funds<br>貨幣資金                                       | 4,000.00                        | ETC collateral, business freezes<br>ETC保證金、業務凍結   |
| Intangible Assets<br>無形資產                                    | 925,261,323.64                  | Loans pledged with the right to charge water and wastewater treatment fees – Notes (1), (4), (5) and (6)<br>以自來水收費權及污水處理費收費權質押貸款—註(1)、(4)、(5)、(6) |
| Fixed assets<br>固定資產   | 7,200,759.25                    | Loan pledged with the right to charge water and sewage treatment fees – Note (6)<br>以自來水收費權及污水處理費收費權質押貸款註(6)                                      |
| Construction in progress<br>在建工程                             | 77,549,106.60                   | Loans pledged with the right to charge water and sewage treatment fees – Note (3)<br>以自來水收費權及污水處理費收費權質押貸款—註(3)                                    |
| Long-term debt investment of the parent company<br>母公司長期股權投資 | 117,000,000.00                  | Loans pledged with the equity of Fanxing Environmental to guarantee the Company's bank loans – Note (2)<br>以所持繁星環保股權為本公司銀行貸款提供質押擔保—註(2)           |
| <b>Total<br/>合計</b>  | <b>1,127,015,189.49</b>         |   |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 56. Assets with limited ownership or use rights (Continued)

- (1) On 25 April 2018, the Company and Luzhou Rural Commercial Bank Co., Ltd. executed a fixed asset loan contract in the amount of RMB207 million, which was used for the construction of water supply infrastructure in Jiangyang District, Luzhou City. The borrowing interest rate is variable, 20% above the prime rate, and the new loan interest rate will be determined from the starting date to the date of full repayment of the principal and interest under this contract. The effective interest rate is 5.88% per annum until 30 August 2021, 4.88% per annum after August 31, 2021, and 4% per annum from 4 August 2022. The loan has a term of 9 years and is secured by the right to charge for the whole area safe water supply project in Jiangyang District, Luzhou City.

#### 56. 所有權或使用權受到限制的資產(續)

- (1) 本公司於2018年4月25日和瀘州農村商業銀行股份有限公司簽立金額為人民幣20,700萬元固定資產借款合同，本借款用於瀘州市江陽區城鎮供水基礎設施建設。借款利率採取浮動利率，在基準利率基礎上上浮20%，並自起息日起至本合同項下本息全部清償之日止如遇基準利率調整，則自下年1月1日起按合同約定的浮動比例確定新的貸款利率。2021年8月30日之前實際執行的年利率為5.88%，2021年8月31日之後實際執行的年利率為4.88%，從2022年8月4日之後執行利率為4%。借款期限9年，以瀘州市江陽區全域安全供水項目收費權作為質押。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 56. Assets with limited ownership or use rights (Continued)

- (2) On 16 August 2019, the Company executed a loan contract with Industrial and Commercial Bank of China Limited, Luzhou Branch in the amount of RMB70 million for the repayment of the previous merger and acquisition transactions paid with its own working capital. The borrowing rate is determined by the prime rate plus a floating margin, where the prime rate is the prime rate for 1-year loans (LPR) published by the National Interbank Offered Rate Center (NIBOC) on the business day prior to the drawdown date of each loan, plus 108 basis points (one basis point is 0.01%). The interest rate will be adjusted in 12-month intervals after each drawdown and will be charged in instalments. The actual interest rate is 4.93% per annum and the loan period is 7 years, with joint and several liability guarantee provided by Luzhou Xinglu Wastewater Treatment Co., Ltd. At the same time, the Ministry of Water Affairs will hold its 92.5% equity Luzhou Fanxing Environmental Development Co., Ltd. to provide a pledge guarantee.

### 56. 所有權或使用權受到限制的資產(續)

- (2) 本公司於2019年8月16日和中國工商銀行股份有限公司瀘州分行簽立金額為人民幣7,000萬元並購借款合同，本借款用於歸還前期用自有營運資金支付的並購交易款。借款利率以基準利率加浮動幅度確定，其中基準利率為每筆借款提款日前一工作日全國銀行間拆借中心公佈的1年期貸款基礎利率(LPR)，加108個基點(一個基點為0.01%)。每筆借款提款後借款利率以12個月為一期，一期一調整，分段計息。實際執行的年利率為4.93%，借款期限7年，由瀘州市興瀘污水處理有限公司提供連帶責任擔保，同時水務本部將其持有的瀘州市繁星環保發展有限公司92.5%的股權提供質押擔保。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 56. Assets with limited ownership or use rights (Continued)

- (3) On 18 January 2021, Dechang County Xinglu Water Co., Ltd. and Liangshan Rural Commercial Bank Co., Ltd. signed a fixed asset loan contract for a project amount of RMB50 million, which is used for the “Water Treatment Plant and Supporting Pipeline Network (Phase I) Project” of the PPP project for the construction of wastewater treatment and infrastructure in the industrial concentration area of Dechang County, with a floating interest rate: the LPR rate plus 123 basis points, and will be adjusted once every 12 months from the date of commencement of interest to the date of full repayment of the principal and interest under this contract, based on the LPR rate and the above-mentioned plus/minus basis points executed on the business day before the interest rate adjustment date. The interest rate adjustment date is the corresponding day of the month in which the interest rate is adjusted. If there is no corresponding day of the month, the last day of the month will be the interest rate adjustment date (5.53% per annum), and the borrowing period is 15 years. Dechang Water pledged the revenue from government viability gap subsidy, user fee revenue and operation and maintenance service fee for the full cycle from December 2035 under the Dechang County Industrial Concentration Area Sewage Treatment and Infrastructure Construction PPP Project Contract as a pledge, with the Company assuming joint and several guarantee obligations.

### 56. 所有權或使用權受到限制的資產(續)

- (3) 德昌縣興瀘水務有限公司於2021年1月18日和涼山農村商業銀行股份有限公司德昌支行簽立金額為人民幣5,000萬元項目固定資產借款合同，本借款用於德昌縣工業集中區污水處理暨基礎設施建設PPP項目「污水處理廠及配套管網(一期)工程」，借款利率為浮動利率：即LPR利率加123基點，並自起息日起至本合同項下本息全部償清之日止，每12個月根據利率調整日前一個工作日執行的LPR利率以及上述加/減基點數調整一次。利率調整日為起息日在調整當月的對應日，當月無對應日，則當月最後一日為利息調整日(執行年利率5.53%)，借款期限15年，德昌水務公司以《德昌縣工業集中區污水處理暨基礎設施建設PPP項目合同》項下至2035年12月全週期政府可行性缺口補貼收入、使用者付費收入、運營維護服務費收入作為質押，由瀘州市興瀘水務(集團)股份有限公司承擔連帶保證責任。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 56. Assets with limited ownership or use rights (Continued)

### 56. 所有權或使用權受到限制的資產(續)

- (4) On 14 January 2021, Luzhou Fanxing Environmental Development Co., Ltd. and Great Wall West China Bank Co., Ltd. Luzhou Branch executed a fixed asset loan contract in the amount of RMB60 million, which is used to pay for the loan from the related party, the interest rate of the loan is fixed at 7% per annum, and this interest rate will remain unchanged during the term of the loan, the term of the loan is 144 months, and Fanxing Environmental Development Co., Ltd. pledged the concession rights of the construction of rural and rural wastewater treatment facilities in Gulian County with Luzhou Fanxing Environmental Development Co., Ltd. (RMB150 million as the limit). Luzhou Xinglu Water (Group) Co., Ltd. provides the joint liability guarantee. On 29 January 2021, Luzhou Fanxing Environmental Development Co., Ltd. and Great Wall West China Bank Co., Ltd. Luzhou Branch executed a fixed asset loan contract in the amount of RMB14.95 million, which is used to pay for equipment projects, the interest rate of the loan is fixed at 7% per annum, and this interest rate will remain unchanged during the term of the loan, the term of the loan is 144 months, and Fanxing Environmental Development Co., Ltd. pledged the concession rights of the construction of rural and rural wastewater treatment facilities in Gulian County with Luzhou Fanxing Environmental Development Co., Ltd. (RMB150 million as the limit). Luzhou Xinglu Water (Group) Co., Ltd. provides the joint liability guarantee.

- (4) 瀘州市繁星環保發展有限公司於2021年1月14日和長城華西銀行股份有限公司瀘州分行簽立金額為人民幣6000萬元的固定資產借款合同，本借款用於支付歸墊關聯方借款，該借款利率為固定利率，年息7%，在借款期限內，此利率保持不變，借款期限為144個月，繁星環保公司以瀘州市繁星環保發展有限公司古藺縣鄉鎮和農村污水處理設施建設項目特許經營權作為質押(額度15000萬元)，由瀘州市興瀘水務(集團)股份有限公司提供連帶責任保證。瀘州市繁星環保發展有限公司於2021年1月29日和長城華西銀行股份有限公司瀘州分行簽立金額為人民幣1495萬元的固定資產借款合同，本借款用於支付設備款項目，該借款利率為固定利率，年息7%，在借款期限內，此利率保持不變，借款期限為144個月，繁星環保公司以瀘州市繁星環保發展有限公司古藺縣鄉鎮和農村污水處理設施建設項目特許經營權作為質押(額度15000萬元)，由瀘州市興瀘水務(集團)股份有限公司提供連帶責任保證。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 56. Assets with limited ownership or use rights (Continued)

- (5) On 17 July 2020, Chengdu Qingbaijiang Xinglu Water Co., Ltd. and Industrial and Commercial Bank of China Limited Qingbaijiang Sub-Branch executed a fixed asset loan contract in the amount of RMB138.8 million, the purpose of the loan under this contract is for the project construction of “European Industrial City Wastewater Purification Plant Project PPP”, the term of the loan under this contract is 15 years from the date of first drawdown under this contract. Borrowing rate = Base rate + Spread. The base rate is the LPR5Y quote applicable at the date of conversion. The interest rate spread is +25BP (4.7% p.a.), and Qingbaijiang Water uses the income receivable from the “European Industrial City Wastewater Treatment Plant Project PPP Project” of Xinglu Water as a pledge guarantee for the next 15 years.

#### 56. 所有權或使用權受到限制的資產(續)

- (5) 2020年7月17日，成都市青白江興瀘水務有限公司與中國工商銀行股份有限公司青白江支行簽立金額為13880萬元的固定資產借款合同，本合同項下借款用途為：「歐洲產業城污水淨化廠工程PPP項目」項目建設，本合同項下的借款期限為15年，自本合同項下首次提款日起算。借款利率=基準利率+利差。基準利率為：轉換日所適用的LPR5Y報價，利差為+25BP(執行年利率4.7%)，青白江水務以興瀘水務「歐洲產業城污水淨化廠工程PPP項目」未來15年的應收污水處理服務費等收入作為質押擔保。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

## 六、合併財務報表主要項目註釋(續)

### 56. Assets with limited ownership or use rights (Continued)

- (6) On 19 February 2021, Xinglu Water (Group) Weiyuan Qingxi Water Co., Ltd. borrowed RMB35 million from Sichuan Weiyuan Rural Commercial Bank Co., Ltd. with a term from 19 February 2021 to 8 February 2024. The borrowing interest rate is fixed at 5.2% per year (the actual interest rate has been changed to 4.06%), and Weiyuan Qingxi Water Service Co., Ltd. has acquired the right to charge water fees and real estate until 30 June 2035 (Certificate of Rights No.: Chuan (2021) Weiyuan County immovable property rights No. 0000360, 0000400, 0000397, 0000398, 0000396, 0000401, 0000399, 0000599, 0000598) as pledge and mortgage guarantee for the loan.

### 56. 所有權或使用權受到限制的資產(續)

- (6) 興瀘水務(集團)威遠清溪水務有限公司於2021年2月19日向四川威遠農村商業銀行股份有限公司借入人民幣3500萬元，借款期限為自2021年2月19日到2024年2月8日，借款利率為固定年利率5.2%(實際利率已變更為4.06%)，威遠水務已威遠清溪水務有限公司至2035年6月30日自來水收費權和房地產(權證號：川(2021)威遠縣不動產權第0000360號、0000400號、0000397號、0000398號、0000396號、0000401號、0000399號、0000599號、0000598號)作為貸款的質押、抵押擔保。

### 57. Monetary items in foreign currencies

### 57. 外幣貨幣性項目

| Items          | 項目    | Closing balance of foreign currency | Translation rate | Closing balance translated to RMB |
|----------------|-------|-------------------------------------|------------------|-----------------------------------|
|                |       | 年末外幣餘額                              | 折算匯率             | 年末折算人民幣餘額                         |
| Monetary funds | 貨幣資金  | 1,373,329.56                        | 0.89327          | 1,226,754.10                      |
| Including: HKD | 其中：港幣 | 1,373,329.56                        | 0.89327          | 1,226,754.10                      |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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### VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

### 六、合併財務報表主要項目註釋(續)

#### 58. Government grants

For details of government grants, see Note VI, 33 Deferred income, Note VI.46 Other income to these financial statements.

#### 58. 政府補助

政府補助詳細情況，詳見本財務報表附註六.33遞延收益，附註六.46其他收益

### VII. CHANGE IN SCOPE OF CONSOLIDATION

### 七、合併範圍的變化

1. Business combination involving entities not under common control: None.
2. Business combination involving entities under common control: None.
3. Changes in consolidation scope for other reason: Litang County Xinglu Water Co., Ltd. newly established this year.

1. 非同一控制下企業合併：無。
2. 同一控制下企業合併：無。
3. 其他原因的合併範圍變動：本年新設理塘縣興瀘水務有限公司。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## VIII. INTERESTS IN OTHER ENTITIES

## 八、在其他主體中的權益

### 1. Interests in subsidiaries

### 1. 在子公司中的權益

#### (1) Composition of enterprise group

#### (1) 企業集團的構成

| Name of subsidiary<br>子公司名稱  | Name of principal business place<br>主要經營地 | Place of registration<br>註冊地 | Category of legal person<br>法人類別    | Registered                         | Nature of business<br>業務性質                | Shareholding ratio (%)<br>持股比例(%) |                | Method for acquisition<br>取得方式                                     |
|------------------------------|---|------------------------------|-------------------------------------|------------------------------------|---|-----------------------------------|----------------|--|
|                              |   |                              |                                     | capital<br>(RMB10,000)<br>註冊資本(萬元) |   | Direct<br>直接                      | Indirect<br>間接 |  |
| Hejiang Water<br>合江水業        | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 11,693.95                          | Water supply<br>供水                        | 79.83                             |                | Business combination not under common control<br>非同一控制下企業合併        |
| Crystal Trading<br>水晶商貿      | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 52.00                              | Trading<br>貿易                             | 100.00                            |                | Establishment<br>設立  |
| Nanjiao Water<br>南郊水業        | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 976.60                             | Water supply<br>供水                        | 99.53                             |                | Business combination not under common control<br>非同一控制下企業合併        |
| Beijiao Water<br>北郊水業        | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 4,390.94                           | Water supply<br>供水                        | 98.41                             |                | From business combination not under common control<br>非同一控制下企業合併取得 |
| Sitong Engineering<br>四通工程   | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 501.00                             | Construction work<br>工程施工                 | 100.00                            |                | From business combination not under common control<br>非同一控制下企業合併取得 |
| Zhuihui Technology<br>智慧科技   | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 500.00                             | Software development and sales<br>軟件研發及銷售 |                                   | 35.00          | Establishment<br>設立  |
| Sitong Design<br>四通設計        | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 50.00                              | Technology service<br>技術服務                | 99.82                             |                | From business combination not under common control<br>非同一控制下企業合併取得 |
| Weiyuan Water<br>威遠水務        | Neijiang, Sichuan<br>四川內江                 | Neijiang, Sichuan<br>四川內江    | Limited liability company<br>有限責任公司 | 1,760.00                           | Water supply<br>供水                        | 60.00                             |                | From business combination not under common control<br>非同一控制下企業合併取得 |
| Weiyuan Installation<br>威遠安裝 | Neijiang, Sichuan<br>四川內江                 | Neijiang, Sichuan<br>四川內江    | Limited liability company<br>有限責任公司 | 500.00                             | Pipeline installation<br>管道安裝             | 60.00                             |                | From business combination not under common control<br>非同一控制下企業合併取得 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 1. Interests in subsidiaries (Continued)

### 1. 在子公司中的權益(續)

#### (1) Composition of enterprise group (Continued)

#### (1) 企業集團的構成(續)

| Name of subsidiary<br>子公司名稱         | Name of principal business place<br>主要經營地 | Place of registration<br>註冊地 | Category of legal person<br>法人類別    | Registered                         | Nature of business<br>業務性質   | Shareholding ratio (%)<br>持股比例(%) |                | Method for acquisition<br>取得方式                                     |
|-------------------------------------|---|------------------------------|-------------------------------------|------------------------------------|------------------------------|-----------------------------------|----------------|--|
|                                     |   |                              |                                     | capital<br>(RMB10,000)<br>註冊資本(萬元) |                              | Direct<br>直接                      | Indirect<br>間接 |  |
| Xingxu Water<br>興叙水業                | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 1,000.00                           | Water supply<br>供水           | 60.00                             |                | Establishment<br>設立  |
| Xinglu Wastewater<br>興瀘污水           | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 26,840.82                          | Wastewater treatment<br>污水處理 | 98.00                             |                | Transfer<br>劃撥   |
| Xinghe Water Environment<br>興合水環境   | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 6,000.00                           | Wastewater treatment<br>污水處理 |                                   | 51.00          | Establishment<br>設立  |
| Fanxing Environmental<br>繁星環保       | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 11,994.64                          | Wastewater treatment<br>污水處理 | 92.50                             |                | From business combination not under common control<br>非同一控制下企業合併取得 |
| Yongxing Water Environment<br>永星水環境 | Luzhou, Sichuan<br>四川瀘州                   | Luzhou, Sichuan<br>四川瀘州      | Limited liability company<br>有限責任公司 | 1,000.00                           | Wastewater treatment<br>污水處理 |                                   | 55.00          | Establishment<br>設立  |
| Xingjia Environmental<br>興嘉環保       | Leshan, Sichuan<br>四川樂山                   | Leshan, Sichuan<br>四川樂山      | Limited liability company<br>有限責任公司 | 3,840.41                           | Wastewater treatment<br>污水處理 | 95.00                             |                | Establishment<br>設立得   |
| Leibo Water<br>雷波水務                 | Liangshan, Sichuan<br>四川涼山                | Liangshan, Sichuan<br>四川涼山   | Limited liability company<br>有限責任公司 | 6,000.00                           | Water supply<br>供水           | 50.98                             |                | Establishment<br>設立  |
| Dechang Water<br>德昌水務               | Liangshan, Sichuan<br>四川涼山                | Liangshan, Sichuan<br>四川涼山   | Limited liability company<br>有限責任公司 | 1,773.91                           | Water supply<br>供水           | 88.00                             |                | Establishment<br>設立  |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES 八、在其他主體中的權益(續) (Continued)

### 1. Interests in subsidiaries (Continued)

#### (1) Composition of enterprise group (Continued)

| Name of subsidiary<br>子公司名稱 | Name of principal business place<br>主要經營地 | Place of registration<br>註冊地 | Category of legal person<br>法人類別 | Registered capital       | Nature of business<br>業務性質 | Shareholding ratio (%)<br>持股比例(%) |                | Method for acquisition<br>取得方式 |
|-----------------------------|---|------------------------------|----------------------------------|--------------------------|----------------------------|-----------------------------------|----------------|--------------------------------|
|                             |   |                              |                                  | (RMB10,000)<br>註冊資本金(萬元) |                            | Direct<br>直接                      | Indirect<br>間接 |                                |
| Qingbaijiang Water          | Chengdu, Sichuan                          | Chengdu, Sichuan             | Limited liability company        | 3,471.14                 | Water supply               | 99.90                             |                | Establishment                  |
| 青白江水務                       | 四川成都                                      | 四川成都                         | 有限責任公司                           |                          | 供水                         |                                   |                | 設立                             |
| Litang Water                | Ganzi, Sichuan                            | Ganzi, Sichuan               | Limited liability company        | 4,819.29                 | Wastewater treatment       | 89.90                             |                | Establishment                  |
| 理塘水務                        | 四川甘孜                                      | 四川甘孜                         | 有限責任公司                           |                          | 污水處理                       |                                   |                | 設立                             |

\* On 22 January 2020, Sitong Engineering established Zhihui Water Science and Technology Co., Ltd. together with Jiangyang Huakong Habitat Water Supply Technology Service Co., Ltd., Suzhou Huakong Qingyuan System Technology Co., Ltd. and Fuzhou Beikong Zerun Holding Investment Partnership (Limited Partnership). Zhihui Technology has a registered capital of RMB5,000,000, of which: Sitong Engineering has contributed RMB1.7500 million to hold 35.00% equity interest in Zhihui Technology; Jiangyang Huakong Habitat Water Supply Technology Service Co. Ltd. contributed RMB1.500 million to hold 30.00% equity interest; Suzhou Huakong Qingyuan System Technology Co., Ltd. contributed RMB1.2500 million to hold 25.00% equity interest; Fuzhou Beikong Zerun Holding Investment Partnership (Limited Partnership) contributed RMB0.500 million to hold 10.00% equity interest. Sitong Engineering entered into a unified action agreement with Suzhou Huakong Qingyuan System Technology Co., Ltd. and Fuzhou Beikong Zerun Holding Investment Partnership (Limited Partnership). The agreement enables Sitong Engineering to take control of Zhihui Technology and bring it into the scope of consolidation from 2020.

\* 2020年1月22日，四通工程與江陽華控人居供水技術服務有限公司、蘇州華控清源系統科技股份有限公司和福州北控澤潤控股投資合夥企業(有限合夥)共同成立瀘州市興瀘智慧水務科技有限責任公司。智慧科技註冊資本500.00萬元，其中：四通工程出資175.00萬元，持有智慧科技35.00%股權；江陽華控人居供水技術服務有限公司出資150.00萬元，持有30.00%股權；蘇州華控清源系統科技股份有限公司出資125.00萬元，持有智慧科技25.00%股權；福州北控澤潤控股投資合夥企業(有限合夥)出資50.00萬元，持有智慧科技10.00%股權。四通工程與蘇州華控清源系統科技股份有限公司和福州北控澤潤控股投資合夥企業(有限合夥)簽訂一致行動協議書，能夠實現對智慧科技的控制，自2020年將其納入合併範圍。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 1. Interests in subsidiaries (Continued)

### 1. 在子公司中的權益(續)

#### (2) Significant non-wholly owned subsidiaries

#### (2) 重要的非全資子公司

| Name of subsidiary       | 子公司名稱 | Shareholding of minority shareholders (%) | 少數股東持股比例(%)   | Profits and  | Dividends   | Balance of minority interests at the end of the period | 期末少數股東權益餘額 |
|--------------------------|-------|---|---------------|--|---|--|------------|
|                          |       |   |               | losses attributed to minority shareholders in the current period | declared to minority shareholders during the current period |  |            |
|                          |       | 少數股東                                      | 少數股東的損益       | 本期歸屬於少數股東的損益   | 本期向少數股東宣告分派的股利  |  |            |
| Xinglu Wastewater        | 興瀘污水  | 2.00                                      | 3,121,237.62  |  |   | 21,150,861.54  |            |
| Xinghe Water Environment | 興合水環境 | 49.00                                     | -1,427,026.77 |  |   | 35,149,390.49  |            |
| Fanxing Environmental    | 繁星環保  | 7.50                                      | 936,500.49    |  |   | 13,168,359.07  |            |
| Zihui Technology         | 智慧科技  | 65.00                                     | 478,442.15    |  |   | 4,258,914.97   |            |
| Beijiao Water            | 北郊水業  | 1.58                                      | 13,922.88     |  |   | 2,145,292.33   |            |
| Hejiang Water            | 合江水業  | 20.17                                     | -187,368.64   |  |   | 47,344,599.07  |            |
| Xingxu Water             | 興歙水業  | 40.00                                     | 1,496,319.03  |  |   | 5,884,395.24   |            |
| Qingbaijiang Water       | 青白江水務 | 0.10                                      | 1,064.27      |  |   | 35,999.41  |            |
| Dechang Water            | 德昌水務  | 12.00                                     | -9,189.42     |  |   | 2,112,568.33   |            |
| Weiyuan Water            | 威遠水務  | 40.00                                     | 14,676,336.96 |  |   | 38,523,058.80  |            |
| Leibo Water              | 雷波水務  | 49.00                                     | 232,236.76    |  |   | 20,115,288.71  |            |
| Weiyuan Installation     | 威遠安裝  | 40.00                                     | 399,602.43    |  |   | 11,179,281.93  |            |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 1. Interests in subsidiaries (Continued)

### 1. 在子公司中的權益(續)

#### (3) Key financial information of significant non-wholly owned subsidiaries

#### (3) 重要非全資子公司的主要財務信息

| Name of subsidiary       | 子公司名稱 | Closing balance |                    |                  |                     |                         | Total liabilities |
|--------------------------|-------|-----------------|--------------------|------------------|---------------------|-------------------------|-------------------|
|                          |       | Current assets  | Non-current assets | Total assets     | Current liabilities | Non-current liabilities |                   |
|                          |       | 流動資產            | 非流動資產              | 資產合計             | 流動負債                | 非流動負債                   | 負債合計              |
| Xinglu Wastewater        | 興瀘污水  | 530,091,934.22  | 1,575,496,245.21   | 2,105,588,179.43 | 231,117,204.00      | 791,115,634.73          | 1,022,232,838.73  |
| Xinghe Water Environment | 興合水環境 | 59,852,767.94   | 146,039,424.66     | 205,892,192.60   | 78,408,235.86       |                         | 78,408,235.86     |
| Fanxing Environmental    | 繁星環保  | 85,768,899.78   | 290,548,666.46     | 376,317,566.24   | 100,619,594.33      | 121,038,877.29          | 221,658,471.62    |
| Zhihui Technology        | 智慧科技  | 14,346,689.31   | 490,845.72         | 14,837,535.03    | 8,285,358.16        |                         | 8,285,358.16      |
| Beijiao Water            | 北郊水業  | 71,617,090.40   | 73,361,994.95      | 144,979,085.35   | 9,201,090.11        |                         | 9,201,090.11      |
| Hejiang Water            | 合江水業  | 93,290,205.20   | 444,759,467.30     | 538,049,672.50   | 68,115,714.45       | 235,587,003.53          | 303,702,717.98    |
| Xingxu Water             | 興歙水業  | 7,299,231.04    | 11,473,480.63      | 18,772,711.67    | 4,061,723.58        |                         | 4,061,723.58      |
| Qingbaijiang Water       | 青白江水務 | 42,619,872.33   | 13,550,604.95      | 178,170,477.28   | 61,065,682.08       | 81,093,990.49           | 142,159,672.57    |
| Dechang Water            | 德昌水務  | 6,313,261.68    | 77,571,277.95      | 83,884,539.63    | 24,679,907.73       | 41,599,895.82           | 66,279,803.55     |
| Weiyuan Water            | 威遠水務  | 68,062,923.93   | 124,200,694.52     | 192,263,618.45   | 83,976,539.10       | 11,250,000.00           | 95,226,539.10     |
| Leibo Water              | 雷波水務  | 26,949,986.46   | 26,200,842.65      | 53,150,829.11    | 12,114,530.35       |                         | 12,114,530.35     |
| Weiyuan Installation     | 威遠安裝  | 28,630,879.23   | 193,161.65         | 28,824,040.88    | 875,836.03          |                         | 875,836.03        |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 1. Interests in subsidiaries (Continued)

### 1. 在子公司中的權益(續)

#### (3) Key financial information of significant non-wholly owned subsidiaries (Continued)

#### (3) 重要非全資子公司的主要財務信息(續)

(Continued)

(續表)

| Name of subsidiary       | 子公司名稱 | Current assets | Non-current assets | Opening balance  |                     |                         | Total liabilities |
|--------------------------|-------|----------------|--------------------|------------------|---------------------|-------------------------|-------------------|
|                          |       |                |                    | Total assets     | Current liabilities | Non-current liabilities |                   |
|                          |       | 流動資產           | 非流動資產              | 資產合計             | 流動負債                | 非流動負債                   | 負債合計              |
| Xinglu Wastewater        | 興瀘污水  | 528,416,119.56 | 1,281,397,239.78   | 1,809,813,359.34 | 214,676,437.37      | 664,454,886.38          | 879,131,323.75    |
| Xinghe Water Environment | 興合水環境 | 48,819,294.06  | 94,761,104.94      | 143,580,399.00   | 49,740,837.67       | 10,000,000.00           | 59,740,837.67     |
| Fanxing Environmental    | 繁星環保  | 60,516,330.24  | 287,985,907.92     | 348,502,238.16   | 71,277,749.24       | 134,974,811.07          | 206,252,560.31    |
| Zhihui Technology        | 智慧科技  | 15,158,818.49  | 32,009.88          | 15,190,828.37    | 9,374,716.35        |                         | 9,374,716.35      |
| Beijiao Water            | 北郊水業  | 64,458,498.52  | 81,228,079.02      | 145,686,577.54   | 10,789,776.95       |                         | 10,789,776.95     |
| Hejiang Water            | 合江水業  | 82,847,206.88  | 448,226,452.39     | 531,073,659.27   | 50,494,479.34       | 245,678,112.89          | 296,172,592.23    |
| Xingxu Water             | 興敘水業  | 5,713,109.15   | 12,360,407.24      | 18,073,516.39    | 7,239,097.19        |                         | 7,239,097.19      |
| Qingbaijiang Water       | 青白江水務 | 23,811,049.46  | 140,598,444.87     | 164,409,494.33   | 52,426,114.32       | 77,036,844.49           | 129,462,958.81    |
| Dechang Water            | 德昌水務  | 6,762,953.27   | 52,399,019.86      | 59,161,973.13    | 10,680,658.57       | 30,800,000.00           | 41,480,658.57     |
| Weiyuan Water            | 威遠水務  | 59,705,610.21  | 125,264,566.69     | 184,970,176.90   | 92,716,540.94       | 32,000,000.00           | 124,716,540.94    |
| Leibo Water              | 雷波水務  | 24,296,878.19  | 27,355,164.79      | 51,652,042.98    | 11,066,833.56       | 39,917.00               | 11,106,750.56     |
| Weiyuan Installation     | 威遠安裝  | 27,629,098.52  | 232,878.84         | 27,861,977.36    | 912,778.59          |                         | 912,778.59        |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 1. Interests in subsidiaries (Continued)

### 1. 在子公司中的權益(續)

#### (3) Key financial information of significant non-wholly owned subsidiaries (Continued)

#### (3) 重要非全資子公司的主要財務信息(續)

(Continued)

(續表)

| Name of subsidiary       | 子公司名稱 | Amount incurred in the current year |                |                            | Cash flows from operating activities |
|--------------------------|-------|-------------------------------------|----------------|----------------------------|--------------------------------------|
|                          |       | Operating income                    | Net profit     | Total comprehensive income |                                      |
|                          |       | 經營收入                                | 淨利潤            | 綜合收益總額                     | 經營活動現金流量                             |
| Xinglu Wastewater        | 興瀘污水  | 421,860,953.09                      | 156,061,880.98 | 156,061,880.98             | 317,280,950.03                       |
| Xinghe Water Environment | 興合水環境 | 29,061,102.66                       | -4,104,189.73  | -4,104,189.73              | 31,040,026.22                        |
| Fanxing Environmental    | 繁星環保  | 76,230,640.34                       | 12,486,673.21  | 12,486,673.21              | 15,517,128.20                        |
| Zhihui Technology        | 智慧科技  | 11,693,276.86                       | 736,064.85     | 736,064.85                 | -3,365,952.87                        |
| Beijiao Water            | 北郊水業  | 33,427,934.02                       | 881,194.65     | 881,194.65                 | 3,631,999.69                         |
| Hejiang Water            | 合江水業  | 73,105,849.03                       | -928,947.15    | -928,947.15                | 25,934,235.17                        |
| Xingxu Water             | 興歙水業  | 11,447,232.79                       | 3,740,797.57   | 3,740,797.57               | 6,640,016.81                         |
| Qingbaijiang Water       | 青白江水務 | 25,681,072.97                       | 1,064,269.19   | 1,064,269.19               | -3,928,793.24                        |
| Dechang Water            | 德昌水務  |                                     | -76,578.48     | -76,578.48                 |                                      |
| Weiyuan Water            | 威遠水務  | 81,349,130.30                       | 36,690,842.40  | 36,690,842.40              | 40,894,918.76                        |
| Leibo Water              | 雷波水務  | 9,828,193.85                        | 473,952.57     | 473,952.57                 | -38,534.05                           |
| Weiyuan Installation     | 威遠安裝  |                                     | 999,006.08     | 999,006.08                 | -88,873.04                           |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 1. Interests in subsidiaries (Continued)

### 1. 在子公司中的權益(續)

#### (3) Key financial information of significant non-wholly owned subsidiaries (Continued)

#### (3) 重要非全資子公司的主要財務信息(續)

(Continued)

(續表)

| Name of subsidiary       | 子公司名稱 | Amount incurred in the previous year<br>上年發生額 |                   |                                      |  |
|--------------------------|-------|---|-------------------|--------------------------------------|--|
|                          |       | Operating income<br>經營收入                      | Net profit<br>淨利潤 | Total comprehensive income<br>綜合收益總額 | Cash flows from operating activities<br>經營活動現金流量 |
| Xinglu Wastewater        | 興瀘污水  | 393,270,702.56                                | 95,927,799.02     | 95,927,799.02                        | 176,102,667.45                                   |
| Xinghe Water Environment | 興合水環境 | 42,011,075.67                                 | 9,448,271.63      | 9,448,271.63                         | 2,592,855.18                                     |
| Fanxing Environmental    | 繁星環保  | 60,845,549.02                                 | 7,869,139.60      | 7,869,139.60                         | 23,483,001.47                                    |
| Zhuihui Technology       | 智慧科技  | 12,314,757.31                                 | 674,644.58        | 674,644.58                           | 745,991.44                                       |
| Beijiao Water            | 北郊水業  | 47,764,837.75                                 | 2,931,697.56      | 2,931,697.56                         | 14,963,919.63                                    |
| Hejiang Water            | 合江水業  | 80,286,732.72                                 | 16,236,697.43     | 16,236,697.43                        | 27,752,911.44                                    |
| Xingxu Water             | 興歙水業  | 7,597,198.66                                  | 1,752,245.52      | 1,752,245.52                         | 2,820,406.52                                     |
| Qingbaijiang Water       | 青白江水務 | 15,233,097.01                                 | 648,687.00        | 648,687.00                           | -6,516,142.03                                    |
| Dechang Water            | 德昌水務  |   | -35,890.44        | -35,890.44                           |  |
| Weiyuan Water            | 威遠水務  | 61,122,733.79                                 | 20,047,049.78     | 20,047,049.78                        | 31,756,566.41                                    |
| Leibo Water              | 雷波水務  | 10,153,597.94                                 | 830,789.73        | 830,789.73                           | 2,230,096.57                                     |
| Weiyuan Installation     | 威遠安裝  | 418,008.33                                    | 566,980.08        | 566,980.08                           | -887,998.21                                      |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 2. Interests in joint ventures or associates

### 2. 在合營企業或聯營企業中的權益

#### (1) Joint ventures or associates

#### (1) 合營企業或聯營企業

| Name of joint ventures or associates<br>合營企業或聯營企業名稱   | Name of principal<br>business place<br>主要經營地 | Place of<br>registration<br>註冊地 | Nature of<br>business<br>業務性質       | Shareholding<br>ratio (%)<br>持股比例% |                | Accounting method for<br>investment in joint venture<br>or associates<br>對合營企業或聯營企業<br>投資的會計處理方法 |
|---|--|---------------------------------|-------------------------------------|------------------------------------|----------------|--|
|   |  |                                 |                                     | Direct<br>直接                       | Indirect<br>間接 |  |
| Sichuan Xiangjiaba Irrigation Construction and<br>Development Co., Ltd.<br>四川省向家壩灌區建設開發有限責任公司 | Yibin, Sichuan<br>四川宜賓                       | Yibin, Sichuan<br>四川宜賓          | Engineering<br>construction<br>工程建設 | 12.72                              |                | Accounted under equity method<br>權益法核算   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 2. Interests in joint ventures or associates (Continued)

### 2. 在合營企業或聯營企業中的權益(續)

#### (2) Main financial information of associates

#### (2) 聯營企業的主要財務信息

| Items  | 項目              | Closing balance/<br>amount incurred in<br>the current year<br>年末餘額/<br>本年發生額                               | Opening balance/<br>amount incurred in<br>the previous year<br>年初餘額/<br>上年發生額                              |
|--|-----------------|--|--|
|  |                 | Sichuan Xiangjiaba<br>Irrigation<br>Construction<br>and Development<br>Co., Ltd.<br>四川省向家壩灌區<br>建設開發有限責任公司 | Sichuan Xiangjiaba<br>Irrigation<br>Construction<br>and Development<br>Co., Ltd.<br>四川省向家壩灌區<br>建設開發有限責任公司 |
| Current assets   | 流動資產            | 1,025,663,265.65   | 1,237,235,232.49   |
| Including: Cash and cash equivalent                          | 其中：現金和現金等價物     | 791,970,473.92   | 714,177,449.49   |
| Non-current assets   | 非流動資產           | 3,656,593,332.00   | 2,111,328,925.53   |
| Total assets   | 資產合計            | 4,682,256,597.65   | 3,348,564,158.02   |
| Current liabilities  | 流動負債            | 554,762,832.18   | 268,552,707.05   |
| Non-current liabilities                                      | 非流動負債           | 2,425,643.91   | 2,589,498.15   |
| Total liabilities  | 負債合計            | 557,188,476.09   | 271,142,205.20   |
| Minority shareholders' equity                                | 少數股東權益          |  |  |
| Equity attributable to shareholders of<br>the parent company | 歸屬於母公司股東權益      | 4,125,068,121.56   | 3,077,421,952.82   |
| Share of net assets based on percentage<br>of shareholding*  | 按持股比例計算的淨資產份額*  | 524,708,665.06   | 391,448,072.40   |
| Adjustments  | 調整事項            |  |  |
| - Goodwill   | - 商譽            |  |  |
| - Unrealised profits from internal transactions              | - 內部交易未實現利潤     |  |  |
| - Others   | - 其他            |  |  |
| Book value of equity investments in associates*              | 對聯營企業權益投資的賬面價值* | 55,866,560.33  | 55,275,609.48  |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## VIII. INTERESTS IN OTHER ENTITIES (Continued)

## 八、在其他主體中的權益(續)

### 2. Interests in joint ventures or associates (Continued)

### 2. 在合營企業或聯營企業中的權益(續)

#### (2) Main financial information of associates (Continued)

#### (2) 聯營企業的主要財務信息(續)

| Items   | 項目                   | Closing balance/<br>amount incurred in<br>the current year<br>年末餘額/<br>本年發生額                               | Opening balance/<br>amount incurred in<br>the previous year<br>年初餘額/<br>上年發生額                              |
|---|----------------------|--|--|
|   |                      | Sichuan Xiangjiaba<br>Irrigation<br>Construction<br>and Development<br>Co., Ltd.<br>四川省向家壩灌區<br>建設開發有限責任公司 | Sichuan Xiangjiaba<br>Irrigation<br>Construction<br>and Development<br>Co., Ltd.<br>四川省向家壩灌區<br>建設開發有限責任公司 |
| Fair value of equity investments in associates where publicly quoted prices exist | 存在公開報價的聯營企業權益投資的公允價值 |  |  |
| Operating revenue   | 營業收入                 |  |  |
| Finance costs   | 財務費用                 | -10,912,957.18   | -8,588,952.69  |
| Income tax expense  | 所得稅費用                | 4,343,035.22   | 1,213,560.08   |
| Net profit  | 淨利潤                  | 4,646,168.74   | 5,294,000.24   |
| Net profit from discontinued operations   | 終止經營的淨利潤             |  |  |
| Other comprehensive income  | 其他綜合收益               |  |  |
| Total comprehensive income  | 綜合收益總額               | 4,646,168.74   | 5,294,000.24   |
| Dividends received from associates during the current year                        | 本年度收到的來自聯營企業的股利      |  |  |

\*Note: The carrying value of the Company's equity investment in the associate has been based on the Company's actual capital contribution and the Company's proportionate share of the investee's retained earnings, as the net assets of Sichuan Xiangjiaba Irrigation Construction and Development Co. Ltd. include dedicated financial inputs from the central and local governments.

\*註：基於四川省向家壩灌區建設開發有限責任公司淨資產中包含中央和地方的財政專項投入，本公司一直以來對該聯營企業權益投資的賬面價值按本公司的實際出資和按持股比例享有的該被投資單位的留存收益進行確認。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IX. RISKS RELATING TO FINANCIAL INSTRUMENTS

The Group's major financial instruments include borrowings, receivables, payables, etc. For details of each financial instrument, please refer to Note VI, Notes to the Key Items in the Consolidated Financial Statements. The risks associated with such financial instruments and the risk management policies adopted by the Group to mitigate such risks as stated below. The management of the Group manages and monitors such risk exposures to ensure that such risks are contained within a prescribed scope.

### 1. Objective and policies of risk management

The Group engages in risk management with the aim of achieving an appropriate balance between risk and return, where the negative effects of risks against the Group's operating results are minimised, with a view to maximise the benefits of shareholders and other stakeholders. Based on such objective of risk management, the underlying strategy of the Group's risk management is to ascertain and analyse all types of risks exposures of the Group, establish appropriate risk tolerance thresholds, carry out risk management procedures and perform risk monitoring on all kinds of risks in a timely and reliable manner, thus containing risk exposures within a prescribed scope.

## 九、與金融工具相關風險

本集團的主要金融工具包括借款、應收款項、應付款項等，各項金融工具的詳細情況說明見本附註六、合併財務報表主要項目註釋。與這些金融工具有關的風險，以及本集團為降低這些風險所採取的風險管理政策如下所述。本集團管理層對這些風險敞口進行管理和監控以確保將上述風險控制在限定的範圍之內。

### 1. 各類風險管理目標和政策

本集團進行風險管理的目標是在風險和收益之間取得適當的平衡，將風險對本集團經營業績的負面影響降低到最低水平，使股東及其它權益投資者的利益最大化。基於該風險管理目標，本集團風險管理的基本策略是確定和分析本集團所面臨的各種風險，建立適當的風險承受底線並進行風險管理，並及時可靠地對各種風險進行監督，將風險控制在限定的範圍之內。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

#### 1. Objective and policies of risk management (Continued)

##### (1) Market risks

##### 1) Interest rate risk

The Group's interest rate risk arises from interest-bearing debt such as bank borrowings. Financial liabilities with floating interest rates expose the Group to cash flow interest rate risk and financial liabilities with fixed interest rates expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed rate and variable rate contracts based on prevailing market conditions. As of the end of the year, the Group's interest-bearing debts were mainly RMB-denominated fixed-rate borrowing contracts and floating-rate borrowing contracts, as described in the items "VI.20. Short-term borrowings", "VI.26. Non-current liabilities due within one year", "VI.28. Long-term borrowings", "VI.29. Bonds payable" and "VI.31. Long-term payables" in this note.

### 九、與金融工具相關風險(續)

#### 1. 各類風險管理目標和政策(續)

##### (1) 市場風險

##### 1) 利率風險

本集團的利率風險產生於銀行借款等帶息債務。浮動利率的金融負債使本集團面臨現金流量利率風險，固定利率的金融負債使本集團面臨公允價值利率風險。本集團根據當時的市場環境來決定固定利率及浮動利率合同的相對比例。截止本年末，本集團的帶息債務主要為人民幣計價的固定利率借款合同和浮動利率借款合同，詳見本附註「六、20.短期借款」、「六、26.一年內到期的非流動負債」、「六、28.長期借款」、「六、29.應付債券」、「六、31.長期應付款」項目的說明。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

### 1. Objective and policies of risk management (Continued)

#### (1) Market risks (Continued)

##### 2) Price risk

The Group's revenue is calculated on the basis of the unit price agreed between the customer's actual usage or guaranteed volume and the relevant government departmental agreement and is derived from revenue from the sale of tap water and service charges for the provision of sewage treatment, etc. Although the Group is eligible to apply for unit price adjustments under the relevant agreements, government departments may exercise discretionary or restrictive powers not to increase or even to reduce the unit prices. In addition, the Group provides construction and installation services and purchases raw materials for production at market prices, which may be affected by market fluctuations.

##### 3) Credit risk

As at the end of the year, the largest credit risk exposure that might induce financial loss of the Group was mainly attributable to contractual counterparty's non-performance of its obligations which could lead to losses in financial assets of the Group, particularly, the book value of financial assets recognised in the balance sheet.

## 九、與金融工具相關風險(續)

### 1. 各類風險管理目標和政策(續)

#### (1) 市場風險(續)

##### 2) 價格風險

本集團收入按照客戶實際用量或保底量與政府部門相關協議同意的單價進行計算，來源於自來水的銷售收入及提供污水處理等收取的服務費。雖然本集團按照相關協議有資格申請對單價進行調整，但政府部門可行使酌情決定權或限制權，不上漲，甚至下調單價。此外，本集團提供建築安裝服務以及以市場價格採購生產所需原料，價格可能受到市場波動的影響。

##### 3) 信用風險

於本年末，可能引起本集團財務損失的最大信用風險敞口主要來自於合同另一方未能履行義務而導致本集團金融資產產生的損失，具體為資產負債表中已確認的金融資產的賬面金額。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

### 1. Objective and policies of risk management (Continued)

#### (1) Market risks (Continued)

##### 3) Credit risk (Continued)

In order to mitigate credit risk, the Group carried out monitoring procedures to ensure necessary measures are adopted to recover overdue debts. Besides, the Group reviews the recoverability of individual receivables at each balance sheet date, to ensure that sufficient provisions for bad debts have been made for irrecoverable amounts. As such, the management of the Group believes the credit risk assumed by the Group has been significantly reduced.

The Group places its liquidity in banks with relatively high credit ratings, therefore, the credit risk with respect to liquidity is low.

The Group's major customers are government departments and state-owned enterprises, and the Group has adopted the necessary policies to ensure that all sales customers have a good credit history and therefore the credit risk on receivables is relatively low. At the end of the year, the Group had no other significant credit risk exposure against its top five customers.

## 九、與金融工具相關風險(續)

### 1. 各類風險管理目標和政策(續)

#### (1) 市場風險(續)

##### 3) 信用風險(續)

為降低信用風險，本集團執行監控程序以確保採取必要的措施回收過期債權。此外，本集團於每個資產負債表日審核每一單項應收款的回收情況，以確保就無法回收的款項計提充分的壞賬準備。因此，本集團管理層認為本集團所承擔的信用風險已經大為降低。

本集團的流動資金存放在信用評級較高的銀行，故流動資金的信用風險較低。

本集團的主要客戶為政府部門和國有企業，同時本集團也採用了必要的政策確保所有銷售客戶均具有良好的信用記錄，故應收賬款的信用風險較低。年末，本集團針對前五名客戶並無其他重大信用風險。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

#### 1. Objective and policies of risk management (Continued)

##### (1) Market risks (Continued)

##### 4) Liquidity risk

Liquidity risk is the risk that the Group is unable to discharge its financial obligations when due. The Group manages its liquidity risk to ensure that it has adequate liquidity to serve the debts as they fall due, thus avoiding unacceptable loss or damage to the reputation of the Group. Analysis on liability structure and maturity is carried out on a regular basis by the Group to ensure adequate liquidity. The management of the Group monitors the utilisation of bank loans to ensure that the borrowing agreements are complied with. Meanwhile, in order to minimize liquidity risk, the Group negotiates with financial institutions to maintain certain facilities.

### 九、與金融工具相關風險(續)

#### 1. 各類風險管理目標和政策(續)

##### (1) 市場風險(續)

##### 4) 流動風險

流動風險為本集團在到期日無法履行其財務義務的風險。本集團管理流動性風險的方法是確保有足夠的資金流動性來履行到期債務，而不至於造成不可接受的損失或對企業信譽造成損害。本集團定期分析負債結構和期限，以確保有充裕的資金。本集團管理層對銀行借款的使用情況進行監控並確保遵守借款協議。同時與金融機構進行融資磋商，以保持一定的授信額度，減低流動性風險。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

## 九、與金融工具相關風險(續)

### 1. Objective and policies of risk management (Continued)

### 1. 各類風險管理目標和政策(續)

#### (1) Market risks (Continued)

#### (1) 市場風險(續)

##### 4) Liquidity risk (Continued)

##### 4) 流動風險(續)

An analysis of the Group's financial liabilities held at the end of the year, based on the maturity of the undiscounted residual contractual obligations, is as follows:

年末本集團持有的金融負債按未折現剩餘合同義務的到期期限分析如下：

| Items                                       | 項目          | Within 1 year<br>一年以內 | 1 to 2 years<br>一到二年 | 2 to 5 years<br>二到五年 | More than 5 years<br>五年以上 | Total<br>合計      |
|---|-------------|-----------------------|----------------------|----------------------|---------------------------|------------------|
| <b>Financial liabilities</b>                | <b>金融負債</b> |                       |                      |                      |                           |                  |
| Short-term borrowings                       | 短期借款        | 160,126,077.78        |                      |                      |                           | 160,126,077.78   |
| Accounts payable                            | 應付帳款        | 376,116,721.12        |                      |                      |                           | 376,116,721.12   |
| Other payables                              | 其他應付款       | 228,891,609.61        |                      |                      |                           | 228,891,609.61   |
| Employee compensation payable               | 應付職工薪酬      | 44,148,243.40         |                      |                      |                           | 44,148,243.40    |
| Non-current liabilities due within one year | 一年內到期的非流動負債 | 216,716,528.40        |                      |                      |                           | 216,716,528.40   |
| Long-term borrowings                        | 長期借款        |                       | 526,907,996.86       | 895,452,192.66       | 787,777,679.47            | 2,210,137,868.99 |
| Long-term payables                          | 長期應付款       |                       | 28,915,425.25        | 202,767,356.68       | 871,935,527.78            | 1,103,618,309.71 |
| Bonds payable                               | 應付債券        |                       | 108,366,500.00       |                      |                           | 108,366,500.00   |

### 2. Capital Management

### 2. 資本管理

The primary objective of the Group's capital management is to ensure the Group's ability to continue as a going concern and to maintain healthy capital ratios to support business development and maximize shareholder value.

本集團資本管理的主要目標是確保本集團持續經營的能力，並保持健康的資本比率，以支持業務發展並使股東價值最大化。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

### 2. Capital Management (Continued)

The Group manages the capital structure and makes adjustment in accordance with changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the profit distribution to shareholders, return capital to shareholders or issue new shares. The Group is not subject to external mandatory capital requirements. There were no changes in capital management objectives, policies or procedures in 2022 and 2021.

The Group manages capital using a leverage ratio, which is defined as the ratio of net liabilities to capital plus net liabilities. Net liabilities include all borrowings, accounts payable and other payables, net of cash at bank and on hand. Capital represents shareholders' equity and the Group's leverage ratio as at the balance sheet date is as follows:

## 九、與金融工具相關風險(續)

### 2. 資本管理(續)

本集團根據經濟形勢以及相關資產的風險特徵的變化管理資本結構並對其進行調整。為維持或調整資本結構，本集團可以調整對股東的利潤分配、向股東歸還資本或發行新股。本集團不受外部強制性資本要求約束。2022年度和2021年度，資本管理目標、政策或程序未發生變化。

本集團採用槓桿比率來管理資本，槓桿比率是指淨負債和資本加淨負債的比率。淨負債包括所有借款款項、應付賬款以及其他應付款等抵減貨幣資金後的淨額。資本指股東權益，本集團於資產負債表日的槓桿比率如下：

| Item  | 項目            | 2022<br>2022年           | 2021<br>2021年           |
|---|---------------|-------------------------|-------------------------|
| Short-term borrowings                       | 短期借款          | 160,126,077.78          | 239,282,822.21          |
| Accounts payable                            | 應付賬款          | 376,116,721.12          | 539,836,787.88          |
| Contract liability                          | 合同負債          | 224,418,102.80          | 194,028,853.54          |
| Employee remunerations payable              | 應付職工薪酬        | 44,148,243.40           | 47,331,380.98           |
| Taxes payable                               | 應交稅費          | 20,345,450.07           | 26,855,172.25           |
| Other payables                              | 其他應付款         | 228,941,609.61          | 179,435,483.30          |
| Non-current liabilities due within one year | 一年內到期的非流動負債   | 216,716,528.40          | 927,384,820.86          |
| Non-current liabilities                     | 非流動負債         | 2,009,968.14            | 1,968,400.84            |
| Long-term borrowings                        | 長期借款          | 1,920,928,068.13        | 1,390,656,364.74        |
| Lease liabilities                           | 租賃負債          |                         | 1,297,709.43            |
| Bonds payable                               | 應付債券          | 103,791,063.62          |                         |
| Long-term payables                          | 長期應付款         | 744,350,326.90          | 585,292,014.56          |
| Less: Cash at bank and on hand              | 減：貨幣資金        | 609,755,719.08          | 871,744,578.87          |
| <b>Net liabilities</b>                      | <b>淨負債</b>    | <b>3,435,598,686.48</b> | <b>3,261,625,231.72</b> |
| <b>Shareholders' equity</b>                 | <b>股東權益</b>   | <b>2,841,019,730.78</b> | <b>2,661,021,150.16</b> |
| <b>Capital and net liabilities</b>          | <b>資本和淨負債</b> | <b>6,273,156,171.67</b> | <b>5,922,646,381.88</b> |
| <b>Leverage ratio</b>                       | <b>槓桿比率</b>   | <b>54.71%</b>           | <b>55.07%</b>           |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## X. DISCLOSURE OF FAIR VALUE

## 十、公允價值的披露

### 1. Fair value of assets and liabilities measured at fair value as at the end of the year

### 1. 以公允價值計量的資產和負債的年末公允價值

| Items  | 項目             | Fair value as at the end of the year |                                |                                | Total     |
|--|----------------|--------------------------------------|--------------------------------|--------------------------------|-----------|
|  |                | Level 1 fair value measurement       | Level 2 fair value measurement | Level 3 fair value measurement |           |
|  |                | 第一層次公允價值計量                           | 第二層次公允價值計量                     | 第三層次公允價值計量                     | 合計        |
| I. Fair value measurement on a recurring basis           | 一、持續的公允價值計量    |                                      |                                |                                |           |
| Including: Investments in other equity instruments       | 其中：其他權益工具投資    |                                      |                                | 21,252.07                      | 21,252.07 |
| Total assets measured at fair value on a recurring basis | 持續以公允價值計量的資產總額 |                                      |                                | 21,252.07                      | 21,252.07 |

2. Valuation techniques and qualitative and quantitative information for level 1 items measured on and not on a recurring basis: None.

2. 持續和非持續第一層次公允價值計量項目，採用的估值技術和重要參數的定性定量信息：無。

3. Valuation techniques and qualitative and quantitative information for level 2 items measured on and not on a recurring basis: None.

3. 持續和非持續第二層次公允價值計量項目，採用的估值技術和重要參數的定性定量信息：無。

4. Valuation techniques and qualitative and quantitative information for level 3 items measured on and not on a recurring basis

4. 持續和非持續第三層次公允價值計量項目，採用的估值技術和重要參數的定性定量信息

Financial instruments included in level 3 are primarily unlisted equity investments held by the Company, the fair value of which is determined using the asset base approach, market approach estimates to determine their fair value, with appropriate risk adjustments for lack of marketability or due to differences in size or for specific risks.

列入第三層級的金融工具主要是本公司持有的未上市的股權投資，其公允價值的確定，採用資產基礎法、市場法估計確定其公允價值，並對因缺乏市場性或因規模差異或因特定風險而進行適當的風險調整。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## X. DISCLOSURE OF FAIR VALUE (Continued)

- Recurring level 3 fair value measurements, reconciliation between opening and closing book values and sensitivity analysis of unobservable parameters: None.
- Ongoing fair value measurements, transfers between levels occurred during the period: During the period, for ongoing fair value measurements, the Group did not have any transfers between level 1 and level 2, or transfers in or out to level 3. Valuation technical changes that occurred during the period and the reasons for these changes: None.
- Valuation technical changes that occurred during the period and the reasons for the changes: None.

## 十、公允價值的披露(續)

- 持續的第三層次公允價值計量項目，期初與期末賬面價值間的調節信息及不可觀察參數敏感性分析：無。
- 持續的公允價值計量項目，本期內發生各層級之間的轉換：本期，對於持續的公允價值計量項目，本集團沒有在第一層級及第二層級之間的轉換，也沒有轉入或轉出到第三層級的情況。
- 本期內發生的估值技術變更及變更原因：無。

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

### (1) Relationship with related parties

#### 1. Name of the controlling shareholders and ultimate controller

##### (1) Controlling shareholders and the ultimate controller

| Name of controlling shareholder               | Place of registration | Nature of business          | Registered capital | Ratio of shareholding in the Company (%) | Percentage of voting rights in the Company (%) |
|---|-----------------------|-----------------------------|--------------------|--|--|
| 控股股東名稱  | 註冊地                   | 業務性質                        | 註冊資本               | 對本公司的持股比例(%)                             | 對本公司的表決權比例(%)                                  |
| Luzhou City Xinglu Investment Group Co., Ltd. | Luzhou, Sichuan       | Investment service industry | RMB4,934,049,244   | 59.52                                    | 59.52  |
| 瀘州市興瀘投資集團有限公司                                 | 四川省瀘州市                | 投資服務業                       | 493,404.9244萬元     |  |  |

## 十一、關聯方及關聯交易

### (一) 關聯方關係

#### 1. 控股股東及最終控制方

##### (1) 控股股東及最終控制方

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (1) Relationship with related parties (Continued)

### (一) 關聯方關係(續)

#### 1. Name of the controlling shareholders and ultimate controller (Continued)

#### 1. 控股股東及最終控制方(續)

#### (2) Controlling shareholder's registered capital and its changes

#### (2) 控股股東的註冊資本及其變化

| Controlling shareholder                       | 控股股東          | Opening balance<br>年初餘額            | Increase for<br>the current year<br>本年增加 | Increase for<br>the current year<br>本年減少 | Closing balance<br>年末餘額            |
|---|---------------|------------------------------------|--|--|------------------------------------|
| Luzhou City Xinglu Investment Group Co., Ltd. | 瀘州市興瀘投資集團有限公司 | RMB4,934,049,244<br>493,404.9244萬元 |  |  | RMB4,934,049,244<br>493,404.9244萬元 |

#### (3) Shares or interests held by controlling shareholders and changes therein

#### (3) 控股股東的所持股份或權益及其變化

| Controlling shareholder                       | 控股股東          | Closing amount<br>持股金額  |                         | Shareholding ratio (%)<br>持股比例(%)               |   |
|---|---------------|-------------------------|-------------------------|---|---|
|   |               | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 | Percentage<br>at the end<br>of the year<br>年末比例 | Percentage<br>at the beginning<br>of the year<br>年初比例 |
| Luzhou City Xinglu Investment Group Co., Ltd. | 瀘州市興瀘投資集團有限公司 | 511,654,127.00          | 511,654,127.00          | 59.52   | 59.52   |

Ultimate controller of the Company:  
Luzhou State-owned Assets Supervision and Administration Commission.

本公司最終控制方：瀘州市國有資產監督管理委員會。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (1) Relationship with related parties (Continued)

### (一) 關聯方關係(續)

#### 2. Subsidiaries

#### 2. 子公司

For details of subsidiaries, please see note VIII.1.(1) Composition of enterprise group.

子公司情況詳見本附註「八、1.(1)企業集團的構成」相關內容。

#### 3. Joint ventures and associates

#### 3. 合營企業及聯營企業

For details of the significant joint ventures or associates of the Company, please see note 8.3.(1) Important joint ventures or associates.

本公司重要的合營或聯營企業詳見本附註「八.3.(1)重要的合營企業或聯營企業」相關內容。

#### 4. Other related parties

#### 4. 其他關聯方

Name of other related parties  
其他關聯方名稱

Relationship with the Company  
與本公司關係

Luzhou City Xinglu Assets Management Co., Ltd.

瀘州市興瀘資產管理有限公司

Controlled by the same controlling shareholder  
受同一控股股東控制

Luzhou Xinglu Property Management Co., Ltd.

瀘州興瀘物業管理有限公司

Controlled by the same controlling shareholder  
受同一控股股東控制

Luzhou Xinglu Jutai Construction Company Limited

瀘州興瀘居泰建設有限公司

Controlled by the same controlling shareholder  
受同一控股股東控制

Luzhou Xinglu Jutai Construction Company Limited

Jiangyang Branch

瀘州興瀘居泰建設有限公司江陽分公司

Controlled by the same controlling shareholder

受同一控股股東控制

Luzhou Jiangnan New District Construction and

Investment Co., Ltd.

瀘州市江南新區建設投資有限責任公司

Controlled by the same controlling shareholder

受同一控股股東控制

Luzhou Jiaotou Group Car Station Construction Co., Ltd.

瀘州交投集團汽車站點建設有限公司

Controlled by the same controlling shareholder

受同一控股股東控制

Luzhou Jiaotou Group Asset Operating Management Co., Ltd.

瀘州交投集團資產經營管理有限公司

Controlled by the same controlling shareholder

受同一控股股東控制



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (1) Relationship with related parties (Continued)

### (一) 關聯方關係(續)

#### 4. Other related parties (Continued)

#### 4. 其他關聯方(續)

| Name of other related parties<br>其他關聯方名稱  | Relationship with the Company<br>與本公司關係   |
|---|---|
| Luzhou Huarun Xinglu Gas Co., Ltd.<br>瀘州華潤興瀘燃氣有限公司                                      | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Xinglu Environmental Logistics Co., Ltd.<br>瀘州興瀘環境物流有限公司                         | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Xuxing Construction Industry Co., Ltd.<br>瀘州市敘興建築工業有限公司                          | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Parking Lot Infrastructure Construction Investment Co., Ltd.<br>瀘州市停車場基礎建設投資有限公司 | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Jiangyang District Public Transportation Co., Ltd.<br>瀘州市江陽區公共交通有限公司             | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Hejiang Xingyan Natural Gas Co., Ltd.<br>合江縣星焰天然氣有限公司                                   | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Naxi Xingran Gas Co., Ltd.<br>瀘州納溪興燃燃氣有限公司                                       | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Cultural Tourism Tianyi Culture Media Co., Ltd.<br>瀘州文旅天翼文化傳媒有限公司                | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Xinglu Financing Guarantee Group Co., Ltd.<br>瀘州市興瀘融資擔保集團有限公司                    | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Lingang Siyuan Concrete Co., Ltd.<br>瀘州臨港思源混凝土有限公司                               | Controlled by the same controlling shareholder<br>受同一控股股東控制                             |
| Luzhou Aviation Development Investment Group Co., Ltd.<br>瀘州航空發展投資集團有限公司                | Materially influenced by the controlling<br>shareholders of the Company<br>受本公司控股股東重大影響 |
| Luzhou Lingang Industrial Development Co., Ltd.<br>瀘州臨港產業開發有限公司                         | Materially influenced by the controlling<br>shareholders of the Company<br>受本公司控股股東重大影響 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

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## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (1) Relationship with related parties (Continued)

### (一) 關聯方關係(續)

#### 4. Other related parties (Continued)

#### 4. 其他關聯方(續)

| Name of other related parties<br>其他關聯方名稱  | Relationship with the Company<br>與本公司關係  |
|---|--|
| Luzhou Lingang Investments Group Co., Ltd.<br>瀘州臨港投資集團有限公司  | Materially influenced by the controlling shareholders of the Company<br>受本公司控股股東重大影響 |
| Luzhou Lingang Industrial Construction Co., Ltd.<br>瀘州臨港產業建設有限公司  | Materially influenced by the controlling shareholders of the Company<br>受本公司控股股東重大影響 |
| Luzhou Yunlong Airport Development Co., Ltd.<br>瀘州雲龍機場空港發展有限責任公司  | Materially influenced by the controlling shareholders of the Company<br>受本公司控股股東重大影響 |
| Luzhou Laojiao Co., Ltd.<br>瀘州老窖股份有限公司  | Controlled by the third largest shareholder of the Company<br>受本公司第三大股東控制            |
| Luzhou Xuyong County Luxu Urban Management Service Co., Ltd.<br>(formerly known as Xuyong County Luxu Property Management Co., Ltd.)<br>瀘州市敘永瀘敘城市管理服務有限公司<br>(原名：敘永縣瀘敘物業管理有限公司) | Controlled by the same controlling shareholder<br>受同一控股股東控制                          |
| Sichuan Tianhua Co., Ltd.<br>四川天華股份有限公司   | Other related parties<br>其他關聯方   |
| Luzhou Public Transportation Group Co., Ltd.<br>瀘州市公共交通集團有限公司   | Controlled by the same controlling shareholder<br>受同一控股股東控制                          |
| Luzhou Xinglu Environmental Organic Treatment Co., Ltd.<br>瀘州興瀘環境有機處理有限公司   | Controlled by the same controlling shareholder<br>受同一控股股東控制                          |
| Luzhou Bank Co., Ltd.<br>瀘州銀行股份有限公司   | Other related parties<br>其他關聯方   |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (1) Relationship with related parties (Continued)

### (一) 關聯方關係(續)

#### 4. Other related parties (Continued)

#### 4. 其他關聯方(續)

| Name of other related parties<br>其他關聯方名稱   | Relationship with the Company<br>與本公司關係                     |
|--|---|
| Luzhou Communications Investment Group Logistics Co., Ltd.<br>Naxi Motor Vehicle Driving Test Service Co., Ltd.<br>瀘州交投集團納溪機動車駕考服務有限公司 | Controlled by the same controlling shareholder<br>受同一控股股東控制 |
| Luzhou Cultural and Tourism Development Investment Group Co., Ltd.<br>瀘州市文化旅遊發展投資集團有限公司  | Controlled by the same controlling shareholder<br>受同一控股股東控制 |
| Luzhou Xinglu Jutai Real Estate Co., Ltd.<br>瀘州興瀘居泰房地產有限公司   | Controlled by the same controlling shareholder<br>受同一控股股東控制 |
| Luzhou Traffic Investment Group Co., Ltd.<br>瀘州市交通投資集團有限責任公司   | Controlled by the same controlling shareholder<br>受同一控股股東控制 |
| Luzhou Tianyi Bus Development Co., Ltd.<br>瀘州市天益巴士發展有限公司   | Controlled by the same controlling shareholder<br>受同一控股股東控制 |
| Luzhou Aviation Development Investment Group Co., Ltd.<br>瀘州航空發展投資集團有限責任公司   | Controlled by the same controlling shareholder<br>受同一控股股東控制 |
| Sichuan Xiangjiaba Irrigation District Project Leadership Office<br>四川省向家壩灌區工程項目領導小組辦公室  | Other related parties<br>其他關聯方                              |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions

### (二) 關聯交易

#### 1. Related party transactions for the purchase and sale of goods, provision and receipt of services

#### 1. 購銷商品、提供和接受勞務的關聯交易

##### (1) Purchase of goods/acceptance of labor

##### (1) 採購商品/接受勞務

| Related party<br>關聯方  | Content of related party transaction<br>關聯交易內容 | Amount incurred in the current year<br>本年發生額 | Amount incurred in the previous year<br>上年發生額 |
|---|--|--|---|
| Luzhou Xinglu Property Management Co., Ltd.<br>瀘州興瀘物業管理有限公司                 | Property fees and others<br>物業費及其他             | 2,717,541.36                                 | 3,895,999.92                                  |
| Luzhou Xuyong Luzhou City Management Service Co., Ltd.<br>瀘州市敘永瀘敘城市管理服務有限公司 | Raw materials and others<br>原材料及其他             | 12,619.49                                    |   |
| Hejiang Xingyan Natural Gas Co., Ltd.<br>合江縣星焰天然氣有限公司                       | Others<br>其他                                   | 1,654.00                                     |   |
| <b>Total</b>  | <b>合計</b>                                      | <b>2,731,814.85</b>                          | <b>3,895,999.92</b>                           |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 1. Related party transactions for the purchase and sale of goods, provision and receipt of services (Continued)

#### 1. 購銷商品、提供和接受勞務的關聯交易(續)

##### (2) Sales of goods/provision of services

##### (2) 銷售商品/提供勞務

| Related party<br>關聯方  | Content of related party transaction<br>關聯交易內容 | Amount incurred in the current year<br>本年發生額 | Amount incurred in the previous year<br>上年發生額 |
|---|--|--|---|
| Luzhou Aviation Development Investment Group Co., Ltd.<br>瀘州航空發展投資集團有限公司    | Household installation and others<br>戶表安裝及其他   | 253,772.17                                   | 15,751,259.27                                 |
| Luzhou Lingang Industrial Development Co., Ltd.<br>瀘州臨港產業開發有限公司             | Household installation and others<br>戶表安裝及其他   | 2,200,522.33                                 | 10,720,116.54                                 |
| Luzhou City Xinglu Investment Group Co., Ltd.<br>瀘州市興瀘投資集團有限公司              | Household installation and others<br>戶表安裝及其他   | 16,973.44                                    | 4,320,813.61                                  |
| Luzhou Yunlong Airport Development Co., Ltd.<br>瀘州雲龍機場空港發展有限責任公司            | Household installation and others<br>戶表安裝及其他   |  | 1,725,264.08                                  |
| Luzhou Lingang Investments Group Co., Ltd.<br>瀘州臨港投資集團有限公司                  | Household installation and others<br>戶表安裝及其他   | 7,697,970.59                                 | 1,667,104.70                                  |
| Luzhou Laojiao Co., Ltd.<br>瀘州老窖股份有限公司                                      | Household installation and others<br>戶表安裝及其他   |  | 1,019,929.13                                  |
| Luzhou Xinglu Jutai Construction Company Limited<br>瀘州興瀘居泰建設有限公司            | Household installation and others<br>戶表安裝及其他   |  | 6,999,192.02                                  |
| Luzhou Jiaotou Group Car Station Construction Co., Ltd.<br>瀘州交投集團汽車站點建設有限公司 | Household installation and others<br>戶表安裝及其他   | 1,065,054.71                                 |   |
| Sichuan Tianhua Co., Ltd.<br>四川天華股份有限公司                                     | Household installation and others<br>戶表安裝及其他   | 1,062,358.26                                 |   |
| Luzhou Public Transportation Group Co., Ltd.<br>瀘州市公共交通集團有限公司               | Household installation and others<br>戶表安裝及其他   | 3,222.86                                     |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 1. Related party transactions for the purchase and sale of goods, provision and receipt of services (Continued)

#### 1. 購銷商品、提供和接受勞務的關聯交易(續)

#### (2) Sales of goods/provision of services (Continued)

#### (2) 銷售商品/提供勞務(續)

| Related party<br>關聯方  | Content of related party transaction<br>關聯交易內容 | Amount incurred in the current year<br>本年發生額 | Amount incurred in the previous year<br>上年發生額 |
|---|--|--|---|
| Luzhou Xinglu Environmental Organic Treatment Co., Ltd.<br>瀘州興瀘環境有機處理有限公司   | Household installation and others<br>戶表安裝及其他   | 126,152.39                                   |   |
| Luzhou Jiangyang District Public Transportation Co., Ltd.<br>瀘州市江陽區公共交通有限公司   | Household installation and others<br>戶表安裝及其他   | 35,270.46                                    |   |
| Luzhou Bank Co., Ltd.<br>瀘州銀行股份有限公司   | Household installation and others<br>戶表安裝及其他   | 98,543.40                                    |   |
| Luzhou Communications Investment Group Logistics Co., Ltd. Naxi Motor Vehicle Driving Test Service Co., Ltd.<br>瀘州交投集團納溪機動車駕考服務有限公司 | Household installation and others<br>戶表安裝及其他   | 4,141.59                                     |   |
| Luzhou Cultural and Tourism Development Investment Group Co., Ltd.<br>瀘州市文化旅遊發展投資集團有限公司   | Household installation and others<br>戶表安裝及其他   | 38,976.11                                    |   |
| Luzhou Xinglu Jutai Real Estate Co., Ltd.<br>瀘州興瀘居泰房地產有限公司  | Household installation and others<br>戶表安裝及其他   | 240,057.61                                   |   |
| Luzhou Xinglu Property Management Co., Ltd.<br>瀘州興瀘物業管理有限公司   | Household installation and others<br>戶表安裝及其他   | 4,622.64                                     |   |
| <b>Total</b>  | <b>合計</b>                                      | <b>12,847,638.56</b>                         | 42,203,679.35                                 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 2. Related party guarantees

#### 2. 關聯擔保情況

##### (1) As guarantor

##### (1) 作為擔保方

The Company and the Company's subsidiaries provide guarantees to each other and the corresponding guarantee information as of the end of the year is as follows:

本公司和本公司之子公司之間互為提供擔保，截止年末，相應擔保信息如下：

| Guarantor<br>擔保方                            | Guarantee<br>被擔保方   | Guaranteed balance<br>(RMB10,000)<br>擔保餘額(萬元) |
|---|---------------------|---|
| The Company and its subsidiaries<br>本公司及子公司 | Subsidiaries<br>子公司 | 48,792.04                                     |
| Subsidiaries<br>子公司                         | The Company<br>本公司  | 59,002.53                                     |

##### (2) As guarantee

##### (2) 作為被擔保方

| Name of guarantor<br>擔保方名稱   | Guaranteed amount<br>擔保金額 | Start date<br>擔保起始日          | Guarantee expiration date<br>擔保到期日 | Guaranteed or not<br>Already fulfilled<br>擔保是否已經<br>履行完畢 |
|--|---------------------------|------------------------------|------------------------------------|--|
| Luzhou Xinglu Financing Guarantee Group Co., Ltd.<br>瀘州市興瀘融資擔保集團有限公司 | 28,000,000.00             | 18 January 2019<br>2019-1-18 | 17 January 2027<br>2027-1-17       | No<br>否  |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

### 十一、關聯方及關聯交易(續)

#### (2) Related party transactions (Continued)

#### (二) 關聯交易(續)

##### 2. Related party guarantees (Continued)

##### 2. 關聯擔保情況(續)

###### (2) As guarantee (Continued)

###### (2) 作為被擔保方(續)

On 18 January 2019, Luzhou Fanxing Environmental Development Co., Ltd. and Luzhou Rural Commercial Bank Co., Ltd. executed a fixed asset loan contract in the amount of RMB49 million, which was used for the construction of the project of "Construction of rural and village sewage treatment facilities in Jiang Yang District, Luzhou City". The interest rate of the loan is fixed at 7% per annum and this interest rate will remain unchanged during the term of the loan, the term of the loan is 96 months and is guaranteed jointly and severally by Luzhou Xinglu Financing Guarantee Group Co., Ltd., the balance of the long-term loan as of 31 December 2022 was RMB28,000,000.00.

瀘州市繁星環保發展有限公司於2019年1月18日和瀘州農村商業銀行股份有限公司簽立金額為人民幣4900萬元的固定資產借款合同，本借款用於「瀘州市江陽區鄉鎮和農村污水處理設施建設」項目建設。該借款利率為固定利率，年息7%，在借款期限內，此利率保持不變，借款期限為96個月，由瀘州市興瀘融資擔保集團有限公司提供連帶責任保證，截止2022年12月31日，該長期借款餘額為28,000,000.00元。

3. Related party funds borrowings: None.

3. 關聯方資金拆借：無。



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

### 十一、關聯方及關聯交易(續)

#### (2) Related party transactions (Continued)

#### (二) 關聯交易(續)

##### 4. Related party leases

##### 4. 關聯租賃情況

| Related party<br>關聯方  | Content of related party<br>transaction<br>關聯交易內容 | Amount incurred<br>in the current year<br>本年發生額 | Amount incurred<br>in the previous year<br>上年發生額 |
|---|---|---|--|
| Luzhou City Xinglu Investment Group Co., Ltd.<br>瀘州市興瀘投資集團有限公司  | Land lease fee<br>土地租賃費                           |   | 2,600,000.00                                     |
| Luzhou City Xinglu Assets Management Co., Ltd.<br>瀘州市興瀘資產管理有限公司 | Housing lease<br>房屋租賃                             | 607,404.00                                      | 564,704.32                                       |
| <b>Total</b>  | <b>合計</b>   | <b>607,404.00</b>                               | <b>3,164,704.32</b>                              |

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 5. *Transfer of assets and restructuring of debts of related parties*

#### 5. 關聯方資產轉讓、債務重組情況

At the 49th Meeting of the first session of the Board of the Company held on 9 December 2021, the Company considered and passed the “Resolution on the Consideration and Approval of the Assignment of Land Related Transaction of Xinglu Group by Xinglu Wastewater”, in which Xinglu Wastewater was assigned the land for public facilities of Luzhou City Xinglu Investment Group Co., Ltd., located at Erdaoxi, Longmatan District, with the real estate certificate no. of Lushi State Administration (2010) No. 29291. On 24 December 2021, the parties entered into a land use right transfer agreement for a total area of 49,679.76 sq.m. for a consideration of RMB30,801,452.00. The corresponding transfer payment for the land has been completed during the period, and related property rights have been transferred in the current period.

本公司於2021年12月9日召開第一屆董事會第四十九次會議審議通過《關於審議批准興瀘污水受讓興瀘集團土地關聯交易的議案》，興瀘污水受讓瀘州市興瀘投資集團有限公司位於龍馬潭區二道溪的公共設施用地，不動產權證書號：瀘市國用(2010)第29291號；交易雙方於2021年12月24日簽訂土地使用權劃轉協議，轉讓土地面積：49,679.76平方米，轉讓對價30,801,452.00元，該地塊相應轉讓款項於本期完成支付，相應產權於本期完成過戶。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation

#### 6. 董事、監事及職工薪酬

(1) Details of the compensation of the Directors and Supervisors for the year are as follows

(1) 本年度董事及監事薪酬詳情如下

| Name         | Position  | Salary and allowance | Social insurance, housing fund and pensions<br>社會保險、住房基金及退休金 | Enterprise annuity | Bonus      | Dividend payment | Total      | Remark   |
|--------------|---|----------------------|--|--------------------|------------|------------------|------------|--|
| 姓名           | 職務  | 薪金及津貼                |  | 企業年金               | 獎金         | 支付股利             | 合計         | 備註   |
| Zhang Qi     | Executive Director, chairman of the Board             | 176,422.16           | 91,031.57  | —                  | 408,040.95 | —                | 675,494.68 |  |
| 張岐           | 執行董事、董事長  |                      |  |                    |            |                  |            |  |
| Liao Xingyue | Executive Director, general manager                   | 190,622.16           | 91,031.57  | —                  | 410,640.95 | —                | 692,294.68 |  |
| 廖星嶽          | 執行董事、總經理  |                      |  |                    |            |                  |            |  |
| Huang Mei    | Executive Director (employee representative Director) | 159,123.70           | 91,031.57  | —                  | 332,757.47 | —                | 582,912.74 | Ceased to be an employee supervisor on 4 March 2022                            |
| 黃梅           | 執行董事(職工代表董事)  |                      |  |                    |            |                  |            | Act as an Executive Director (Staff Representative Director) from 4 March 2022 |
| Chen Bing    | Non-executive Directors                               | —                    | —  | —                  | —          | —                | —          | 2022年3月4日不再擔任職工監事  |
| 陳兵           | 非執行董事   |                      |  |                    |            |                  |            | 2022年3月4日起擔任執行董事(職工代表董事)   |
| Xu Yan       | Non-executive Directors                               | —                    | —  | —                  | —          | —                | —          | Ceased to be a non-executive director on 4 March 2022                          |
| 徐燕           | 非執行董事   |                      |  |                    |            |                  |            | 2022年3月4日不再擔任非執行董事   |
| Xie Xin      | Non-executive Directors                               | —                    | —  | —                  | —          | —                | —          | Ceased to be a non-executive director on 4 March 2022                          |
| 謝欣           | 非執行董事   |                      |  |                    |            |                  |            | 2022年3月4日不再擔任非執行董事   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(1) Details of the compensation of the Directors and Supervisors for the year are as follows (Continued)

(1) 本年度董事及監事薪酬詳情如下(續)

| Name          | Position                           | Salary and allowance | Social insurance, housing fund and pensions<br>社會保險、住房基金及退休金 | Enterprise annuity | Bonus | Dividend payment | Total     | Remark   |
|---------------|------------------------------------|----------------------|--|--------------------|-------|------------------|-----------|--|
| 姓名            | 職務                                 | 薪金及津貼                | 社會保險、住房基金及退休金  | 企業年金               | 獎金    | 支付股利             | 合計        | 備註   |
| Yu Long       | Non-executive Directors            | —                    | —  | —                  | —     | —                | —         | Act as a non-executive Director from 4 March 2022                  |
| 喻龍            | 非執行董事                              |                      |  |                    |       |                  |           | 2022年3月4日起擔任非執行董事  |
| Hu Fenfen     | Non-executive Directors            | —                    | —  | —                  | —     | —                | —         | Act as a non-executive Director from 4 March 2022                  |
| 胡芬芬           | 非執行董事                              |                      |  |                    |       |                  |           | 2022年3月4日起擔任非執行董事  |
| Lin Bing      | Independent non-executive Director | 22,029.10            | —  | —                  | —     | —                | 22,029.10 | Ceased to be an independent non-executive director on 4 March 2022 |
| 林兵            | 獨立非執行董事                            |                      |  |                    |       |                  |           | 2022年3月4日不再擔任獨立非執行董事   |
| Cheng Hok Kai | Independent non-executive Director | 26,194.66            | —  | —                  | —     | —                | 26,194.66 | Ceased to be an independent non-executive director on 4 March 2022 |
| 鄭學啟           | 獨立非執行董事                            |                      |  |                    |       |                  |           | 2022年3月4日不再擔任獨立非執行董事   |
| Ma Hua        | Independent non-executive Director | 62,084.48            | —  | —                  | —     | —                | 62,084.48 | Act as an independent non-executive director from 4 March 2022     |
| 馬樺            | 獨立非執行董事                            |                      |  |                    |       |                  |           | 2022年3月4日起擔任獨立非執行董事  |
| Fu Ji         | Independent non-executive Director | 62,084.48            | —  | —                  | —     | —                | 62,084.48 | Act as an independent non-executive director from 4 March 2022     |
| 傅驥            | 獨立非執行董事                            |                      |  |                    |       |                  |           | 2022年3月4日起擔任獨立非執行董事  |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(1) Details of the compensation of the Directors and Supervisors for the year are as follows (Continued)

(1) 本年度董事及監事薪酬詳情如下(續)

| Name         | Position   | Salary and allowance | Social insurance, housing fund and pensions | Enterprise annuity | Bonus     | Dividend payment | Total      | Remark  |
|--------------|--|----------------------|---|--------------------|-----------|------------------|------------|---|
| 姓名           | 職務   | 薪金及津貼                | 社會保險、住房基金及退休金                               | 企業年金               | 獎金        | 支付股利             | 合計         | 備註  |
| Liang Youguo | Independent non-executive Director   | 62,084.48            | —   | —                  | —         | —                | 62,084.48  | Act as an independent non-executive director from 4 March 2022  |
| 梁有國          | 獨立非執行董事  |                      |   |                    |           |                  |            | 2022年3月4日起擔任獨立非執行董事   |
| Qu Mei       | Chairman of the Board of Supervisors   | —                    | —   | —                  | —         | —                | —          | Ceased to be the chairman of board of supervisors on 4 March 2022                                       |
| 屈梅           | 監事會主席  |                      |   |                    |           |                  |            | 2022年3月4日不再擔任監事會主席  |
| Xu Ke        | Supervisor   | —                    | —   | —                  | —         | —                | —          | Ceased to be a director on 4 March 2022   |
| 徐可           | 監事   |                      |   |                    |           |                  |            | 2022年3月4日不再擔任監事   |
| Yang Zhenqiu | Shareholder representative supervisor (chairman of the Board of Supervisors) | —                    | —   | —                  | —         | —                | —          | Act as a shareholder representative supervisor (chairman of the Board of Supervisors) from 4 March 2022 |
| 楊震球          | 股東代表監事(監事會主席)  |                      |   |                    |           |                  |            | 2022年3月4日起擔任股東代表監事(監事會主席)   |
| Lai Bingyou  | Shareholder representative Supervisor  | —                    | —   | —                  | —         | —                | —          | Act as a shareholder representative supervisor from 4 March 2022  |
| 賴柄有          | 股東代表監事   |                      |   |                    |           |                  |            | 2022年3月4日起擔任股東代表監事  |
| Xiang Min    | Employee supervisor  | 148,152.59           | 91,031.57                                   | —                  | 35,772.25 | —                | 274,956.41 |   |
| 向敏           | 職工監事   |                      |   |                    |           |                  |            |   |
| Zhu Yuchuan  | Employee supervisor  | 24,607.95            | 14,269.60                                   | —                  | 34,905.45 | —                | 73,783.00  | Ceased to be an employee supervisor on 4 March 2022   |
| 朱玉川          | 職工監事   |                      |   |                    |           |                  |            | 2022年3月4日不再擔任職工監事   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(1) Details of the compensation of the Directors and Supervisors for the year are as follows (Continued)

(1) 本年度董事及監事薪酬詳情如下(續)

| Name                | Position                    | Salary and allowance | Social insurance, housing fund and pensions<br>社會保險、住房基金及退休金 | Enterprise annuity | Bonus               | Dividend payment | Total               | Remark  |
|---------------------|-----------------------------|----------------------|--|--------------------|---------------------|------------------|---------------------|---|
| 姓名                  | 職務                          | 薪金及津貼                | 社會保險、住房基金及退休金  | 企業年金               | 獎金                  | 支付股利             | 合計                  | 備註  |
| Luo Chaoping<br>羅超平 | Employee supervisor<br>職工監事 | 106,446.45           | 76,761.97  | —                  | 15,486.50           | —                | 198,694.92          | Act as Employee Supervisor from 4 March 2022<br>2022年3月4日起擔任職工監事  |
| Tang Nanyou<br>唐南友  | Employee supervisor<br>職工監事 | 110,911.39           | 84,325.68  | —                  | 26,726.06           | —                | 221,963.13          | Act as Employee Supervisor from 4 March 2022<br>2022年3月4日起擔任職工監事  |
| Gu Ming'an<br>辜明安   | External Supervisor<br>外部監事 | 59,164.78            | —  | —                  | —                   | —                | 59,164.78           | Ceased to be an independent non-executive director on 4 March 2022<br>Act as an External Supervisor from 4 March 2022<br>2022年3月4日不再擔任獨立非執行董事<br>2022年3月4日起擔任外部監事 |
| Xuan Ming<br>宣明     | External Supervisor<br>外部監事 | 13,252.17            | —  | —                  | —                   | —                | 13,252.17           | Ceased to be an external supervisor on 4 March 2022<br>2022年3月4日不再擔任外部監事  |
| Xiong Hua<br>熊華     | External Supervisor<br>外部監事 | 50,400.00            | —  | —                  | —                   | —                | 50,400.00           | Act as an External Supervisor from 4 March 2022<br>2022年3月4日起擔任外部監事   |
| <b>Total</b>        | <b>合計</b>                   | <b>1,273,580.55</b>  | <b>539,483.53</b>  |                    | <b>1,264,329.63</b> |                  | <b>3,077,393.71</b> |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(2) Details of the compensation of the Directors and Supervisors for the last year are as follows

(2) 上年度董事及監事薪酬詳情如下

| Name         | Position  | Salary and allowance | Social insurance, housing fund and pensions<br>社會保險、住房基金及退休金 | Enterprise annuity | Bonus      | Dividend payment | Total      | Remark   |
|--------------|---|----------------------|--|--------------------|------------|------------------|------------|--|
| 姓名           | 職務  | 薪金及津貼                |  | 企業年金               | 獎金         | 支付股利             | 合計         | 備註   |
| Zhang Qi     | Executive Director, chairman of the Board<br>張岐 執行董事、董事長    | 184,117.89           | 81,400.80  |                    | 274,211.37 |                  | 539,730.06 |  |
| Liao Xingyue | Executive Director, general manager<br>廖星嶽 執行董事、總經理         | 189,153.49           | 81,400.80  |                    | 283,011.37 |                  | 553,565.66 |  |
| Wang Junhua  | Executive Director, Deputy General Manager<br>王君華 執行董事、副總經理 | 152,368.28           | 74,617.40  |                    | 227,903.37 |                  | 454,889.05 | Resigned as Executive Director and Deputy General Manager of the Company on 12 November 2021<br>2021年11月12日辭任公司執行董事及副總經理 |
| Chen Bing    | Non-executive Directors<br>陳兵 非執行董事                         | —                    | —  | —                  | —          | —                | —          |  |
| Xu Yan       | Non-executive Directors<br>徐燕 非執行董事                         | —                    | —  | —                  | —          | —                | —          | Ceased to be a non-executive director on 4 March 2022<br>2022年3月4日不再擔任非執行董事  |
| Xie Xin      | Non-executive Directors<br>謝欣 非執行董事                         | —                    | —  | —                  | —          | —                | —          | Ceased to be a non-executive director on 4 March 2022<br>2022年3月4日不再擔任非執行董事  |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(2) Details of the compensation of the Directors and Supervisors for the last year are as follows (Continued)

(2) 上年度董事及監事薪酬詳情如下(續)

| Name          | Position                             | Salary and allowance | Social insurance, housing fund and pensions | Enterprise annuity | Bonus      | Dividend payment | Total      | Remark   |
|---------------|--------------------------------------|----------------------|---|--------------------|------------|------------------|------------|--|
| 姓名            | 職務                                   | 薪金及津貼                | 社會保險、住房基金及退休金                               | 企業年金               | 獎金         | 支付股利             | 合計         | 備註   |
| Gu Ming'an    | Independent non-executive Director   | 84,000.00            | —   | —                  | —          | —                | 84,000.00  | Ceased to be an independent non-executive director on 4 March 2022 |
| 辜明安           | 獨立非執行董事                              |                      |   |                    |            |                  |            | 2022年3月4日不再擔任獨立非執行董事   |
| Lin Bing      | Independent non-executive Director   | 84,000.00            | —   | —                  | —          | —                | 84,000.00  | Ceased to be an independent non-executive director on 4 March 2022 |
| 林兵            | 獨立非執行董事                              |                      |   |                    |            |                  |            | 2022年3月4日不再擔任獨立非執行董事   |
| Cheng Hok Kai | Independent non-executive Director   | 100,000.00           | —   | —                  | —          | —                | 100,000.00 | Ceased to be an independent non-executive director on 4 March 2022 |
| 鄭學啟           | 獨立非執行董事                              |                      |   |                    |            |                  |            | 2022年3月4日不再擔任獨立非執行董事   |
| Qu Mei        | Chairman of the Board of Supervisors | —                    | —   | —                  | —          | —                | —          | Ceased to be the chairman of board of supervisors on 4 March 2022  |
| 屈梅            | 監事會主席                                |                      |   |                    |            |                  |            | 2022年3月4日不再擔任監事會主席   |
| Xu Ke         | Supervisor                           | —                    | —   | —                  | —          | —                | —          | Ceased to be a director on 4 March 2022                            |
| 徐可            | 監事                                   |                      |   |                    |            |                  |            | 2022年3月4日不再擔任監事  |
| Huang Mei     | Employee supervisor                  | 165,517.49           | 81,400.80                                   | —                  | 227,903.37 | —                | 474,821.66 | Ceased to be an employee supervisor on 4 March 2022                |
| 黃梅            | 職工監事                                 |                      |   |                    |            |                  |            | 2022年3月4日不再擔任職工監事  |
| Xiang Min     | Employee supervisor                  | 173,463.57           | 81,400.80                                   | —                  | 97,314.03  | —                | 352,178.40 |  |
| 向敏            | 職工監事                                 |                      |   |                    |            |                  |            |  |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(2) Details of the compensation of the Directors and Supervisors for the last year are as follows (Continued)

(2) 上年度董事及監事薪酬詳情如下(續)

| Name         | Position            | Salary and allowance | Social insurance, housing fund and pensions<br>社會保險、住房基金及退休金 | Enterprise annuity | Bonus               | Dividend payment | Total               | Remark  |
|--------------|---------------------|----------------------|--|--------------------|---------------------|------------------|---------------------|---|
| 姓名           | 職務                  | 薪金及津貼                | 及退休金   | 企業年金               | 獎金                  | 支付股利             | 合計                  | 備註  |
| Zhu Yuchuan  | Employee supervisor | 145,032.00           | 81,400.80  |                    | 89,950.72           |                  | 316,383.52          | Ceased to be an employee supervisor on 4 March 2022 |
| 朱玉川          | 職工監事                |                      |  |                    |                     |                  |                     | 2022年3月4日不再擔任職工監事                                   |
| Xuan Ming    | External Supervisor | 50,400.00            | —  | —                  | —                   | —                | 50,400.00           | Ceased to be an external supervisor on 4 March 2022 |
| 宣明           | 外部監事                |                      |  |                    |                     |                  |                     | 2022年3月4日不再擔任外部監事                                   |
| Xiong Hua    | External Supervisor | 50,400.00            | —  | —                  | —                   | —                | 50,400.00           |   |
| 熊華           | 外部監事                |                      |  |                    |                     |                  |                     |   |
| <b>Total</b> | <b>合計</b>           | <b>1,378,452.72</b>  | <b>481,621.40</b>  |                    | <b>1,200,294.23</b> |                  | <b>3,060,368.35</b> |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

##### (3) Breakdown of the five highest paid individuals for the current year

##### (3) 本年度薪酬最高五位人士明細

| Name           | Position  | Salary and allowance | Social insurance, housing fund and related pension costs<br>社會保險、住房基金及相關退休金成本 | Enterprise annuity | Bonus               | Dividend payment | Total               |
|----------------|---|----------------------|---|--------------------|---------------------|------------------|---------------------|
| 姓名             | 職務  | 薪金及津貼                | 相關退休金成本   | 企業年金               | 獎金                  | 支付股利             | 合計                  |
| Zhang Qi       | Executive Director, chairman of the Board             | 176,422.16           | 91,031.57   | —                  | 408,040.95          | —                | 675,494.68          |
| 張歧             | 執行董事、董事長  |                      |   |                    |                     |                  |                     |
| Liao Xingyue   | Executive Director, general manager                   | 190,622.16           | 91,031.57   | —                  | 410,640.95          | —                | 692,294.68          |
| 廖星樾            | 執行董事、總經理  |                      |   |                    |                     |                  |                     |
| Huang Mei      | Executive Director (employee representative Director) | 159,123.70           | 91,031.57   | —                  | 332,757.47          | —                | 582,912.74          |
| 黃梅             | 執行董事(職工代表董事)  |                      |   |                    |                     |                  |                     |
| Chen Yongzhong | Secretary to the Board                                | 163,017.96           | 91,031.57   | —                  | 362,913.21          | —                | 616,962.74          |
| 陳永忠            | 董事會秘書   |                      |   |                    |                     |                  |                     |
| Chen Xuejie    | Deputy general manager                                | 156,017.96           | 91,031.57   | —                  | 333,238.21          | —                | 580,287.74          |
| 陳學傑            | 副總經理  |                      |   |                    |                     |                  |                     |
| <b>Total</b>   | <b>合計</b>   | <b>845,203.94</b>    | <b>455,157.85</b>   |                    | <b>1,847,590.79</b> |                  | <b>3,147,952.58</b> |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

##### (4) Breakdown of the five highest paid individuals for the last year

##### (4) 上年度薪酬最高五位人士明細

| Name           | Position  | Salary and allowance | Social insurance, housing fund and related pension costs<br>社會保險、住房基金及相關退休金成本 | Enterprise annuity | Bonus               | Dividend payment | Total               |
|----------------|---|----------------------|---|--------------------|---------------------|------------------|---------------------|
| 姓名             | 職務  | 薪金及津貼                | 相關退休金成本   | 企業年金               | 獎金                  | 支付股利             | 合計                  |
| Zhang Qi       | Executive Director, chairman of the Board         | 184,117.89           | 81,400.80   | —                  | 274,211.37          | —                | 539,730.06          |
| 張歧             | 執行董事、董事長  |                      |   |                    |                     |                  |                     |
| Liao Xingyue   | Executive Director, general manager               | 189,153.49           | 81,400.80   | —                  | 283,011.37          | —                | 553,565.66          |
| 廖星樾            | 執行董事、總經理  |                      |   |                    |                     |                  |                     |
| Chen Yongzhong | Secretary to the Board                            | 166,917.49           | 81,400.80   | —                  | 274,503.37          | —                | 522,821.66          |
| 陳永忠            | 董事會秘書   |                      |   |                    |                     |                  |                     |
| Huang Mei      | Employee supervisor, chairman of the Labour Union | 165,517.49           | 81,400.80   | —                  | 227,903.37          | —                | 474,821.66          |
| 黃梅             | 職工監事、工會主席   |                      |   |                    |                     |                  |                     |
| Wang Junhua    | Executive Director, Deputy General Manager        | 152,368.28           | 74,617.40   | —                  | 227,903.37          | —                | 454,889.05          |
| 王君華            | 執行董事、副總經理   |                      |   |                    |                     |                  |                     |
| <b>Total</b>   | <b>合計</b>   | <b>858,074.64</b>    | <b>400,220.60</b>   |                    | <b>1,287,532.85</b> |                  | <b>2,545,828.09</b> |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (2) Related party transactions (Continued)

### (二) 關聯交易(續)

#### 6. Directors, Supervisors and employee compensation (Continued)

#### 6. 董事、監事及職工薪酬(續)

(5) During the Reporting Period, none of the Directors, Supervisors or any of the non-Director and non-Supervisor of the Group highest paid individuals waived or agreed to waive any remuneration and no emoluments were paid by the Group to the Directors, Supervisors or any of the non-Director and non-Supervisor highest paid individuals as an inducement by or after joining the Group or as compensation for resignation.

(5) 本集團本報告期內，無董事、監事或任何非董事及非監事最高酬金人士放棄或者同意放棄任何酬金，且本集團並無向董事、監事或任何非董事及非監事最高酬金人士支付任何酬金，作為吸引他們加盟本集團或加盟本集團後的獎勵或作為離職賠償。

#### (6) Key management compensation

#### (6) 主要管理層薪酬

| Items  | 項目                | Amount incurred in the current year<br>本年發生額 | Amount incurred in the previous year<br>上年發生額 |
|--|-------------------|--|---|
| Salary and allowance                                     | 薪金及津貼             | 1,915,548.77                                 | 2,038,595.45                                  |
| Social insurance, housing fund and related pension costs | 社會保險、住房基金及相關退休金成本 | 903,609.81                                   | 807,224.60                                    |
| Bonus  | 獎金                | 2,608,318.22                                 | 1,883,004.34                                  |
| Share-based payment                                      | 股份支付              | —  | —   |
| <b>Total</b>   | <b>合計</b>         | <b>5,427,476.80</b>                          | <b>4,728,824.39</b>                           |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (3) Receivables from and payables to related parties

### (三) 關聯方往來餘額

#### 1. Receivables

#### 1. 應收項目

| Project name<br>項目名稱        | Related party<br>關聯方   | Closing balance<br>年末餘額 |                                    | Opening balance<br>年初餘額 |                                    |
|-----------------------------|--|-------------------------|------------------------------------|-------------------------|------------------------------------|
|                             |  | Book balance<br>賬面餘額    | Provision for<br>bad debts<br>壞賬準備 | Book balance<br>賬面餘額    | Provision for<br>bad debts<br>壞賬準備 |
| Accounts receivable<br>應收賬款 | Luzhou City Xinglu Investment Group Co., Ltd.<br>瀘州市興瀘投資集團有限公司                         |                         |                                    | 4,450,438.00            | 222,521.90                         |
| Accounts receivable<br>應收賬款 | Luzhou Aviation Development Investment Group Co., Ltd.<br>瀘州航空發展投資集團有限公司               |                         |                                    | 801,034.77              | 40,051.74                          |
| Accounts receivable<br>應收賬款 | Luzhou Xinglu Jutai Construction Company Limited Jiangyang Branch<br>瀘州興瀘居泰建設有限公司江陽分公司 | 52,750.43               | 5,275.04                           | 527,504.33              | 26,375.22                          |
| Accounts receivable<br>應收賬款 | Luzhou Lingang Investments Group Co., Ltd.<br>瀘州臨港投資集團有限公司                             | 6,589,860.89            | 329,493.04                         | 144,531.80              | 13,736.34                          |
| Accounts receivable<br>應收賬款 | Luzhou Xinglu Environmental Logistics Co., Ltd.<br>瀘州興瀘環境物流有限公司                        | 166,250.00              | 16,625.00                          | 166,250.00              | 8,312.50                           |
| Accounts receivable<br>應收賬款 | Luzhou Jiaotou Group Car Station Construction Co., Ltd.<br>瀘州交投集團汽車站點建設有限公司            | 1,705.00                | 170.50                             | 56,819.00               | 2,840.95                           |
| Accounts receivable<br>應收賬款 | Luzhou Traffic Investment Group Co., Ltd.<br>瀘州市交通投資集團有限責任公司                           | 2,500.00                | 125.00                             |                         |                                    |
| Accounts receivable<br>應收賬款 | Luzhou Tianyi Bus Development Co., Ltd.<br>瀘州市天益巴士發展有限公司                               | 1,709.84                | 85.49                              |                         |                                    |
| Accounts receivable<br>應收賬款 | Luzhou Bank Co., Ltd.<br>瀘州銀行股份有限公司  | 98,152.12               | 4,907.61                           |                         |                                    |
| Accounts receivable<br>應收賬款 | Luzhou Aviation Development Investment Group Co., Ltd.<br>瀘州航空發展投資集團有限責任公司             | 17,423.00               | 871.15                             |                         |                                    |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (3) Receivables from and payables to related parties (Continued)

### (三) 關聯方往來餘額(續)

#### 1. Receivables (Continued)

#### 1. 應收項目(續)

| Project name<br>項目名稱                           | Related party<br>關聯方   | Closing balance<br>年末餘額 |                                    | Opening balance<br>年初餘額 |                                    |
|--|--|-------------------------|------------------------------------|-------------------------|------------------------------------|
|  |  | Book balance<br>賬面餘額    | Provision for<br>bad debts<br>壞賬準備 | Book balance<br>賬面餘額    | Provision for<br>bad debts<br>壞賬準備 |
| Accounts receivable<br>應收賬款                    | Luzhou Lingang Industrial Development Co., Ltd.<br>瀘州臨港產業開發有限公司  | 2,266,538.00            | 113,326.90                         |                         |                                    |
| <b>Total of accounts receivable<br/>應收賬款合計</b> |  | <b>9,196,889.28</b>     | <b>470,879.73</b>                  | 6,146,577.90            | 313,838.65                         |
| Other receivables<br>其他應收款                     | Sichuan Xiangjiaba Irrigation District Project Leadership Team Office (responsible for the preparation and establishment of Xiangjiaba Irrigation District Development Company)<br>四川省向家壩灌區工程項目領導小組辦公室(負責向家壩灌區開發公司的籌備設立) | 700,400.00              | 700,400.00                         | 700,400.00              | 700,400.00                         |
| Other receivables<br>其他應收款                     | Luzhou City Xinglu Investment Group Co., Ltd.<br>瀘州市興瀘投資集團有限公司   | 18,000.00               | 900.00                             | 18,680.00               | 934.00                             |
| <b>Total of other receivables<br/>其他應收款合計</b>  |  | <b>718,400.00</b>       | <b>701,300.00</b>                  | 719,080.00              | 701,334.00                         |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (3) Receivables from and payables to related parties (Continued)

### (三) 關聯方往來餘額(續)

#### 2. Projects payable

#### 2. 應付項目

| Project name<br>項目名稱                            | Related party<br>關聯方  | Closing book<br>balance<br>年末賬面餘額 | Opening book<br>balance<br>年初賬面餘額 |
|---|---|-----------------------------------|-----------------------------------|
| Accounts payable<br>應付帳款                        | Luzhou City Xinglu Investment Group Co., Ltd.<br>瀘州市興瀘投資集團有限公司                |                                   | 2,600,000.00                      |
| Accounts payable<br>應付帳款                        | Luzhou Jiangyang District Public Transportation Co., Ltd.<br>瀘州市江陽區公共交通有限公司   | 2,353.92                          |                                   |
| Accounts payable<br>應付帳款                        | Luzhou Xuyong Luzhou City Management Service Co., Ltd.<br>瀘州市敘永瀘敘城市管理服務有限公司   | 12,357.53                         |                                   |
| <b>Total accounts payable<br/>應付帳款合計</b>        |   | <b>14,711.45</b>                  | 2,600,000.00                      |
| Contract liabilities<br>合同負債                    | Luzhou Jiaotou Group Asset Operating Management Co., Ltd.<br>瀘州交投集團資產經營管理有限公司 | 4,970.02                          | 4,970.02                          |
| Contract liabilities<br>合同負債                    | Luzhou Naxi Xingran Gas Co., Ltd.<br>瀘州納溪興燃燃氣有限公司                             | 576.08                            | 576.08                            |
| Contract liabilities<br>合同負債                    | Luzhou Aviation Development Investment Group Co., Ltd.<br>瀘州航空發展投資集團有限公司      | 9,433.96                          |                                   |
| Contract liabilities<br>合同負債                    | Luzhou Jiangyang District Public Transportation Co., Ltd.<br>瀘州市江陽區公共交通有限公司   | 564.46                            |                                   |
| <b>Total contractual liabilities<br/>合同負債合計</b> |   | <b>15,544.52</b>                  | 5,546.10                          |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## XI. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

## 十一、關聯方及關聯交易(續)

### (3) Receivables from and payables to related parties (Continued)

### (三) 關聯方往來餘額(續)

#### 2. Projects payable (Continued)

#### 2. 應付項目(續)

| Project name<br>項目名稱                    | Related party<br>關聯方  | Closing book<br>balance<br>年末賬面餘額 | Opening book<br>balance<br>年初賬面餘額 |
|---|---|-----------------------------------|-----------------------------------|
| Other payables<br>其他應付款                 | Luzhou Xinglu Property Management Co., Ltd.<br>瀘州興瀘物業管理有限公司                               | 592,959.66                        | 1,055,892.98                      |
| Other payables<br>其他應付款                 | Luzhou Lingang Investments Group Co., Ltd.<br>瀘州臨港投資集團有限公司                                | 671,920.75                        | 579,162.40                        |
| Other payables<br>其他應付款                 | Luzhou Lingang Industrial Development Co., Ltd.<br>瀘州臨港產業開發有限公司                           | 552,086.00                        | 552,086.00                        |
| Other payables<br>其他應付款                 | Luzhou Xinglu Jutai Construction Company Limited<br>Jiangyang Branch<br>瀘州興瀘居泰建設有限公司江陽分公司 |                                   | 319,288.00                        |
| Other payables<br>其他應付款                 | Luzhou Xinglu Jutai Construction Company Limited<br>瀘州興瀘居泰建設有限公司                          | 15,303.28                         | 15,303.28                         |
| Other payables<br>其他應付款                 | Luzhou Xinglu Environmental Organic Treatment<br>Co., Ltd.<br>瀘州興瀘環境有機處理有限公司              | 6,667.08                          |                                   |
| Other payables<br>其他應付款                 | Luzhou Xinglu Environmental Logistics Co., Ltd.<br>瀘州興瀘環境物流有限公司                           | 10,915.90                         | 10,915.90                         |
| Other payables<br>其他應付款                 | Luzhou Cultural Tourism Tianyi Culture Media<br>Co., Ltd.<br>瀘州文旅天翼文化傳媒有限公司               | 6,902.00                          | 6,902.00                          |
| Other payables<br>其他應付款                 | Hejiang Xingyan Natural Gas Co., Ltd.<br>合江縣星焰天然氣有限公司                                     |                                   | 2,000.00                          |
| <b>Total other payables<br/>其他應付款合計</b> |   | <b>1,856,754.67</b>               | <b>2,541,550.56</b>               |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)

2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XII. CONTINGENCIES

1. As of 31 December 2022, franchising fees etc. are used as collateral for loans. Please refer to Note VI.56 for details.
2. **Contingent liabilities arising from pending litigations and arbitration**

### (1) *Dispute of Fanxing Environmental*

On 19 July 2017, the Company's subsidiary Fanxing Environmental and Sichuan Changjiang Engineering Crane Co., Ltd. (hereinafter referred to as "Changqi Company") signed the "Luzhou City Township and Rural Wastewater Treatment Equipment Supply and Installation Project Agreement". In the process of contract performance, the equipment provided by Changqi company failed to complete commissioning on time, and failed to reach the standard of production. Both parties have communicated for many times without reaching a consensus; On 28 October 2020, China SINOMACH Heavy Industry Corporation, the controlling shareholder of Changqi Company filed a bankruptcy petition with the Luzhou Municipal Intermediate People's Court to liquidate the company due to its inability to pay off its debts as they fall due. On 19 November 2020, the Luzhou Intermediate People's Court ruled that the bankruptcy of Sichuan Changjiang Engineering Crane Co., Ltd. was accepted for liquidation. As Changqi Company has entered the bankruptcy liquidation stage, the attached obligations, quality assurance obligations, after-sales service, financial evaluation under the above equipment supply and installation engineering agreement have been unable to continue to perform, and Fanxing Environmental has not continued to pay the agreement balance.

## 十二、或有事項

1. 截至2022年12月31日，特許收費經營權等被用於借款質押。詳見附註六.56之相關說明。
2. **未決訴訟或仲裁形成的或有負債**

### (1) **繁星環保合同爭議訴訟事項**

本公司之子公司繁星環保於2017年7月19日與四川長江工程起重機有限責任公司(以下簡稱「長起公司」)簽訂《瀘州市鄉鎮和農村污水處理設備供貨及安裝工程協議》，在合同履約過程中，長起公司提供的設備未能夠按時完成調試、未能夠達標達產，雙方進行多次溝通未協商一致；長起公司因資不抵債、不能清償到期債務，其控股股東中國國機重工集團有限公司於2020年10月28日向瀘州市中級人民法院提出對其進行破產清算的申請，瀘州市中級人民法院於2020年11月19日裁定受理四川長江工程起重機有限責任公司破產清算；因長起公司已進入破產清算階段，其在上述設備供貨及安裝工程協議下的附隨義務、質保義務、售後服務、財評事項等已無法繼續履行，相應繁星環保未繼續支付協議尾款。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### XII. CONTINGENCIES (Continued)

#### 十二、或有事項(續)

##### 2. Contingent liabilities arising from pending litigations and arbitration (Continued)

##### 2. 未決訴訟或仲裁形成的或有負債(續)

###### (1) Dispute of Fanxing Environmental (Continued)

###### (1) 繁星環保合同爭議訴訟事項(續)

In March 2021, Changqi Company and its bankruptcy administrator (the “plaintiff”) sued Fanxing Environmental on behalf of Changqi Company in the Luzhou Intermediate People’s Court with the following claims: “1. To rule the defendant to pay the plaintiff the sum of RMB42,821,100; 2. to rule the defendant to pay the plaintiff liquidated damages of RMB17,152,580.2; 3. To rule the defendant to bear the costs of the proceedings. “

2021年3月，長起公司及其破產管理人(以下簡稱「原告方」)向瀘州市中級人民法院起訴了繁星環保，訴訟請求為：「一、判決被告立即向原告支付所欠貨款4,282.11萬元；二、判決被告向原告支付違約金1,715.25802萬元；三、本案訴訟費由被告承擔。」

The case has not yet been concluded and the Company’s preliminary judgement, in conjunction with the advice of its lawyers, is that the plaintiff has not yet completed its financial assessment of the equipment for which it is suing and cannot determine the final price of the equipment, and therefore is not yet in a position to pay. At the same time, as the equipment provided by the plaintiff did not complete the commissioning on time, it failed to meet the standard and reach production, and has not yet completed the acceptance, the prerequisites for the payment of equipment are not yet available. On the contrary, the equipment provided by the plaintiff had to be repaired and modified in order to achieve the contractual objective of reaching the target and production, and the relevant costs should also be borne by the plaintiff. Therefore, the Company is of the opinion that there is no breach of contract by Fanxing Environmental and it is highly unlikely that the Company will pay liquidated damages.

目前該案尚未審結，本公司結合律師意見初步判斷：原告方起訴要求支付的設備款尚未完成財評，不能夠確定設備最終的價格，因此尚不具備支付條件；同時，因原告方提供的設備未能夠按時完成調試，未能夠達標達產，至今沒有完成驗收，尚不具備支付設備款的前提條件；相反原告方提供的設備要達到達標達產的合同目的尚需進行維修改造，其相關費用也應當由原告方承擔。故，本公司認為繁星環保不存在違約行為，本公司極小可能支付違約金。

## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XII. CONTINGENCIES (Continued)

## 十二、或有事項(續)

### 2. Contingent liabilities arising from pending litigations and arbitration (Continued)

### 2. 未決訴訟或仲裁形成的或有負債(續)

#### (2) Dispute of CCCC Hongfeng Group Limited (hereinafter referred to as “CCCC Hongfeng”)

#### (2) 與中交建宏峰集團有限公司(以下簡稱「中交建宏峰」)爭議訴訟事項

During the period of this report, the construction contract of Luzhou Nanjiao Second Water Treatment Plant signed between CCCC Hongfeng and the Company in the course of performance, the two parties had a dispute over the final payment of the project because the construction progress of CCCC Jujifeng and the subcontracting in the process did not comply with the contract agreement. Now CCCC Hongfeng has filed a lawsuit demanding the Company to pay the final payment of RMB11.55 million for the project, as well as the interest on the fund occupation and the litigation costs of the case.

本報告期間，中交建宏峰與本公司在簽訂的《瀘州南郊二水廠土建工程施工合同》在履行過程中，因中交建宏峰施工進度及過程中的分包不符合合同約定，雙方就工程款尾款問題發生爭議。現中交建宏峰提起訴訟，要求本公司支付工程款尾款人民幣1,155萬元，及資金佔用利息及案件訴訟費等。

As at 31 December 2022, in addition to the above, the Group is also involved in a number of minor litigation in the course of its day-to-day operations. However, the Group believes that any liabilities arising from these minor litigation subjects will not have a material adverse effect on the financial position or operating results of the Group.

截至2022年12月31日，除上述事項外，本集團還涉及一些日常經營中的金額較小的訴訟，不過本集團相信任何因這些標的小的訴訟引致的負債都不會對本集團的財務狀況或經營成果構成重大的不利影響。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

#### XIII. COMMITMENTS

As of 31 December 2022, the Group had no material commitments.

#### 十三、承諾事項

截至2022年12月31日，本集團無重大承諾事項。

#### XIV. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

##### 1. Profit distribution

On 30 March 2023, the Xth Meeting of the Second Session of the Board of Directors of the Company proposed the following profit distribution for the year 2022: Based on the total share capital of the Company of 859,710,000.00 shares at the end of 2022, a cash dividend of RMB0.05 (including tax) per share will be distributed, resulting in a total cash distribution of RMB42,985,500.00. The plan is to be submitted to the general meeting of shareholders for approval.

As of the date of this report, apart from the above, there are no other significant post balance sheet events for the Company.

#### 十四、資產負債表日後事項

##### 1、利潤分配情況

2023年3月30日，本公司第二屆董事會第X次會議關於2022年度利潤分配的預案如下：以2022年末本公司總股本859,710,000.00股為基數，每股派現金股利0.05元(含稅)，派現金共計42,985,500.00元。該項預案待上報股東大會審議通過。

截至本報告出具日，除上述事項外，本公司無其他重大資產負債表日後事項。

#### XV. OTHER IMPORTANT MATTERS

##### 1. Employee benefits

###### (1) Contributions to short-term employee benefits and defined contribution pension schemes

Salaries, annual bonuses, paid annual leave, contributions to defined contribution pension schemes and the cost of non-monetary benefits are accrued over the period in which the staff member provides the relevant service. Any delay in payment or settlement would have a material impact. These amounts are stated at present value.

#### 十五、其他重要事項

##### 1. 職工福利

###### (1) 短期職工福利及界定退休金供款計劃的供款

工資、年度獎金、有薪年假、界定退休金供款計劃的供款及非貨幣福利的成本均在職工提供相關服務的期間內計提。如延遲支付或結算會構成重大影響，該等金額按現值列賬。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XV. OTHER IMPORTANT MATTERS (Continued)

## 十五、其他重要事項(續)

### 1. Employee benefits (Continued)

### 1. 職工福利(續)

- (2) The Group's defined contribution pension schemes comprise a social security scheme and an annuity scheme.

- (2) 本集團的界定退休金供款計劃包括社會養老保險金計劃和年金計劃。

1) *Social basic pensions*

1) *社會基本養老保險*

In accordance with the relevant Chinese regulations, the Group's employees participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Payments of premiums on the basic pensions are calculated according to the bases and percentage prescribed by the relevant local authorities. The above contributions to the social basic pension are credited to current profit or loss on an accrual basis, and the Company will not be able to apply the sums so paid. When employees retire, the relevant local authorities are obliged to pay the basic pensions to them.

按照中國有關法規，本集團職工參加了由當地勞動和社會保障部門組織實施的社會基本養老保險。本集團以當地規定的社會基本養老保險繳納基數和比例，向當地社會基本養老保險經辦機構繳納養老保險費。上述繳納的社會基本養老保險按照權責發生制原則計入當期損益，公司將不能動用該等已繳納的款項。職工退休後，各地勞動及社會保障部門有責任向已退休職工支付社會基本養老金。

2) *Annuity plans*

2) *年金計劃*

As of 31 December 2022, the Group had not yet established enterprise annuity or implemented annuity plans.

截至2022年12月31日，本集團尚未建立企業年金和實施年金計劃。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XV. OTHER IMPORTANT MATTERS (Continued)

## 十五、其他重要事項(續)

### 2. Segment information

- (1) Segment information Basis of determination of reportable segments and accounting policies: The Group determines operating segments based on internal organisational structure, management requirements and internal reporting systems, and determines reportable segments based on operating segments. For management purposes, the Group has identified three reportable segments based on the types of services and products and the scale of development of each business segment as follows.

Inter-segment transfer transactions are measured on the basis of actual transaction prices. Segment revenue and segment expenses are determined based on the actual revenue and expenses of each segment. Segment assets or liabilities are allocated to operating segments on the basis of assets used in the ordinary activities of those segments or liabilities incurred that are attributable to those operating segments.

### 2. 分部信息

- (1) 報告分部的確定依據與會計政策：本集團以內部組織結構、管理要求、內部報告制度為依據確定經營分部，以經營分部為基礎確定報告分部。基於管理的目的，本集團根據服務和產品的類別及各業務分部的發展規模劃分了如下三個報告分部。

分部間轉移交易以實際交易價格為基礎計量。分部收入和分部費用按各分部的實際收入和費用確定。分部資產或負債按經營分部日常活動中使用的可歸屬於該經營分部的資產或產生的可歸屬於該經營分部的負債分配。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## XV. OTHER IMPORTANT MATTERS (Continued)

## 十五、其他重要事項(續)

### 2. Segment information (Continued)

### 2. 分部信息(續)

#### (2) Financial information of reporting segments

#### (2) 報告分部的財務信息

##### 1) Segment financial information of the current year

##### 1) 本年分部財務信息

| Items   | 項目                  | Tap water<br>自來水 | Wastewater<br>污水 | Others<br>其他  | Offset<br>抵銷    | Total<br>合計      |
|---|---------------------|------------------|------------------|---------------|-----------------|------------------|
| <b>Operating revenue</b>  | <b>營業收入</b>         | 793,911,741.76   | 526,354,702.04   | 33,152,824.88 |                 | 1,353,419,268.68 |
| Including: Revenue from external transactions   | 其中: 對外交易收入          | 857,739,312.76   | 526,354,702.04   | 33,152,824.88 |                 | 1,353,419,268.68 |
| Revenue from intra-segment transactions   | 分部間交易收入             |                  |                  |               |                 |                  |
| Operating cost  | 營業成本                | 528,820,169.81   | 303,543,917.77   | 27,039,185.10 |                 | 859,403,272.68   |
| Cost offset   | 成本抵消                |                  |                  |               |                 |                  |
| Expenses for the period   | 期間費用                | 180,807,686.71   | 63,252,819.88    | 714,214.55    |                 | 244,774,721.14   |
| Operating profit  | 營業利潤                | 55,753,790.62    | 193,039,590.54   | 5,226,421.21  |                 | 254,019,802.37   |
| Total assets  | 資產總額                | 5,031,402,480.43 | 2,724,576,586.80 | 29,627,621.86 | -660,060,808.38 | 7,125,545,880.71 |
| Total liabilities   | 負債總額                | 2,885,956,880.81 | 1,400,262,986.18 | 12,535,119.38 | -4,791,006.10   | 4,293,963,980.27 |
| Construction in progress, fixed assets and intangible assets incurred during the period | 本期發生的在建工程、固定資產和無形資產 | 97,745,170.35    | 210,776,767.54   | 573,010.63    |                 | 309,094,948.52   |
| Significant non-cash expenses such as depreciation and amortisation                     | 折舊及攤銷等重大的非付現費用      | 207,059,629.88   | 120,378,411.16   | 338,970.12    |                 | 327,777,011.16   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XV. OTHER IMPORTANT MATTERS (Continued)

## 十五、其他重要事項(續)

### 2. Segment information (Continued)

### 2. 分部信息(續)

#### (2) Financial information of reporting segments (Continued)

#### (2) 報告分部的財務信息(續)

(2) Segment financial information of the previous year

2) 上年分部財務信息

| Items   | 項目                  | Tap water<br>自來水 | Wastewater<br>污水 | Others<br>其他  | Offset<br>抵銷    | Total<br>合計      |
|---|---------------------|------------------|------------------|---------------|-----------------|------------------|
| <b>Operating revenue</b>  | <b>營業收入</b>         | 876,424,020.46   | 473,731,683.29   | 19,942,230.07 |                 | 1,370,097,933.82 |
| Including: Revenue from external transactions   | 其中：對外交易收入           | 876,424,020.46   | 473,731,683.29   | 19,942,230.07 |                 | 1,370,097,933.82 |
| Revenue from intra-segment transactions   | 分部間交易收入             |                  |                  |               |                 |                  |
| Operating cost  | 營業成本                | 499,336,961.61   | 285,349,111.95   | 16,818,098.87 |                 | 801,504,172.43   |
| Cost offset   | 成本抵銷                |                  |                  |               |                 |                  |
| Expenses for the period   | 期間費用                | 185,532,796.04   | 60,345,400.38    | 799,385.62    |                 | 246,677,582.04   |
| Operating profit  | 營業利潤                | 172,553,850.27   | 124,410,641.45   | 1,251,798.84  |                 | 298,216,290.56   |
| Total assets  | 資產總額                | 5,295,014,471.26 | 2,421,248,081.38 | 34,512,818.87 | -677,459,108.43 | 7,073,316,263.08 |
| Total liabilities   | 負債總額                | 3,191,922,259.66 | 1,211,495,415.95 | 15,433,628.81 | -6,556,191.49   | 4,412,295,112.93 |
| Construction in progress, fixed assets and intangible assets incurred during the period | 本期發生的在建工程、固定資產和無形資產 | 694,092,673.82   | 311,258,996.21   | 49,260.36     |                 | 1,005,400,930.39 |
| Significant non-cash expenses such as depreciation and amortisation                     | 折舊及攤銷等重大的非付現費用      | 15,106,098.82    | 11,354,023.62    | 49,260.36     |                 | 26,509,382.80    |

3. Other material transactions and matters affecting investors' decisions: None.

3. 其他對投資者決策有影響的重要交易和事項：無。



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS

## 十六、母公司財務報表主要項目註釋

### 1. Accounts receivable

#### (1) Accounts receivable as shown by provision for bad debts

| Category   | 類別        | Book balance          |                | Closing balance      |                | Book value            |
|--|-----------|-----------------------|----------------|----------------------|----------------|-----------------------|
|  |           | Amount                | Proportion (%) | Amount               | Proportion (%) |                       |
|  |           | 賬面餘額                  | 比例(%)          | 賬面餘額                 | 壞賬準備           | 賬面價值                  |
| Separate provision for bad debts                             | 按單項計提壞賬準備 |                       |                |                      |                |                       |
| Provision for bad debts on a group basis                     | 按組合計提壞賬準備 | 173,405,659.75        | 100.00         | 18,326,544.57        | 10.57          | 155,079,115.18        |
| Including: Combination by ageing                             | 其中：按賬齡組合  | 164,312,426.71        | 94.76          | 18,326,544.57        | 11.15          | 145,985,882.14        |
| Combination of related parties in the scope of consolidation | 合併範圍關聯方組合 | 9,093,233.04          | 5.24           |                      |                | 9,093,233.04          |
| <b>Total</b>   | <b>合計</b> | <b>173,405,659.75</b> | <b>100.00</b>  | <b>18,326,544.57</b> |                | <b>155,079,115.18</b> |

(Continued)

(續表)

| Category   | 類別        | Book balance          |                | Opening balance      |                | Book value            |
|--|-----------|-----------------------|----------------|----------------------|----------------|-----------------------|
|  |           | Amount                | Proportion (%) | Amount               | Proportion (%) |                       |
|  |           | 賬面餘額                  | 比例(%)          | 賬面餘額                 | 壞賬準備           | 賬面價值                  |
| Separate provision for bad debts                             | 按單項計提壞賬準備 | 1,683,073.80          | 1.12           | 1,683,073.80         | 100.00         |                       |
| Provision for bad debts on a group basis                     | 按組合計提壞賬準備 | 148,641,533.87        | 98.88          | 12,666,514.11        | 8.52           | 135,975,019.76        |
| Including: Combination by ageing                             | 其中：按賬齡組合  | 142,733,455.74        | 94.95          | 12,666,514.11        | 8.87           | 130,066,941.63        |
| Combination of related parties in the scope of consolidation | 合併範圍關聯方組合 | 5,908,078.13          | 3.93           |                      |                | 5,908,078.13          |
| <b>Total</b>   | <b>合計</b> | <b>150,324,607.67</b> | <b>100.00</b>  | <b>14,349,587.91</b> |                | <b>135,975,019.76</b> |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 1. Accounts receivable (Continued)

#### (1) Accounts receivable as shown by provision for bad debts (Continued)

- 1) Provision for bad debts of accounts receivables on a group basis

| Ageing                    | 賬齡        | Closing balance       |                         |                          |
|---------------------------|-----------|-----------------------|-------------------------|--------------------------|
|                           |           | Book balance          | Provision for bad debts | Provision proportion (%) |
|                           |           | 賬面餘額                  | 壞賬準備                    | 計提比例(%)                  |
| Within 1 year (inclusive) | 1年以內(含1年) | 99,019,578.37         | 4,950,978.92            | 5.00                     |
| 1-2                       | 1-2年      | 39,617,474.04         | 3,961,747.40            | 10.00                    |
| 2-3                       | 2-3年      | 17,768,488.12         | 3,553,697.62            | 20.00                    |
| 3-4                       | 3-4年      | 1,627,881.23          | 813,940.62              | 50.00                    |
| 4-5                       | 4-5年      | 6,164,124.72          | 4,931,299.78            | 80.00                    |
| Over 5 years              | 5年以上      | 114,880.23            | 114,880.23              | 100.00                   |
| <b>Total</b>              | <b>合計</b> | <b>164,312,426.71</b> | <b>18,326,544.57</b>    |                          |

### 1. 應收賬款(續)

#### (1) 應收賬款按壞賬計提方法分類列示(續)

- 1) 按賬齡組合計提應收賬款壞賬準備

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

### XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### 1. Accounts receivable (Continued)

(2) *The aging analysis of accounts receivable based on the transaction date is as follows*

| Ageing                    | 賬齡        | Closing balance<br>年末餘額 |
|---------------------------|-----------|-------------------------|
| Within 1 year (inclusive) | 1年以內(含1年) | 102,948,701.75          |
| 1-2                       | 1-2年      | 44,691,556.94           |
| 2-3                       | 2-3年      | 17,858,514.88           |
| 3-4                       | 3-4年      | 1,627,881.23            |
| 4-5                       | 4-5年      | 6,164,124.72            |
| Over 5 years              | 5年以上      | 114,880.23              |
| <b>Total</b>              | <b>合計</b> | <b>173,405,659.75</b>   |

#### 1. 應收賬款(續)

(2) *根據交易日期的應收賬款賬齡分析如下*

(3) *Provision for bad debts of accounts receivable in the current year*

(3) *本年應收賬款壞賬準備情況*

| Category                | 類別   | Opening balance<br>年初餘額 | Provision<br>計提 | Changes during the current year<br>本年變動金額 |                                  |              | Closing balance<br>年末餘額 |
|-------------------------|------|-------------------------|-----------------|---|----------------------------------|--------------|-------------------------|
|                         |      |                         |                 | Recoveries or reversals<br>收回或轉回          | Write off or charge off<br>轉銷或核銷 | Others<br>其他 |                         |
| Provision for bad debts | 壞賬準備 | 14,349,587.91           | 3,976,956.66    |   |                                  |              | 18,326,544.57           |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 1. Accounts receivable (Continued)

#### (4) Accounts receivable of top 5 closing balance by debtor

The total top five accounts receivable by debtor as at the end of the year amounted to RMB91,763,315.55, accounting for 52.92% of the closing balance of accounts receivable. A provision for bad debts of RMB7,742,637.41 in total was made as at the end of the year.

### 2. Other receivables

| Items                         | 項目        |
|-------------------------------|-----------|
| Other accounts                | 其他收賬款     |
| Less: Provision for bad debts | 減：壞賬準備    |
| <b>Total</b>                  | <b>合計</b> |

### 1. 應收賬款(續)

#### (4) 按欠款方歸集的年末餘額前五名的應收賬款情況

本年按欠款方歸集的年末餘額前五名應收賬款匯總金額91,763,315.55元，佔應收賬款年末餘額合計數的比例52.92%，相應計提的壞賬準備年末餘額匯總金額7,742,637.41元。

### 2. 其他應收款

|                               |           | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|-------------------------------|-----------|-------------------------|-------------------------|
| Other accounts                | 其他收賬款     | 165,589,799.04          | 171,049,448.42          |
| Less: Provision for bad debts | 減：壞賬準備    | 22,422,186.44           | 3,582,331.59            |
| <b>Total</b>                  | <b>合計</b> | <b>143,167,612.60</b>   | 167,467,116.83          |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### 2. Other receivables (Continued)

##### (1) Other payables by nature

| Nature of the amount  | 款項性質                     | Closing balance<br>年末餘額 | Opening balance<br>年初餘額 |
|---|--------------------------|-------------------------|-------------------------|
| Municipal financial subsidy funds for the Luzhou City "One Household, One Meter" Renovation Project | 瀘州市城區「一戶一表」改造工程市、區財政補貼資金 | 140,420,033.77          | 141,615,032.92          |
| Transactions with related parties within the scope of consolidation                                 | 合併範圍內關聯方往來款              | 18,341,356.06           | 23,695,025.49           |
| Payments withheld   | 代扣代繳款                    | 742,096.75              | 777,304.85              |
| Deposits, collateral  | 押金、保證金                   | 293,300.00              | 696,879.33              |
| Staff transactions  | 員工往來款                    | 90,000.00               | 105,061.83              |
| Others  | 其他                       | 5,703,012.46            | 4,160,144.00            |
| <b>Total</b>  | <b>合計</b>                | <b>165,589,799.04</b>   | 171,049,448.42          |

#### 2. 其他應收款(續)

##### (1) 其他應收款按款項性質分類

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
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## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 2. Other receivables (Continued)

#### (2) Provision for bad debts of other receivables

### 2. 其他應收款(續)

#### (2) 其他應收款壞賬準備計提情況

|                                |               | Stage 1                                    | Stage 2   | Stage 3   | Total         |
|--------------------------------|---------------|--|---|---|---------------|
|                                |               | 第一階段                                       | 第二階段  | 第三階段  |               |
|                                |               |  |   | Expected credit loss for the entire duration                                  |               |
|                                |               | Expected credit loss in the next 12 months | Expected credit loss for the entire duration (no credit impairment) | Expected credit loss for the entire duration (credit impairment has occurred) |               |
|                                |               | 未來12個月預期信用損失                               | 整個存續期預期信用損失(未發生信用減值)  | 整個存續期預期信用損失(已發生信用減值)  | 合計            |
| Provision for bad debts        | 壞賬準備          |  |   |   |               |
| Balance as at 1 January 2022   | 2022年1月1日餘額   | 673,945.83                                 | 939,555.78  | 1,968,829.98  | 3,582,331.59  |
| Provision in the current year  | 本年計提          | 72,094.68                                  | 17,383,574.62   | 1,384,185.55  | 18,839,854.85 |
| Reversal in the current year   | 本年轉回          |  |   |   |               |
| Write-off in the current year  | 本年轉銷          |  |   |   |               |
| Charge-off in the current year | 本年核銷          |  |   |   |               |
| Other changes                  | 其他變動          |  |   |   |               |
| Balance as at 31 December 2022 | 2022年12月31日餘額 | 746,040.51                                 | 18,323,130.40   | 3,353,015.53  | 22,422,186.44 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued) 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

### XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### 2. Other receivables (Continued)

#### 2. 其他應收款(續)

##### (3) Other receivables presented by ageing

##### (3) 其他應收款按賬齡列示

| Ageing                    | 賬齡        | Closing balance<br>年末餘額 |
|---------------------------|-----------|-------------------------|
| Within 1 year (inclusive) | 1年以內(含1年) | 7,736,548.45            |
| 1-2                       | 1-2年      | 106,592,413.88          |
| 2-3                       | 2-3年      | 47,523,758.02           |
| Over 3 years              | 3年以上      | 291,200.00              |
| 4-5                       | 4-5年      | 92,863.16               |
| Over 5 years              | 5年以上      | 3,353,015.53            |
| <b>Total</b>              | <b>合計</b> | <b>165,589,799.04</b>   |

##### (4) Provision for bad debts of other receivables

##### (4) 其他應收款壞賬準備情況

| Category                | 類別   | Opening balance<br>年初餘額 | Provision<br>計提 | Changes during the current year<br>本年變動金額 |                                  |               | Closing balance<br>年末餘額 |
|-------------------------|------|-------------------------|-----------------|---|----------------------------------|---------------|-------------------------|
|                         |      |                         |                 | Recoveries or reversals<br>收回或轉回          | Write off or charge off<br>轉銷或核銷 | Others<br>其他  |                         |
| Provision for bad debts | 壞賬準備 | 3,582,331.59            | 18,839,854.85   |   |                                  | 22,422,186.44 |                         |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 2. Other receivables (Continued)

### 2. 其他應收款(續)

#### (5) Other receivables of top 5 closing balances by debtor

#### (5) 按欠款方歸集的年末餘額前五名的其他應收款情況

| Name of entity   | Nature of the amount   | Closing balance       | Ageing                 | Proportion in the total closing balance of other receivables (%)<br>佔其他應收款年末餘額合計數的比例(%) | Closing balance of provision for bad debts<br>壞賬準備年末餘額 |
|--|--|-----------------------|------------------------|---|--|
| 單位名稱   | 款項性質   | 年末餘額                  | 賬齡                     |   | 年末餘額   |
| Luzhou Municipal Finance Bureau<br>瀘州市財政局                                    | Financial subsidy funds<br>財政補貼資金  | 140,420,033.77        | Within 3 years<br>3年以內 | 84.80   | 18,609,493.19  |
| Luzhou Nanjiao Water Co., Ltd.<br>瀘州市南郊水業有限公司                                | Transactions with related parties within the scope of consolidation<br>合併範圍內關聯方往來款 | 7,439,073.41          | Within 2 years<br>2年以內 | 4.49  |  |
| Luzhou Sitong Water Engineering Co., Ltd.<br>瀘州市四通自來水工程有限公司                  | Transactions with related parties within the scope of consolidation<br>合併範圍內關聯方往來款 | 5,203,659.52          | Within 1 year<br>1年以內  | 3.14  |  |
| Luzhou Xinglu Water (Group) Crystal Trading Co., Ltd.<br>瀘州市興瀘水務(集團)水晶商貿有限公司 | Transactions with related parties within the scope of consolidation<br>合併範圍內關聯方往來款 | 3,143,477.10          | Within 2 years<br>2年以內 | 1.90  |  |
| Luzhou Xinglu Water (Group) Beijiao Water Co., Ltd.<br>瀘州市興瀘水務(集團)北郊水業有限公司   | Transactions with related parties within the scope of consolidation<br>合併範圍內關聯方往來款 | 2,477,000.26          | Within 1 year<br>1年以內  | 1.50  |  |
| <b>Total</b>   | <b>合計</b>  | <b>158,683,244.06</b> |                        | <b>95.83</b>  | <b>18,609,493.19</b>                                   |



# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 2. Other receivables (Continued)

### 2. 其他應收款(續)

#### (7) Receivables involving government grants

#### (7) 涉及政府補助的應收款項

| Name of entity<br>單位名稱                    | Grants<br>補助項目   | Closing<br>balance<br>年末餘額 | Ageing<br>賬齡           | Time<br>時間   | Amount<br>金額   | Amount expected to receive<br>預計收取 | Basis<br>依據  |
|---|--|----------------------------|------------------------|--|----------------|------------------------------------|--|
| Luzhou Municipal Finance Bureau<br>瀘州市財政局 | "One Household, One Meter"<br>renovation project in the urban<br>area of Luzhou<br>瀘州市城區「一戶一表」改造工程 | 140,420,033.77             | Within 3 years<br>3年以內 | Subject to<br>completion of<br>costing of works<br>待工程造價<br>結算完成 | 140,420,033.77 |                                    | Lu Shi Fu Ban Fa<br>(2019) No. 14<br>瀘市府辦發<br>(2019) 14號文件 |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 3. Long-term debt investment

### 3. 長期股權投資

#### (1) Classification of long-term equity investments

#### (1) 長期股權投資分類

| Entity invested   | 被投資單位                   | Opening balance<br>(Book value)<br>年初餘額<br>(賬面價值) | Increase in<br>investment<br>追加投資 | Reduction in<br>investment<br>減少投資 | Gains or losses<br>on investments<br>recognized<br>under the<br>equity method<br>權益法下確認<br>的投資損益 | Change in the current year<br>本年增減變動                              |                                       | Declared cash<br>dividends or<br>profits<br>宣告發放現金<br>股利或利潤 | Provision for<br>impairment<br>計提減值準備 | Others | Closing balance<br>(Book value)<br>年末餘額<br>(賬面價值) | Closing balance<br>of provision for<br>impairment<br>減值準備<br>年末餘額 |
|---|-------------------------|---|-----------------------------------|------------------------------------|--|---|---------------------------------------|---|---------------------------------------|--------|---|---|
|   |                         |   |                                   |                                    |  | Adjustment<br>of other<br>comprehensive<br>income<br>其他綜合<br>收益調整 | Change in<br>other equities<br>其他權益變動 |   |                                       |        |   |   |
| II: Joint ventures: None.   | 一、合營企業：無。               |   |                                   |                                    |  |   |                                       |   |                                       |        |   |   |
| II. Associates  | 二、聯營企業                  |   |                                   |                                    |  |   |                                       |   |                                       |        |   |   |
| Sichuan Xiangjiaba Irrigation<br>Construction and Development<br>Co., Ltd.      | 四川省向家壩灌區建設開發<br>有限責任公司  | 55,275,609.48                                     |                                   |                                    | 590,950.85   |   |                                       |   |                                       |        | 55,866,560.33                                     |   |
| Subtotal  | 小計                      | 55,275,609.48                                     |                                   |                                    | 590,950.85   |   |                                       |   |                                       |        | 55,866,560.33                                     |   |
| III. Subsidiaries   | 三、子公司                   |   |                                   |                                    |  |   |                                       |   |                                       |        |   |   |
| Luzhou Xinglu Water (Group)<br>Beijiao Water Co., Ltd.                          | 瀘州市興瀘水務(集團)<br>北郊水業有限公司 | 100,537,417.79                                    |                                   |                                    |  |   |                                       |   |                                       |        | 100,537,417.79                                    |   |
| Luzhou Xinglu Water (Group)<br>Crystal Trading Co., Ltd.                        | 瀘州市興瀘水務(集團)<br>水晶商貿有限公司 | 9,388,127.21                                      |                                   |                                    |  |   |                                       |   |                                       |        | 9,388,127.21                                      |   |
| Luzhou Xinglu Water (Group)<br>Hejiang Water Co., Ltd.                          | 瀘州市興瀘水務(集團)<br>合江水業有限公司 | 94,072,759.54                                     |                                   |                                    |  |   |                                       |   |                                       |        | 94,072,759.54                                     |   |
| Luzhou Sitong Water Engineering<br>Co., Ltd.                                    | 瀘州市四通自來水工程<br>有限公司      | 6,343,534.06                                      |                                   |                                    |  |   |                                       |   |                                       |        | 6,343,534.06                                      |   |
| Luzhou Nanjiao Water Co., Ltd.  | 瀘州市南郊水業有限公司             | 20,311,312.96                                     |                                   |                                    |  |   |                                       |   |                                       |        | 20,311,312.96                                     |   |
| Luzhou Sitong Water Supply and<br>Drainage Engineering Design<br>Co., Ltd.      | 瀘州市四通給排水工程<br>設計有限公司    | 969,729.13  |                                   |                                    |  |   |                                       |   |                                       |        | 969,729.13  |   |
| Luzhou Xinglu Wastewater<br>Treatment Co., Ltd.                                 | 瀘州市興瀘污水處理有限<br>公司       | 442,199,192.98                                    |                                   |                                    |  |   |                                       |   |                                       |        | 442,199,192.98                                    |   |
| Xinglu Water (Group) Weiyuan<br>Qingxi Water Co., Ltd.                          | 興瀘水務(集團)威遠清溪<br>水務有限公司  | 37,570,000.00                                     |                                   |                                    |  |   |                                       |   |                                       |        | 37,570,000.00                                     |   |
| Weiyuan City Water Supply<br>and Drainage Installation<br>Engineering Co., Ltd. | 威遠城市供排水安裝工程<br>有限公司     | 17,590,000.00                                     |                                   |                                    |  |   |                                       |   |                                       |        | 17,590,000.00                                     |   |
| Luzhou Xinglu Water (Group)<br>Xingwu Water Co., Ltd.                           | 瀘州市興瀘水務(集團)<br>興故水業有限公司 | 6,000,000.00                                      |                                   |                                    |  |   |                                       |   |                                       |        | 6,000,000.00                                      |   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 3. Long-term debt investment (Continued)

### 3. 長期股權投資(續)

#### (1) Classification of long-term equity investments (Continued)

#### (1) 長期股權投資分類(續)

| Entity invested   | 被投資單位             | Opening balance<br>(Book value)<br>年初餘額<br>(賬面價值) | Increase in<br>investment<br>追加投資 | Reduction in<br>investment<br>減少投資 | Gains or losses<br>on investments<br>recognized<br>under the<br>equity method<br>權益法下確認<br>的投資損益 | Adjustment<br>of other<br>comprehensive<br>income<br>其他綜合<br>收益調整 | Change in<br>other equities<br>其他權益變動 | Declared cash<br>dividends or<br>profits<br>宣告發放現金<br>股利或利潤 | Provision for<br>impairment<br>計提減值準備 | Others | Change in the current year<br>本年增減變動 | Closing balance<br>of provision for<br>impairment<br>減值準備<br>年末餘額 |
|---|-------------------|---|-----------------------------------|------------------------------------|--|---|---------------------------------------|---|---------------------------------------|--------|--------------------------------------|---|
|   |                   |   |                                   |                                    |  |   |                                       |   |                                       |        |                                      |   |
| Luzhou Fanxing Environmental Development Co., Ltd.                        | 瀘州市繁星環保發展有限公司     | 117,000,000.00                                    |                                   |                                    |  |   |                                       |   |                                       |        |                                      | 117,000,000.00  |
| Leshan Xinglu Water Xingjia Environmental Protection Technology Co., Ltd. | 樂山市興瀘水務興嘉環保科技有限公司 | 36,483,900.00                                     |                                   |                                    |  |   |                                       |   |                                       |        |                                      | 36,483,900.00   |
| Leibo Xinglu Water Co., Ltd.  | 雷波縣興瀘水務有限公司       | 20,502,000.00                                     |                                   |                                    |  |   |                                       |   |                                       |        |                                      | 20,502,000.00   |
| Chengdu Qingbaijiang Xinglu Water Co., Ltd.                               | 成都市青白江興瀘水務有限公司    | 34,676,700.00                                     |                                   |                                    |  |   |                                       |   |                                       |        |                                      | 34,676,700.00   |
| Dechang Xinglu Water Co., Ltd.  | 德昌縣興瀘水務有限公司       | 15,610,364.00                                     |                                   |                                    |  |   |                                       |   |                                       |        |                                      | 15,610,364.00   |
| Subtotal  | 小計                | 959,255,037.67                                    |                                   |                                    |  |   |                                       |   |                                       |        |                                      | 959,255,037.67  |
| <b>Total</b>  | <b>合計</b>         | <b>1,014,530,647.15</b>                           |                                   |                                    | <b>590,950.85</b>  |   |                                       |   |                                       |        |                                      | <b>1,015,121,598.00</b>   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

## 十六、母公司財務報表主要項目註釋(續)

### 4. Operating revenue and operating cost

#### (1) Particulars of operating revenue and costs

| Items                | 項目        | Amount incurred in the current year |                       | Amount incurred in the previous year |                       |
|----------------------|-----------|-------------------------------------|-----------------------|--------------------------------------|-----------------------|
|                      |           | Revenue                             | Cost                  | Revenue                              | Cost                  |
|                      |           | 本年發生額                               |                       | 上年發生額                                |                       |
|                      |           | 收入                                  | 成本                    | 收入                                   | 成本                    |
| Principal operations | 主營業務      | 580,723,155.26                      | 416,792,917.45        | 685,567,397.79                       | 419,959,305.50        |
| Other operations     | 其他業務      | 8,701,026.02                        | 2,030,499.52          | 17,855,548.68                        | 3,488,395.46          |
| <b>Total</b>         | <b>合計</b> | <b>589,424,181.28</b>               | <b>418,823,416.97</b> | <b>703,422,946.47</b>                | <b>423,447,700.96</b> |

#### (2) Particulars of revenue from contracts

| Categories of contract             | 合同分類    | Incurred revenue amount for the current year |  | Costs incurred during the current year |  |
|------------------------------------|---------|--|--|--|--|
|                                    |         | 本年收入發生額                                      |  | 本年成本發生額                                |  |
| Classification by type of goods    | 按商品類型分類 | <b>589,424,181.28</b>                        |  | 418,823,416.97                         |  |
| Including: water supply business   | 其中：供水業務 | <b>314,457,901.56</b>                        |  | 317,289,246.08                         |  |
| Engineering business               | 工程業務    | <b>266,265,253.70</b>                        |  | 99,503,671.37                          |  |
| Others                             | 其他      | <b>8,701,026.02</b>                          |  | 2,030,499.52                           |  |
| Classification by business area    | 按經營地區分類 | <b>589,424,181.28</b>                        |  | 418,823,416.97                         |  |
| Including: inside Sichuan Province | 其中：四川省內 | <b>589,424,181.28</b>                        |  | 418,823,416.97                         |  |
| Outside Sichuan Province           | 四川省外    |  |  |  |  |



## Chapter XI Financial Report (Continued)

### 第十一章 財務報告(續)

#### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

### XVI. NOTES TO MAJOR ITEMS IN THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### 5. Income from investment

#### 5. 投資收益

| Items  | 項目             | Amount<br>incurred in the<br>current year<br>本年發生額 | Amount<br>incurred in the<br>previous year<br>上年發生額 |
|--|----------------|--|---|
| Income from long-term equity investments accounted under the cost method   | 成本法核算的長期股權投資收益 |  |   |
| Income from long-term equity investments accounted under the equity method | 權益法核算的長期股權投資收益 | 590,950.85   | 673,396.83  |
| <b>Total</b>   | <b>合計</b>      | <b>590,950.85</b>                                  | <b>673,396.83</b>                                   |

### XVII. APPROVAL OF FINANCIAL REPORT 十七、財務報告批准

This financial report was approved by the Board of the Company on 30 August 2023.

本財務報告於2023年3月30日由本公司董事會批准報出。

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVIII. SUPPLEMENTARY INFORMATION OF FINANCIAL REPORT

## 十八、財務報表補充資料

### 1. Breakdown of non-recurring profit or loss for the current year

### 1. 本年非經常性損益明細表

| Items  | 項目   | Amount for the current year<br>本年年金額 | Description<br>說明 |
|--|--|--------------------------------------|-------------------|
| Profit or loss from disposal of non-current assets   | 非流動資產處置損益  | -295,400.84                          |                   |
| Return, reduction and exemption of taxes surpassing approval or without official approval document   | 越權審批或無正式批准文件或偶發性的稅收返還、減免                             |                                      |                   |
| Government grants included in current profit or loss (excluding those government grants that are closely related to the enterprise's business and are received with fixed amounts or with fixed percentage in compliance with national unified policies) | 計入當期損益的政府補助(與企業業務密切相關，按照國家統一標準定額或定量享受的政府補助除外)        | 63,403,705.29                        |                   |
| Capital occupation fees received from non-financial enterprises that are included in current profits or loss   | 計入當期損益的對非金融企業收取的資金佔用費                                |                                      |                   |
| Gain on investments of subsidiaries, associates and joint ventures in which the investment cost was less than the interest in fair value of identifiable net assets of the investees at the time of acquisition  | 企業取得子公司、聯營企業及合營企業的投資成本小於取得投資時應享有被投資單位可辨認淨資產公允價值產生的收益 |                                      |                   |
| Gain or loss arising from non-monetary assets exchange   | 非貨幣性資產交換損益   |                                      |                   |
| Gain or loss arising from entrusted investment or entrusted asset management   | 委託他人投資或管理資產的損益                                       |                                      |                   |
| Asset impairment provided due to forced majeure (e.g. natural disasters)   | 因不可抗力因素，如遭受自然災害而計提的各項資產減值準備                          |                                      |                   |
| Gain or loss arising from debt restructuring   | 債務重組損益   |                                      |                   |
| Corporate restructuring expenses (e.g. staff placement costs and integration expenses)   | 企業重組費用，如安置職工的支出、整合費用等                                |                                      |                   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVIII. SUPPLEMENTARY INFORMATION OF FINANCIAL REPORT (Continued)

## 十八、財務報表補充資料(續)

### 1. Breakdown of non-recurring profit or loss for the current year (Continued)

### 1. 本年非經常性損益明細表(續)

| Items   | 項目   | Amount for the current year<br>本年年金額 | Description<br>說明 |
|---|--|--------------------------------------|-------------------|
| Gain or loss arising from the difference between the fair value and transaction price in obviously unfair transactions  | 交易價格顯失公允的交易產生的超過公允價值部分的損益  |                                      |                   |
| Net current profit or loss of subsidiaries arising from business combination under common control from the beginning of the year to the combination date  | 同一控制下企業合併產生的子公司年初至合併日的當期淨損益  |                                      |                   |
| Gain or loss arising from contingencies irrelevant to the Company's normal business   | 與公司正常經營業務無關的或有事項產生的損益  |                                      |                   |
| Gain or loss from changes in fair values of transactional financial assets, derivative financial assets, transactional financial liabilities and gain or loss from changes in fair values of derivative financial liabilities and investment gain from disposal of transactional financial assets, derivative financial assets, transactional financial liabilities and derivative financial liabilities and other investment in debt, except effective hedging transactions that are related to the company's normal operation | 除同公司正常經營業務相關的有效套期保值業務外，持有交易性金融資產、衍生金融資產、交易性金融負債、衍生金融負債產生的公允價值變動損益，以及處置交易性金融資產、衍生金融資產、交易性金融負債、衍生金融負債和其他債權投資取得投資收益 |                                      |                   |
| Reversal of impairment provision for accounts receivable and contract assets which are tested individually for impairment   | 單獨進行減值測試的應收款項、合同資產減值準備轉回   | 1,683,072.60                         |                   |
| Gain or loss arising from external entrusted loan   | 對外委託貸款取得的損益  |                                      |                   |
| Gain or loss arising from changes in fair value of investment properties measured subsequently by using fair value model  | 採用公允價值模式進行後續計量的投資性房地產公允價值變動產生的損益   |                                      |                   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

#### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外,均以人民幣元列示)

### XVIII.SUPPLEMENTARY INFORMATION OF FINANCIAL REPORT (Continued)

### 十八、財務報表補充資料(續)

#### 1. Breakdown of non-recurring profit or loss for the current year (Continued)

#### 1. 本年非經常性損益明細表(續)

| Items   | 項目                                   | Amount for the current year<br>本年年額 | Description<br>說明 |
|---|--------------------------------------|-------------------------------------|-------------------|
| Effect on current profit or loss of one-off adjustment to current profit or loss as required by taxation, accounting and other laws and regulations | 根據稅收、會計等法律、法規的要求對當期損益進行一次性調整對當期損益的影響 |                                     |                   |
| Custodian fee income from trustee operations  | 受托經營取得的托管費收入                         |                                     |                   |
| Other non-operating income and expense other than the aforementioned items  | 除上述各項之外的其他營業外收入和支出                   | 3,058,760.08                        |                   |
| Other profit or loss items within the meaning of non-recurring profit or loss   | 其他符合非經常性損益定義的損益項目                    |                                     |                   |
| Subtotal  | 小計                                   | 67,850,137.13                       |                   |
| Less: Effect of income tax  | 減: 所得稅影響額                            | 10,145,695.36                       |                   |
| Effect of minority interests (after tax)  | 少數股東權益影響額(稅後)                        | 936,609.29                          |                   |
| <b>Total</b>  | <b>合計</b>                            | <b>56,767,832.48</b>                |                   |

# Chapter XI Financial Report (Continued)

## 第十一章 財務報告(續)

### Notes to the Financial Statements (Continued)

### 財務報表附註(續)

From 1 January 2022 to 31 December 2022 (Unless otherwise expressly stated, amounts are denominated in RMB)  
2022年1月1日至2022年12月31日 (本財務報表附註除特別註明外，均以人民幣元列示)

## XVIII. SUPPLEMENTARY INFORMATION OF FINANCIAL REPORT (Continued)

## 十八、財務報表補充資料(續)

### 2. Return on net asset and earnings per share

### 2. 淨資產收益率及每股收益

| Profits during the reporting period   | 報告期利潤                    | Weighted average return on net assets (%)<br>加權平均淨資產收益率(%) | Earnings per share (yuan/share)       |                                      |
|---|--------------------------|--|---------------------------------------|--------------------------------------|
|   |                          |  | Basic earnings per share<br>每股收益(元/股) | Diluted earnings per share<br>稀釋每股收益 |
| Net profit attributable to ordinary shareholders of the parent company  | 歸屬於母公司普通股股東的淨利潤          | 7.95   | 0.24                                  | 0.24                                 |
| Net profit attributable to ordinary shareholders of the parent company after deducting non-recurring profit or loss | 扣除非經常性損益後歸屬於母公司普通股股東的淨利潤 | 5.73   | 0.17                                  | 0.17                                 |

Luzhou Xinglu Water (Group) Co., Ltd.

瀘州市興瀘水務(集團)股份有限公司

30 March 2023

二〇二三年三月三十日





瀘州市興瀘水務(集團)股份有限公司  
LUZHOU XINGLU WATER (GROUP) CO., LTD.\*

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