



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

2024

ANNUAL REPORT

年度報告



* For identification purposes only 僅供識別

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Chapter I Corporate Information

第一章 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Qi (*Chairman of the Board*)
Mr. Chen Qinan (*General Manager*)
Mr. Xu Guanghua

Non-executive Directors

Mr. Xu Fei
Ms. Zhang Guanghui
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. Xu Fei
Ms. Hu Fenfen

Audit Committee

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

Nomination and Remuneration Committee

Ms. Ma Hua (*Chairman*)
Ms. Zhang Guanghui
Mr. Liang Youguo

董事會

執行董事

張歧先生(董事長)
陳棋楠先生(總經理)
徐光華先生

非執行董事

徐飛先生
張光惠女士
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)
徐飛先生
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

提名薪酬委員會

馬樺女士(主席)
張光惠女士
梁有國先生

Chapter I Corporate Information (Continued)

第一章 公司資料 (續)

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 INHONG 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

Jia Yuan Law Offices
7&17/F No.238
Des Vouex Road Central, Sheung Wan
Hong Kong

法律顧問

有關香港法律

嘉源律師事務所
香港
上環德輔道中
238號7樓及17樓

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

Chapter I Corporate Information (Continued)

第一章 公司資料 (續)

AUDITOR

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

STOCK CODE

2281

COMPANY WEBSITE

www.lzss.com

核數師

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

股份代號

2281

公司網址

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” 「股東週年大會」	the annual general meeting to be convened by the Company on 27 June 2025, or any adjournment thereof 本公司將於2025年6月27日召開的股東週年大會或其任何續會
“Articles of Association” 「公司章程」	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time 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)” 「聯繫人」	has the meaning ascribed to it under the Listing Rules 具有上市規則賦予該詞的含義
“Board” 「董事會」	the board of Directors 本公司董事會
“Company” or “Group” or “us” or “we” 「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 in the PRC) on 25 December 2015, which includes its predecessor and subsidiaries as required by the context 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日於中國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)” 「關連人士」	has the meaning ascribed to it under the Listing Rules 具有上市規則賦予該詞的涵義
“Controlling Shareholder(s)” 「控股股東」	has the meaning ascribed to it under the Listing Rules 具有上市規則賦予該詞的涵義
“Corporate Governance Code” 「企業管治守則」	the Corporate Governance Code set out in Appendix C1 to the Listing Rules 上市規則附錄C1所載的企業管治守則
“Director(s)” 「董事」	the director(s) of the Company 本公司董事
“Domestic Share(s)” 「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 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” 「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 瀘州市繁星環保發展有限公司，一家於2016年8月18日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事污水處理業務
“Qingbaijiang Water” 「青白江水務」	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 成都市青白江興瀘水務有限公司，一家於2019年12月13日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事污水處理業務
“H Share(s)” 「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 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” 「合江水業」	Luzhou Xinglu Water (Group) Hejiang Water Co., Ltd.*, a company incorporated in the PRC with limited liability on 26 April 1999 and a non-wholly owned subsidiary of the Company, mainly engaged in tap water production and sale business 瀘州市興瀘水務（集團）合江水業有限公司，一家於1999年4月26日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事自來水生產與銷售業務
“HK\$” or “HKD” 「港元」或「港幣」	the lawful currency of Hong Kong 香港法定貨幣
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the People’s Republic of China 中華人民共和國香港特別行政區
“Hong Kong Stock Exchange” 「香港聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“CASBE” 「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 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” 「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 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)

“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司證券上市規則
“Luzhou Laojiao” 「瀘州老窖」	Luzhou Laojiao Group Co., Ltd.*, one of our Shareholders 瀘州老窖集團有限責任公司，我們的股東之一
“Luzhou Infrastructure” 「瀘州基建」	Luzhou City Infrastructure Investment Co., Ltd.*, one of our Shareholders 瀘州市基礎建設投資有限公司，我們的股東之一
“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules 上市規則附錄C3所載的上市發行人董事進行證券交易的標準守則
“PRC” or “China” 「中國」	the People’s Republic of China, and for the purpose of this annual report only, excluding Hong Kong, Macau and Taiwan 中華人民共和國，就本年報而言，不包括香港、澳門及台灣
“Prospectus” 「招股章程」	the prospectus dated 21 March 2017 in relation to the IPO of H shares 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” 「報告期」	the year ended 31 December 2024 截至2024年12月31日止年度
“RMB” or “Yuan” 「人民幣」	the lawful currency of the PRC 中國的法定貨幣
“SFO” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第571章《證券及期貨條例》
“Share(s)” 「股份」	the ordinary share(s) of RMB1.00 each in the share capital of the Company, including H Shares and Domestic Shares 本公司股本中每股面值人民幣1.00元的普通股，包括H股及內資股
“Shareholder(s)” 「股東」	the holder(s) of the Share(s) 股份持有人

Chapter II Definitions (Continued)

第二章 釋義(續)

“Sitong Design”	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 business
「四通設計」	瀘州市四通給排水工程設計有限公司，一家於2002年9月6日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事供水及排水設計服務業務
“Sitong Engineering”	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
「四通工程」	瀘州市四通自來水工程有限公司，一家於2002年9月2日於中國成立的有限責任公司，本公司全資附屬公司，主要提供工程建築服務
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
「附屬公司」	具有上市規則賦予該詞的涵義
“Supervisor(s)”	the supervisor(s) of the Company
「監事」	本公司的監事
“Supervisory Committee”	the supervisory committee of the Company
「監事會」	本公司的監事委員會
“Weiyuan Qingxi Water”	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 business
「威遠清溪水務」	興瀘水務（集團）威遠清溪水務有限公司，一家於2004年12月30日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事供水服務業務
“Weiyuan Installation Company”	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
「威遠安裝公司」	威遠城市供排水安裝工程有限公司，一家於2007年11月5日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事工程安裝業務
“Xinglu Investment”	Luzhou City Xinglu Investment Group Co., Ltd.*, a limited liability company established in the PRC on 28 January 2003 and the beneficial owner of our Controlling Shareholder
「興瀘投資」	瀘州市興瀘投資集團有限公司，一家於2003年1月28日於中國成立的有限責任公司，我們的控股股東的實益擁有人

Chapter II Definitions (Continued)

第二章 釋義(續)

“Xinglu Wastewater Treatment”

「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

瀘州市興瀘污水處理有限公司，一家於2000年12月11日於中國成立的有限責任公司，本公司非全資附屬公司，主要從事污水處理業務

“Xinghe Water Governance”

「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 nonwholly owned subsidiary of the Xinglu Wastewater Treatment, principally engaged in wastewater treatment business

瀘州市興合水環境治理有限公司，一家於2018年8月29日於中國成立的有限責任公司，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”

「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

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日於中國成立的有限責任公司，本公司的非全資附屬公司，主要從事供水服務

“%”

Percent

「%」

百分比

* for identification purpose only

* 僅供識別

Chapter III Chairman's Statement

第三章 董事長致辭

I hereby present the annual report of the Group for the year ended 31 December 2024 on behalf of the Board.

In 2024, supported by all Shareholders and directed by the Board, the Group adhered to focusing on the principal businesses and expanding to the upstream and downstream industries, adopted the development policy of “seeking progress while ensuring stability”, and upheld the development 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 in the face of the adverse effects of the continuous downturn of the property market, the adjustment of the relevant charge policies and the tightness of local finance.

BUSINESS REVIEW

In 2024, the Group recorded a total revenue of approximately RMB1,330.3 million, representing a year-on-year increase of approximately 3.4%; net profit amounted to approximately RMB189.9 million, representing a year-on-year decrease of approximately 15.2% from the same period of 2023; basic earnings per share amounted to RMB0.21, representing a year-on-year decrease of approximately 12.5% from the same period of 2023. The Board resolved to recommend the distribution of final dividends of RMB0.04 per share (tax inclusive) to the Shareholders for returning their long-term support to the Company.

本人謹代表董事會提呈本集團截至2024年12月31日止年度之報告。

2024年，本集團在全體股東的支持和董事會的引領下，堅持聚焦主業、延伸拓展上下游產業，採取「穩中求進」的發展方針，堅持「固本榮枝、深耕廣拓、資本賦能、科技引領、強化服務」的發展策略，全體同仁精誠合作、攻堅克難，面對房地產市場持續下行、有關收費政策調整、地方財政支付緊張的不利影響，穩步推進企業高質量，可持續發展。

業績回顧

2024年，本集團實現收入總額約為人民幣1,330.3百萬元，比上年度同期增加約3.4%；淨利潤約為人民幣189.9百萬元，較2023年同期減少約15.2%；每股基本盈利為人民幣0.21元，較2023年同期減少約12.5%。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0.04元（含稅），以回饋股東一直以來給予本公司的支持。

Chapter III Chairman's Statement (Continued)

第三章 董事長致辭(續)

INNOVATION

The Group adheres to the development strategy of “boosting enterprise through science and technology” and insists on scientific and technological innovation to empower industrial development. Our self-developed intelligent water system of “Internet + production management” was awarded the third prize of “Green Low-carbon Track” in the Sichuan sub-competition of the first national “Data Elements x” competition and the third Chengdu-Chongqing Digital Engine Conference, and was also the only award-winning team in the tap water sector. In the wastewater treatment sector, through the selection of the talent work leading group under the Luzhou Municipal Committee, the Luzhou Expert Workstation was established, which introduced more than 10 experts (including 4 academicians of the Academy of Sciences and the Academy of Engineering) to carry out research and development and application of cutting-edge wastewater treatment technology, so as to promote the enterprise to improve operational capacity and reduce operating costs. In addition, we obtained 1 invention patent, 1 utility model patent, 5 software copyrights in 2024, and a number of invention and utility model patent applications have been accepted.

BUSINESS EXPANSION

The Group accelerated the deployment of liquor-making wastewater treatment business by investing in the construction of the Shidong Wastewater Treatment Plant in the Luzhou Yangtze River Economic Development Zone on the basis of its existing entrusted operation liquor-making wastewater treatment project. Currently, such project has entered the actual construction stage and is expected to be completed and put into operation by the end of 2025 to provide professional services for the liquor production enterprises in Luzhou. In addition, the Company is actively exploring the integration of water supply and drainage in townships, industrial wastewater and intelligent water markets outside Luzhou, in a bid to accelerate cross-regional development of reserve project resources.

創新引領

本集團秉持「科技興企」的發展戰略，堅持科技創新為產業發展賦能。我們自主研發的「互聯網+生產管理」智慧水務系統在全國首個「數據要素×」全國大賽四川分賽暨第三屆成渝數字引擎大會中獲評「綠色低碳賽道」三等獎，亦是唯一獲獎的自來水板塊團隊。在污水處理板塊，經瀘州市委人才工作領導小組評選通過，建立瀘州市專家工作站，引進10餘名專家(包括4名科學院、工程院院士)開展對污水處理前沿技術的研發及應用，籍以助推企業提升運營能力和降低運行成本。此外，我們於2024年取得1項發明專利、1項實用新型專利、5項軟件著作權，另有多項發明和實用新型專利申請已獲受理。

業務拓展

本集團加快佈局酒類廢水處理業務，在現有委託運營酒類廢水處理項目的基礎上，投建瀘州長江經濟開發區石洞污水處理廠，目前該項目已進入實質施工建設階段，預計2025年底前將建成投運，為瀘州從事酒類生產企業專業服務。此外，公司積極探索城鄉供排水一體化、瀘州域外工業廢水及智慧水務市場，為加快跨區域發展儲備項目資源。

Chapter III Chairman's Statement (Continued)

第三章 董事長致辭(續)

FUTURE PROSPECT

The year 2025 is the final year of the decisive battle during the “14th Five-Year Plan” period. The Group will continue to concentrate on its principal businesses and responsibilities, adhering to a “seeking progress while ensuring stability” development strategy, and centering its efforts on “broadening business sources, reducing costs and enhancing efficiency” as its core work theme, in order to fully seize development opportunities and place emphasis on expanding the industrial wastewater treatment market, while continuously promoting the integration of water supply and drainage in townships. Through refined internal management, tapping internal potential, conserving energy and reducing consumption, and improving quality and efficiency, the Group will continuously strengthen its core competitiveness and promote a healthy, sustainable, and high-quality corporate 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

28 March 2025

未來展望

2025年是「十四五」期間決戰收官之年，本集團將持續聚焦主業主責，堅持「穩中求進」的發展策略，圍繞「拓展開源、降本增效」的工作主線，充分把握發展契機，重點拓展工業廢水處理市場，持續推進城鄉供排水一體化；精細化內部管控，深挖內潛、節能降耗、提質增效，不斷增強企業核心競爭力，推動企業健康可持續、高質量發展。

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，以及團結合作、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

2025年3月28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. 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。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				
		2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Revenue	收入	1,330,267	1,286,434	1,353,419	1,370,098	1,205,479
Profit before tax	除稅前利潤	227,865	262,521	256,756	307,322	304,459
Income tax expense	所得稅開支	37,930	38,608	33,516	46,347	43,032
Net profit for the year	年度淨利潤	189,935	223,913	223,241	260,975	261,427
Total comprehensive income for the year attributable to:	應佔綜合收益：					
— Shareholders of the company	— 歸屬於本公司股東	177,238	209,901	203,225	241,327	245,081
— Minority shareholders	— 歸屬於少數股東	12,697	14,012	20,016	19,048	14,205
		189,935	223,913	223,241	260,376	259,286
Return on average equity ^{Note}	平均股本回報率 ^註	6.2%	7.7%	8.0%	9.9%	9.9%
Basic earnings per share (RMB)	基本每股盈利 (人民幣)	0.21	0.24	0.24	0.28	0.29

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%。

Chapter IV Financial Highlights (Continued)

第四章 財務概要(續)

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				
		2024 2024年 RMB'000 人民幣千元	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Total assets	總資產	7,188,076	7,054,786	7,140,568	7,073,316	6,668,536
Total liabilities	總負債	4,039,593	4,042,153	4,299,548	4,412,295	4,210,215
Total equity	權益總額	3,148,483	3,012,633	2,841,020	2,661,021	2,458,321
Equity attributable to shareholders of the company	本公司股東應佔權益	2,929,363	2,798,549	2,636,130	2,476,129	2,307,946
Non-controlling interests	非控股股東權益	219,120	214,084	204,890	184,892	150,375
		3,148,483	3,012,633	2,841,020	2,661,021	2,458,321

Chapter V Management Discussion and Analysis

第五章 管理層討論與分析

5.1 INDUSTRY OVERVIEW

In recent years, the overall operation of China's water industry has remained stable, with newly added water supply capacity concentrated in urban areas. Urban and rural water supply continue to experience slow growth, but the limited momentum in future water consumption population growth will constrain the water supply business of water enterprises. Wastewater treatment capacity and volume have continued to increase, while remaining a significant disparity between urban and rural development levels. With relevant policies tilting towards addressing shortfall areas such as rural wastewater treatment, it is expected that there remains room for demand growth for wastewater treatment in the PRC.

Currently, water enterprises are facing significant cost escalation pressures, while the sustainability of related fiscal subsidies remains challenging, making the adjustment of water tariffs both urgent and reasonable. It is projected that in 2025, driven by both top-level policies and operational pressures on enterprises, water tariff increases are likely to be implemented in a broader scale nationwide, thereby improving profitability in the water supply sector. However, due to increasing fiscal revenue and expenditure pressures on local governments, the collection cycle for wastewater treatment fees has noticeably been lengthened, leading to weakened cash realization capabilities and debt repayment metrics. Consequently, the overall debt scale and financial leverage continue to exhibit an upward trend.

Recently, a series of policies related to the new Public-Private-Partnership ("PPP") mechanism have been introduced, repeatedly emphasizing on the prevention of new hidden government debt while encouraging private enterprises to participate in water supply and drainage projects, which will help enhance the quality of water franchise projects. However, the stricter payment mechanisms will limit the growth potential of the PPP market. Following the cancellation of minimum water treatment volume guarantees, attention should be paid to operational risks arising from insufficient market demand.

5.1 行業概覽

近年，中國水務行業整體運行平穩，新增供水產能集中在城市，城鄉供水仍保持緩慢增長，但未來用水人口增長乏力將制約水務企業供水業務增長；污水處理能力和處理量持續提高，但城鄉發展水平仍有較大差異，隨著相關政策向農村污水治理等短板領域傾斜，預計中國污水處理需求仍有增長空間。

當前水務企業成本上漲壓力較大，而相關財政補貼難以持續的背景下，推動水價調整具備迫切性與合理性。預計2025年，在頂層政策與企業經營壓力的雙重推動下，水價上調有望在全國更大範圍內展開，進而改善供水行業盈利狀況；但由於地方政府財政收支壓力加大，污水處理費回款週期明顯拉長，獲現能力和償債指標有所弱化，總債務規模和財務槓桿仍呈增長趨勢。

近期政府和社會資本合作(「PPP」)新機制相關政策頻出，反覆強調防範新增政府隱性債務，並鼓勵民營企業參與供排水項目，將有助於引導水務特許經營項目質量提高；但更加嚴格的付費機制將限制PPP市場增長空間，取消水處理量保底安排後，需關注市場需求不足導致的項目運營風險。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

With the promotion of cutting-edge Artificial Intelligence (“AI”) technologies such as DeepSeek, leveraging “Artificial Intelligence+” to develop multi-model and multi-modal applications is becoming the new norm across various industries. Consequently, we believe that the water industry will accelerate its development in areas such as digital economy empowerment and intelligent water, water resource security and ecological environmental protection will achieve leap-forward upgrades, and the water industry will break through its current development bottlenecks and constraints to rapidly enter a period of quality-oriented transformation and personalized development in segmented fields.

隨著DeepSeek等人工智能(「AI」)前沿技術被推廣，充分借助「人工智能+」構建多模型、多模態應用將成為各行業的新常態。因此，我們認為未來水務行業在數字經濟賦能，智慧水務等方面將加速發展，水資源安全和生態環境保護將實現飛躍式升級，水務行業將衝破當前發展瓶頸掣肘快速進入提質轉型、細分領域個性化發展時期。

5.2 DEVELOPMENT STRATEGY AND OUTLOOK

In 2025, the Group will continue to concentrate on its principal businesses and responsibilities, adopting a “seeking progress while ensuring stability” development strategy, and centering its efforts on “broadening business sources, reducing costs and enhancing efficiency, streamlining price and fee mechanisms, and adhering to technological innovation” as its core work theme, in order to fully seize development opportunities and place emphasis on expanding the industrial wastewater treatment market based on distillery wastewater, while continuously promoting the integration of water supply and drainage in townships. Through refined internal management, tapping internal potential, conserving energy and reducing consumption, and improving quality and efficiency, the Group will continuously strengthen its core competitiveness and promote a healthy, sustainable, and high-quality corporate development.

5.2 發展策略及展望

2025年，本集團將持續聚焦主業主責，採取「穩中求進」的發展策略，圍繞「拓展業務開源、降本節流增效、理順價費機制、堅持科技創新」的工作主線，充分把握發展契機，重點拓展以酒類廢水為基礎的工業廢水處理市場，持續推進城鄉供排水一體化；精細化內部管控，深挖內潛、節能降耗、提質增效，不斷增強企業核心競爭力，推動企業健康可持續、高質量發展。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.3 BUSINESS REVIEW

The Company is an integrated municipal water service provider in Sichuan Province, the PRC, principally engaged in two segmental businesses: tap water supply and wastewater treatment. We adopt project models of build-own-operate (“BOO”) and transfer-own-operate (“TOO”) in the course of business, where we and local governments enter into concession agreements for a normal period of 30 years. The Company mainly engages business in Luzhou area, Weiyuan area in Neijiang City, Shizhong District and Jingyan area in Leshan City, Qingbaijiang area in Chengdu city, Leibo and Dechang District in Liangshan Prefecture, in the PRC.

As at the end of the Reporting Period, we operated twelve tap water plants, eight city wastewater treatment plants, two industrial park wastewater treatment plants and four entrusted operation wastewater treatment plants. In addition, we operated several wastewater treatment facilities in urban and rural areas, and engaged in entrusted operation projects, with a total treatment capacity of approximately 1.4391 million tons per day.

5.3.1 Tap Water Projects

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 back-up sewage treatment plants). The average utilization rate of tap water plants remained unchanged at 70.7% from the end of 2023.

During the Reporting Period, our total sales of water amounted to approximately 166.0 million tons, representing an increase of 1.6% as compared with approximately 163.4 million tons for the same period of 2023. The increase was mainly due to the extended water supply areas, increased number of users and natural increase in water consumed by users.

5.3 業務回顧

本公司為中國四川省綜合市政水務服務供應商，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。本公司主要在中國瀘州地區、內江市威遠地區、樂山市市中區、井研地區、成都市青白江地區、涼山州雷波及德昌地區從事業務。

於報告期末，我們經營12座自來水廠和8座城市生活污水處理廠，以及2座工業園區污水處理廠及4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143.91萬噸。

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)，自來水廠平均利用率為70.7%，較2023年末未發生變化。

報告期間，我們的售水總量約166.0百萬噸，較2023年同期的約163.4百萬噸上升1.6%，增加原因主要是供水區域拓寬，用戶增多及用戶用水自然增長。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.3.2 Wastewater Treatment Projects

As at the end of the Reporting Period, Xinglu Wastewater Treatment owned 8 operating city wastewater treatment plants (excluding emergency back-up sewage treatment plants), with a daily treatment capacity of approximately 533,000 tons and a production load rate of 75.7%, the suspension of the Lu County Wastewater Treatment Plant reduced the daily treatment capacity by 6,000 tons, and the completion and commencement of operation of the Chengdong Wastewater Treatment Plant Phase II added 50,000 tons of daily treatment capacity; two industrial park wastewater treatment plants, with a daily treatment capacity of 30,000 tons in aggregate; four entrusted operation wastewater treatment plants, with a daily treatment capacity of 27,300 tons in aggregate, and the termination of the entrusted operation of the Lingang Wastewater Treatment Plant reduced the daily treatment capacity by 19,500 tons; and a total of 292 wastewater treatment facilities in the townships and rural areas, with a daily treatment capacity of 74,800 tons in aggregate, representing a decrease of 2 wastewater treatment facilities as compared with that by the end of 2023.

During the Reporting Period, our total actual treatment capacity of urban wastewater amounted to approximately 175.2 million tons, representing an increase of 9.44% as compared with that of 160.1 million tons for the same period of 2023. The increase was mainly due to an increase in the treatment volume of urban wastewater and an additional treatment volume of wastewater in Leshan Jingyan project.

5.3.2 污水處理項目

於報告期末，興瀘污水處理共有8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53.3萬噸，生產負荷率為75.7%，瀘縣污水處理廠停運減少日處理能力0.6萬噸，城東污水處理廠二期建成投運新增日處理能力5萬噸；2座工業園區污水處理廠，日處理能力3萬噸；4座委託運營污水處理廠，日處理能力2.73萬噸，臨港污水處理廠終止委託運營減少日處理能力1.95萬噸；鄉鎮及農村污水處理設施共292個，日處理能力7.48萬噸，較2023年末減少2個。

報告期間，我們的城市污水實際處理總量約為175.2百萬噸，較2023年同期的160.1百萬噸上升9.44%。增加原因主要是城鎮污水處理水量增加及新增加樂山井研項目處理水量。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4 FINANCIAL REVIEW

5.4 財務回顧

5.4.1 Analysis of Key Items in the Income Statement

5.4.1 利潤表主要項目分析

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 RMB1,330.3 million, increased by 3.4% from RMB1,286.4 million for the same period of 2023. The increase was mainly due to the increase in the revenue from tap water and wastewater treatment.

報告期內，本集團實現營業收入為人民幣1,330.3百萬元，較2023年同期的人民幣1,286.4百萬元增加3.4%。增加的主要原因是自來水收入，污水處理收入增加。

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 RMB414.1 million, increased by 7.6% from RMB384.7 million for the same period of 2023. The increase was mainly due to the increase in water sales volume. The revenue generated from sales of tap water accounted for 29.9% and 31.1% of our total revenue for 2023 and 2024, respectively.

報告期內，本集團由銷售自來水產生的收入為人民幣414.1百萬元，較2023年同期的人民幣384.7百萬元增加7.6%。增加的主要原因是售水量增加。銷售自來水產生的收入分別佔2023年及2024年總收入的29.9%及31.1%。

Engineering installation

工程安裝

During the Reporting Period, revenue of the Group generated from installation services amounted to RMB238.9 million, decreased by 7.0% from RMB256.8 million for the same period of 2023. The decrease was mainly due to the downward adjustment of tariff policy and the decrease in engineering installation projects. Revenue generated from installation services accounted for 20.0% and 18.0% of our total revenue for 2023 and 2024, respectively.

報告期內，本集團由安裝服務產生的收入為人民幣238.9百萬元，較2023年度同期的人民幣256.8百萬元減少7.0%。減少的主要原因是價費政策下調以及工程安裝項目減少。由安裝服務產生的收入分別佔2023年及2024年總收入的20.0%及18.0%。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.1.1.2 Wastewater treatment

During the Reporting Period, revenue of the Group generated from operating services of wastewater treatment amounted to RMB660.0 million, increased by 8.7% from RMB607.3 million for the same period of 2023. The increase was mainly due to the increase in wastewater charge volume. Revenue generated from wastewater treatment accounted for 47.2% and 49.6% of our total revenue for 2023 and 2024, respectively.

5.4.1.2 Operating cost

During the Reporting Period, the Group's operating cost amounted to RMB867.4 million, increased by 3.0% from RMB842.1 million for the same period of 2023. The increase was mainly due to an increase in water sales costs and wastewater treatment costs as a result of an increase in water sales volume 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 from sales of tap water amounted to RMB391.8 million, increased by 1.1% from RMB387.7 million for the same period of 2023. The increase was mainly due to the increase in water sales volume, which has led to an increase in variable costs related to volume within the cost of water sales. Operating cost from sales of tap water supply operations accounted for 46.0% and 45.2% of our total operating cost for 2023 and 2024, respectively.

5.4.1.1.2 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660.0百萬元，較2023年同期的人民幣607.3百萬元增加8.7%。增加的主要原因是污水收費水量增加。污水處理收入分別佔2023年及2024年總收入的47.2%及49.6%。

5.4.1.2 營業成本

報告期內，本集團營業成本為人民幣867.4百萬元，較2023年同期的人民幣842.1百萬元增加3.0%。增加的主要原因是售水量及污水處理量的增加致售水成本、污水處理成本增加。

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391.8百萬元，較2023年同期的人民幣387.7百萬元增加1.1%。增加的主要原因是因售水量的增加，售水成本中與量相關的變動成本增加。來自自來水供應營運的營業成本分別佔2023年及2024年總營業成本的46.0%及45.2%。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

Engineering installation

During the Reporting Period, the Group's operating cost associated with installation services amounted to RMB77.4 million, increased by 11.5% from RMB69.4 million for the same period of 2023. The increase was mainly due to an increase in the cost of household meter installation. Operating cost associated with installation services accounted for 8.2% and 8.9% of our total operating cost for 2023 and 2024, respectively.

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77.4百萬元，較2023年同期的人民幣69.4百萬元增加11.5%。增加的主要原因是戶表安裝工程成本增加。來自安裝服務的營業成本分別佔2023年及2024年總營業成本的8.2%及8.9%。

5.4.1.2.2 Wastewater treatment

During the Reporting Period, the Group's operating cost from wastewater treatment operating services amounted to RMB385.7 million, increased by 10.3% from RMB349.7 million for the same period of 2023. The increase was mainly due to the increases in the volume of wastewater treatment and the transfer of the Chengdong Wastewater Plant Phase II to fixed assets for depreciation in October 2024 as well as the corresponding increase in cost from wastewater treatment. Operating cost from wastewater treatment operating services accounted for 41.5% and 44.5% of the total operating cost for 2023 and 2024, respectively.

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385.7百萬元，較2023年同期的人民幣349.7百萬元增加10.3%。增加的主要原因是污水處理量增加及城東二期污水廠於2024年10月轉入固定資產計提折舊所致，污水處理成本相應增長。污水處理營運服務的營業成本分別佔2023年及2024年總營業成本的41.5%及44.5%。

5.4.1.3 Gross Profit and Gross Profit Margin

As a result of the above, the Group's gross profit amounted to RMB462.8 million during the Reporting Period, increased by 4.2% from RMB444.3 million for the same period of 2023. Gross profit margin increased from 34.5% for 2023 to 34.8% during the Reporting Period. The increase in gross profit margin was mainly due to the dilution of the corresponding fixed costs as a result of the increase in revenue from water sales and wastewater treatment.

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462.8百萬元，較2023年同期的人民幣444.3百萬元增加4.2%。毛利率由2023年度的34.5%增加至報告期間的34.8%，毛利率增加的主要原因是售水收入及污水處理收入增加致相應固定成本攤薄。

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 RMB22.3 million, increased by 856.5% from RMB-3.0 million for the same period of 2023. The corresponding gross profit margin increased from -0.8% for 2023 to 5.4% during the Reporting Period. The increase was mainly due to the increase in water sales volume and the Company's enhanced cost control.

Engineering installation

During the Reporting Period, the gross profit of the Group for installation services amounted to RMB161.4 million, decreased by 13.9% from RMB187.4 million for the same period of 2023. Its corresponding gross profit margin decreased from 73.0% for 2023 to 67.6% during the Reporting Period. The decrease was mainly due to the downward adjustment of price and fee policies.

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22.3百萬元，較2023年同期的人民幣-3.0百萬元增加856.5%。其對應的毛利率由2023年度的-0.8%增加至報告期間的5.4%，增加的主要原因是售水量增加及公司強化成本管控。

工程安裝

報告期內，本集團安裝服務的毛利為人民幣161.4百萬元，較2023年度同期的人民幣187.4百萬元減少13.9%。其對應的毛利率由2023年度的73.0%減少至報告期間的67.6%。減少的主要原因是價費政策下調所致。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.1.3.2 Wastewater treatment

During the Reporting Period, the gross profit of the Group for wastewater treatment operating services amounted to RMB274.3 million, increased by 6.5% from RMB257.6 million for the same period of 2023, which was mainly due to an increase in the volume of wastewater treatment. Its corresponding gross profit margin decreased from 42.4% in the 2023 to 41.6% during the Reporting Period. The decrease was mainly due to the increased depreciation costs of fixed assets converted from the newly constructed Chengdong Wastewater Treatment Plant Phase II.

5.4.1.4 Other revenue

During the Reporting Period, the Group's other revenue amounted to RMB49.2 million, decreased by 40.0% from RMB82.0 million for the same period of 2023. The decrease was mainly due to the construction subsidy for centralized pipeline network given by the government of RMB35 million in 2023, while there was no subsidy during the Reporting Period.

5.4.1.5 Cost of sales

During the Reporting Period, the Group's cost of sales amounted to RMB24.2 million, decreased by 7.3% from RMB26.1 million for the same period of 2023. The decrease was mainly due to the adjustment of sales personnel positions at Weiyuan Water, the reduction in wages of sales personnel at Crystal Trading in the second half of the year following its transfer in August 2024, the retirement of sales personnel at Lu County Branch and a reduction in sales personnel of Xingxu Water.

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274.3百萬元，較2023年同期的人民幣257.6百萬元增加6.5%，增加的主要原因是污水處理量增加。其對應的毛利率由2023年度的42.4%減少至報告期間的41.6%。減少的主要原因是新建城東二期污水處理廠轉固折舊成本增加所致。

5.4.1.4 其他收益

報告期內，本集團其他收益為人民幣49.2百萬元，較2023年同期的人民幣82.0百萬元減少40.0%。減少的主要原因是2023年政府給予集中管網建設補貼人民幣35百萬元，而報告期內無補貼。

5.4.1.5 銷售費用

報告期內，本集團銷售費用為人民幣24.2百萬元，較2023年同期的人民幣26.1百萬元減少7.3%。減少的主要原因是威遠水務銷售人員崗位調整、水晶商貿自2024年8月轉讓後下半年銷售人員的工資減少、瀘縣分公司銷售人員退休及興敘水業銷售人員減少所致。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.1.6 Management expenses

During the Reporting Period, the Group's management expenses amounted to RMB107.4 million, increased by 5.4% from RMB101.9 million for the same period of 2023. The increase was mainly due to the increase in remuneration of the management employees.

5.4.1.7 Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB85.9 million, increased by 19.6% from RMB71.8 million for the same period of 2023. The increase was mainly due to the writedown of finance costs of RMB17 million in loan interest subsidy granted by the government for water plants in 2023.

5.4.1.8 Income tax expense

During the Reporting Period, the Group's income tax expenses amounted to RMB37.9 million, decreased by 1.8% from RMB38.6 million for the same period of 2023. The decrease was mainly due to the decrease in profit tax expenses due to the decrease in total profit as compared to the same period of the previous year. As of 31 December 2023 and 2024, the effective tax rates of the Group were 14.7% and 16.6%, respectively.

5.4.1.9 Net profit and net profit margin

As a result of the above, the Group's net profit amounted to RMB189.9 million during the Reporting Period, decreased by 15.2% from RMB223.9 million for the same period of 2023. Net profit margin decreased from 17.4% for 2023 to 14.3% during the Reporting Period.

5.4.1.6 管理費用

報告期內，本集團管理費用為人民幣107.4百萬元，較2023年同期的人民幣101.9百萬元增加5.4%。增加的主要原因是管理僱員薪酬等增加。

5.4.1.7 財務費用

報告期內，本集團融資成本為人民幣85.9百萬元，較2023年同期的人民幣71.8百萬元增加19.6%。增加的主要原因是2023年政府給予水廠貸款利息補貼人民幣17百萬元沖減財務費用。

5.4.1.8 所得稅費用

報告期內，本集團所得稅費用為人民幣百37.9萬元，較2023年同期的人民幣38.6百萬元減少1.8%，減少的主要原因是利潤總額較上年同期減少致利得稅費用減少。截至2023年及2024年12月31日，本集團的實際稅率分別為14.7%及16.6%。

5.4.1.9 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189.9百萬元，較2023年同期的人民幣223.9百萬元減少15.2%。淨利潤率由2023年的17.4%減少至報告期間的14.3%。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.2 Analysis of Key Balance Sheet Items

5.4.2 資產負債表主要項目分析

5.4.2.1 Accounts receivable

Accounts receivable of the Group were RMB563.9 million and RMB697.7 million as of 31 December 2023 and 2024, respectively. The increase was mainly due to the increase in recurring accounts receivable such as wastewater treatment fee.

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

5.4.2.1 應收賬款

截至2023年及2024年12月31日，本集團應收賬款分別為人民幣563.9百萬元及人民幣697.7百萬元。增加的主要原因是污水處理費等經營性應收賬款增加。

下表載列所示期間我們應收賬款的平均周轉天數：

		For the year ended 31 December 截至12月31日止年度	
		2024 2024年	2023 2023年
Average turnover days of accounts receivable ^{Note 1}	平均應收賬款周轉天數 ^{註1}	171	153

Note:

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

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 = $\text{營業收入} / \text{平均應收賬款餘額}$ 。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.2.2 Inventories

The inventories of the Group (consisted primarily of raw materials, including water pipes and other gadgets relating to tap water supply and pipeline installation) were RMB74.1 million and RMB69.7 million as of 31 December 2023 and 2024, respectively. The decrease was mainly due to the enhancement of inventory management and optimization of supplies procurement.

The table below sets forth the average turnover days of our inventories for the indicated periods:

5.4.2.2 存貨

截至2023年及2024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74.1百萬元及人民幣69.7百萬元。減少的主要原因是加強存貨管理及優化物資採購。

下表載列所示期間我們存貨的平均周轉天數：

		For the year ended 31 December 截至12月31日止年度	
		2024	2023
		2024年	2023年
Average turnover days of inventory ^{Note 2}	平均存貨周轉天數 ^{註2}	30	35

Note:

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

註：

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

5.4.2.3 Other receivables

As of 31 December 2023 and 2024, the Group's other receivables were RMB126.2 million and RMB72.0 million, respectively. The decrease was mainly due to the recovery of certain subsidy funds for the water meter transformation projects (Phase I).

5.4.2.3 其他應收款

截至2023年及2024年12月31日，本集團的其他應收款分別為人民幣126.2百萬元及人民幣72.0百萬元。減少的主要原因是收回部分戶表改造一期補助資金等。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.2.4 *Fixed assets*

As of 31 December 2023 and 2024, the Group's fixed assets were RMB3,334.9 million and RMB3,738.5 million, respectively. The increase was mainly due to the increase in the number of projects such as the Chengdong Wastewater Treatment Plant Phase II during the Reporting Period.

5.4.2.5 *Construction in progress*

As of 31 December 2023 and 2024, the Group's balance of construction in progress were approximately RMB573.7 million and RMB235.1 million, respectively. The decrease was mainly due to the decrease in the number of projects under construction, such as Chengdong Wastewater Treatment Plant Phase II during the Reporting Period.

5.4.2.6 *Intangible assets*

As of 31 December 2023 and 2024, the Group's intangible assets were RMB1,537.6 million and RMB1,512.3 million, respectively. The decrease was mainly due to the amortization during the Reporting Period.

5.4.2.7 *Long-term deferred expenses*

As of 31 December 2023 and 2024, the Group's long-term deferred expenses were RMB184.4 million and RMB161.4 million, respectively. The decrease was mainly due to the amortization during the Reporting Period.

5.4.2.4 *固定資產*

截至2023年及2024年12月31日，本集團固定資產分別為人民幣3,334.9百萬元及人民幣3,738.5百萬元，增加的主要原因是報告期內城東二期污水處理廠等項目增加。

5.4.2.5 *在建工程*

截至2023年及2024年12月31日，本集團在建工程餘額分別約為人民幣573.7百萬元及人民幣235.1百萬元，減少的主要原因是報告期內減少城東污水處理廠二期等項目的在建工程。

5.4.2.6 *無形資產*

截至2023年及2024年12月31日，本集團無形資產分別為人民幣1,537.6百萬元及人民幣1,512.3百萬元，減少的主要原因是報告期內攤銷所致。

5.4.2.7 *長期待攤費用*

截至2023年及2024年12月31日，本集團長期待攤費用分別為人民幣184.4百萬元及人民幣161.4百萬元，減少的主要原因是報告期內攤銷所致。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.2.8 Short-term borrowings

As of 31 December 2023 and 2024, the Group's short-term borrowings were RMB60.1 million and RMB119.4 million, respectively. Such increase was mainly due to the increase in bank short-term borrowings based on funding needs.

5.4.2.9 Accounts payable

As of 31 December 2023 and 2024, the Group's accounts payable were RMB417.1 million and RMB430.2 million, respectively. The increase was mainly due to the increase in the project payment payable for the Chengdong Wastewater Treatment Plant Phase II.

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

5.4.2.8 短期借款

截至2023年及2024年12月31日，本集團短期借款分別為人民幣60.1百萬元及人民幣119.4百萬元，增加的主要原因是根據資金需求新增銀行短期借款。

5.4.2.9 應付賬款

截至2023年及2024年12月31日，本集團應付賬款分別為人民幣417.1百萬元及人民幣430.2百萬元。增加的主要原因是城東污水處理廠二期項目應付工程款增加。

下表載列所示期間我們應付賬款的平均周轉天數：

For the year ended	
31 December	
截至12月31日止年度	
2024	2023
2024年	2023年
Average turnover days of accounts payable ^{Note 3}	平均應付賬款周轉天數 ^{註3}
176	170

Note:

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

The average turnover days of accounts payable increased from 170 days in 2023 to 176 days during the Reporting Period, which was mainly due to the increase in the 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 = $\text{營業成本} / \text{平均應付賬款餘額}$ 。

平均應付賬款週轉天數由2023年的170天增加至報告期的176天，增加的主要原因是平均應付賬款餘額增加。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.2.10 Contract liabilities

As of 31 December 2023 and 2024, the Group's contract liabilities were RMB177.2 million and RMB173.4 million, respectively. The decrease was mainly due to the decrease in revenue from engineering installation projects, resulting in a decrease in the advance collection of construction fees.

5.4.2.11 Other payables

As of 31 December 2023 and 2024, the Group's other payables were RMB204.3 million and RMB219.7 million, respectively. The increase was mainly due to the increase in amounts paid from or to governmental institutions.

5.4.2.12 Non-current liabilities due within one year

As of 31 December 2023 and 2024, the Group's non-current liabilities due within one year were RMB569.6 million and RMB504.3 million, respectively. The decrease was mainly due to the decrease of long-term borrowings and bonds payable due within one year.

5.4.2.13 Long-term borrowings

As of 31 December 2023 and 2024, the Group's long-term borrowings were RMB1,465.3 million and RMB1,410.5 million, respectively. The decrease was mainly due to the repayment of long-term borrowings due and the impact of reclassification.

5.4.2.10 合同負債

截至2023年及2024年12月31日，本集團合同負債分別為人民幣177.2百萬元及人民幣173.4百萬元，減少的主要原因是工程安裝項目收入減少致預收工程款減少。

5.4.2.11 其他應付款

截至2023年及2024年12月31日，本集團其他應付款分別為人民幣204.3百萬元及人民幣219.7百萬元，增加的主要原因是政府機構往來款增加。

5.4.2.12 一年內到期的非流動負債

截至2023年及2024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569.6百萬元及人民幣504.3百萬元，減少的主要原因是一年內到期的長期借款和應付債券減少所致。

5.4.2.13 長期借款

截至2023年及2024年12月31日，本集團長期借款分別為人民幣1,465.3百萬元及人民幣1,410.5百萬元，減少的主要原因是歸還到期長期借款及重分類影響。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.4.2.14 Long-term payables

As of 31 December 2023 and 2024, the Group's long-term payables were RMB850.8 million and RMB910.8 million, respectively. The increase was mainly due to the increase in special bonds for Luzhou City Urban Area Household Meter Renovation (Phase II).

5.4.2.15 Deferred income

As of 31 December 2023 and 2024, the Group's deferred income were approximately RMB212.3 million and RMB185.0 million, respectively. Such decrease was mainly due to the amortization of government grants on a monthly basis during the Reporting Period.

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 maximizing the return to the Shareholders through the optimization 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 include borrowings net of cash and cash equivalents) and total equity (comprising 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 RMB447.2 million (at the end of 2023: approximately RMB390.5 million).

5.4.2.14 長期應付款

截至2023年及2024年12月31日，本集團長期應付款分別為人民幣850.8百萬元及人民幣910.8百萬元，增加的主要原因是新增瀘州主城區自來水戶表改造二期專項債。

5.4.2.15 遞延收益

截至2023年及2024年12月31日，本集團遞延收益分別約為人民幣212.3百萬元及人民幣185.0百萬元，減少的主要原因是報告期內按月攤銷政府補助。

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447.2百萬元(2023年末：約人民幣390.5百萬元)。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

As at the end of the Reporting Period, the total borrowings of the Group amounted to approximately RMB2,923.3 million (at the end of 2023: RMB2,922.6 million), including bank and other borrowings. Of which, approximately 68.9% of the bank and other borrowings bore interest at floating rates. Short-term borrowings and non-current liabilities due within one year amounted to approximately RMB604.6 million, all of which were domestic RMB borrowings. The amount of fixed-rate borrowings was RMB910 million.

As at the end of the Reporting Period, the net debts 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 106.9% (at the end of 2023: 102.3%).

於報告期末，本集團借款總額約為人民幣2,923.3百萬元(2023年末：人民幣2,922.6百萬元)，包括銀行及其他借貸。其中約68.9%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604.6百萬元，均為國內人民幣借款。固定利率借款的金額為人民幣910百萬元。

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106.9%(2023年末：102.3%)。

5.5 OTHER INFORMATION

5.5 其他信息

5.5.1 Employees and Remuneration Policy

5.5.1 僱員及薪酬政策

As at the end of the Reporting Period, the Group had 867 employees (2023: 905). During the Reporting Period, employee salaries and benefits expenses amounted to approximately RMB171.9 million (2023: approximately RMB160.6 million). 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 performance-based pay system and provided comprehensive career training and development plan for all employees.

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

於報告期末，本公司聘有867名僱員(2023年：905名)。報告期間，僱員工資薪金及福利開支約為人民幣171.9百萬元(2023年：約為人民幣160.6百萬元)。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掛鉤管控新模式以及向所有員工提供全面的職業培訓及發展規劃。

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。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.5.2 Major Acquisitions and Disposals

On 16 August 2024, the Company entered into an equity transaction contract with Luzhou City Xinglu Assets Management Co., Ltd. (瀘州市興瀘資產管理有限公司), the controlling shareholder of the Company, pursuant to which all equity interest of Crystal Trading held by the Company would be transferred to Luzhou City Xinglu Assets Management Co., Ltd. with a contract amount of RMB9.782 million. After the completion of the transaction, the Company no longer holds any equity interest in Crystal Trading. Please refer to the announcement of the Company dated 16 August 2024 for details.

Save as disclosed in this report, the Group did not have any other major acquisitions and disposals during the Reporting Period.

5.5.2 重大收購及出售

於2024年8月16日，本公司與本公司控股股東瀘州市興瀘資產管理有限公司簽訂股權交易合同，本公司將持有水晶商貿全部股權轉讓予瀘州市興瀘資產管理有限公司，合同金額為人民幣9.782百萬元。於交易完成後，本公司不再持有水晶商貿之任何股權。相關詳情請見本公司於2024年8月16日的公告。

除本報告所披露者外，於報告期間，本集團並無其他重大收購及出售事項。

5.5.3 Pledges of the Group's Assets

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, the collection rights for certain wastewater treatment fees, the concession rights of the Jingyan No. 2 Sewage Treatment Plant, 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 did not have any pledged assets.

5.5.3 本集團資產抵押

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井研縣第二污水處理廠特許經營權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，本集團並無其他資產抵押。

Chapter V Management Discussion and Analysis (Continued)

第五章 管理層討論與分析(續)

5.5.4 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 has unutilized monetary funds in Hong Kong dollar, and recognized no foreign exchange gains during the Reporting Period. The Group does not currently hedge its exposure to foreign currencies.

5.5.4 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。

5.5.5 Contingent Liabilities

During the Reporting Period, the Company had no significant contingent liabilities.

5.5.5 或有負債

報告期內，本公司無重大或有負債事項。

5.5.6 Significant Investments Held

As at the end of the Reporting Period, the Group did not hold any significant investments.

5.5.6 持有之重大投資

於報告期末，本集團未持有任何重大投資。

5.5.7 Future Plans for Material Investments or Capital Assets

Save as disclosed in this report, we do not have any future plans for material investments or capital assets as at the date of this report.

5.5.7 重大投資或資本資產的未來計劃

除本報告所披露者外，我們於本報告日期並無任何重大投資或資本資產的未來計劃。

5.5.8 Events after the Reporting Period

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

5.5.8 報告期後事項

除本報告所披露者外，本集團並無其他任何重大報告期後事項。

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 51, joined the Group in 1992. He serves 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.

Mr. Zhang has more than 32 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.

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，51歲，於1992年加入本集團，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。

張先生擁有逾32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月兼任與瀘投資的黨委委員。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

He also served as the general manager and the executive director of 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. He served as a director 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) from March 2015 to October 2023, and as the chairman of Xinglu Wastewater Treatment from March 2022 to December 2023.

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.

Mr. Chen Qinan (陳祺楠先生), aged 46, joined the Group in 2023. He serves as an executive Director, the deputy secretary of the Party Committee and the general manager of the Company. He has also served as the Party's branch secretary general and the chairman of Xinglu Wastewater Treatment since December 2023.

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)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」)董事長，自2008年3月起至2022年1月擔任興瀘投資董事。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。自2015年3月至2023年10月擔任四川省向家壩灌區建設開發有限責任公司董事，自2022年3月至2023年12月擔任興瀘污水處理董事長。

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。

陳祺楠先生，46歲，於2023年加入本集團，現擔任本公司執行董事、黨委副書記及總經理。彼亦自2023年12月起擔任興瀘污水處理公司黨總支書記及董事長。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Chen has over 24 years of experience in government service and cooperation and communication between enterprises and governments. He served as the assistant to the township chief in the Hutou Township Government of Hejiang County from June 2000 to April 2001, served as deputy secretary of the Party Committee in Shilu Township of Hejiang County from April 2001 to March 2003 (during which he was seconded to Cadre Division II of the Organization Department of the Luzhou Municipal Party Committee from August 2002 to March 2003), served in various positions successively in the Organization Department of the Luzhou Municipal Committee of the Communist Party of China, including deputy chief staff member, chief staff member, deputy division director, division director, section chief, and a member of the ministry and commission from March 2003 to September 2017 (during which he temporarily served as deputy secretary of the Party Committee, town mayor, and acting secretary of the Party Committee in Longche Town, Naxi District, Luzhou City from August 2012 to August 2013), served in various positions successively in Hejiang County, including a member of the Standing Committee of the County Party Committee, director of the Organization Department, director of the United Front Work Department, principal of the Party School, deputy secretary of the Party Leadership Group of the County CPPCC, deputy secretary of the Party Leadership Group of the County Government, and executive deputy county magistrate from September 2017 to July 2021. From July 2021 to October 2023, he has served as a member of the Standing Committee of the Hejiang County Party Committee, deputy secretary of the Party Leadership Group of the County Government, and executive deputy county magistrate, and was elected as a representative of the 9th Party Congress of Luzhou City, a representative of the 8th and 9th People's Congress of Luzhou City, a representative of the 14th Party Congress of Hejiang County, and a representative of the 16th and 17th People's Congress of Hejiang County.

陳先生擁有逾24年的政府工作經歷和企業與政府間的合作及溝通經驗，彼自2000年6月至2001年4月在合江縣虎頭鄉政府擔任鄉長助理，自2001年4月至2003年3月在合江縣實錄鄉擔任黨委副書記(其間自2002年8月至2003年3月借調至瀘州市委組織部幹部二處工作)，自2003年3月至2017年9月在中共瀘州市委組織部先後擔任副主任科員、主任科員、副處長、處長、科長、部務委員等多個職務(其間自2012年8月至2013年8月在瀘州市納溪區龍車鎮掛職任黨委副書記、鎮長、黨委代理書記)，自2017年9月至2021年7月在合江縣先後擔任縣委常委、組織部長、統戰部部長、黨校校長、縣政協黨組副書記、縣政府黨組副書記、常務副縣長等多個職務，2021年7月至2023年10月擔任合江縣委常委、縣政府黨組副書記、常務副縣長，並當選為瀘州市第九次黨代會代表、瀘州市第八屆、第九屆人民代表大會代表、合江縣第十四次黨代會代表、合江縣第十六屆及第十七屆人民代表大會代表。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Chen studied at the Department of Mechanical Engineering of Southwest College of Engineering* (西南工學院) (currently known as the School of Manufacturing of Southwest University of Science and Technology* (西南科技大學)) majoring in mechanical manufacturing equipment and automation from September 1996 to June 2000, and obtained a bachelor's degree in engineering.

Mr. Xu Guanghua (徐光華先生), aged 57, joined the Group in 2023. He serves as an employee representative Director and executive Director, the deputy secretary of the Party Committee, the secretary of the discipline inspection committee and the chairman of federation of trade unions of the Company.

Mr. Xu has over 17 years of experience in government service and 8 years of management experience in state-owned enterprises. He used to be a teacher at Luzhou Naxi District Dadu Middle School (瀘州市納溪區大渡中學) from July 1990 to September 1996. He then served in Luzhou Municipal People's Government Office (瀘州市人民政府辦公室) as a clerk from July 1999 to July 2000, as a senior staff member from July 2000 to December 2001, as a deputy division director of information and research division from December 2001 to February 2003, as a deputy director of research office from February 2003 to April 2004, and as the party secretary of Yao Ba Township of Hejiang County (合江縣堯壩鎮) from April 2004 to August 2006. He then served as a deputy director of the office and the director of political research office of Hejiang county party committee from August 2006 to October 2006, and served as a director of office of Hejiang County People's Government Office (合江縣人民政府辦公室) from October 2006 to June 2008. He also served as a standing committee member of CPC of Hejiang county, a director of the office of Hejiang County committee of the CPC, the secretary of and working committee of an organization directly under the county government, and the chairman of federation of trade unions from June 2008 to March 2010. Mr. Xu then served as a standing committee member of CPC of Hejiang county and the director of publicity department from March 2010 to October 2011, as a deputy director of Luzhou Municipal

陳先生自1996年9月至2000年6月在西南工學院機械系(現西南科技大學製造學院)學習機械製造設備及自動化專業，並取得工學學士學位。

徐光華先生，57歲，於2023年加入本集團，現擔任本公司職工董事兼執行董事、黨委副書記、紀委書記及工會主席。

徐先生擁有逾17年政府工作經歷和8年國企管理工作經歷。彼自1990年7月至1996年9月，彼曾任瀘州市納溪區大渡中學教師。隨後於1999年7月至2000年7月，彼擔任瀘州市人民政府辦公室科員，於2000年7月至2001年12月任副主任科員，於2001年12月至2003年2月任信息調研處副處長，於2003年2月至2004年4月任研究室副主任，及於2004年4月至2006年8月任合江縣堯壩鎮黨委書記。隨後於2006年8月至2006年10月，彼擔任合江縣委辦公室副主任及政研室主任，並於2006年10月至2008年6月任合江縣人民政府辦公室主任。於2008年6月至2010年3月，彼亦擔任中共合江縣委常委、合江縣委辦公室主任、縣直機關工委書記及總工會主席。隨後於2010年3月至2011年10月，

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Government Office and a member of the party group from October 2011 to October 2014, as a deputy director and a Party member of Luzhou State-owned Assets Supervision and Administration Commission(瀘州市國有資產監督管理委員會) from October 2014 to August 2016, as the general manager of Luzhou Cultural Tourism Development Investment Co., Ltd. (瀘州市文化旅遊發展投資集團有限責任公司) and the chairman of the board of directors of Luzhou Yaoba Ancient Town Tourism Development and Investment Co., Ltd. (瀘州市堯壩古鎮旅遊開發投資有限責任公司) from August 2016 to March 2023.

Mr. Xu graduated from Yibin Normal College of Higher Education (宜賓師範高等專科學校) (now known as Yibin University (宜賓學院)) in July 1990, and graduated from Yunnan Agricultural University (雲南農業大學) with a master degree in plant pathology in July 1999. He qualified as an administration engineer in November 2017.

擔任中共合江縣委常委及宣傳部長，於2011年10月至2014年10月任瀘州市政府辦公室副主任及黨組成員，於2014年10月至2016年8月任瀘州市國有資產監督管理委員會副主任及黨組成員，及於2016年8月至2023年3月任瀘州市文化旅遊發展投資集團有限責任公司總經理及瀘州市堯壩古鎮旅遊開發投資有限責任公司董事長。

徐先生於1990年7月畢業於宜賓師範高等專科學校(現稱宜賓學院)，並於1999年7月畢業於雲南農業大學，獲得植物病理學碩士學位。徐先生於2017年11月獲得政工程師資格。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

6.1.2 Non-Executive Directors

Mr. Xu Fei (徐飛先生), aged 47, as of the date of this report, Mr. Xu served as a non-executive Director and a member of the Strategy Committee of the Company. He also served as a director of Luzhou State-owned Capital Operation Co., Ltd.* (瀘州市國有資本運營管理有限責任公司), Sichuan Rongtong Security Investment Group Co. Ltd., Sichuan New Torch Chemical Co., Ltd. (四川新火炬化工有限責任公司), Luzhou City Investment Group, Luzhou Lingang Investments Group Co., Ltd. and Luzhou Airport (Group) Co., Ltd. (瀘州機場(集團)有限責任公司).

Mr. Xu has over 23 years of experience in human resources and cadre personnel management. He worked in the Deyao Town Government of Gulin County from October 1999 to March 2002, then worked in the Gulin County Committee of the Communist Youth League from March 2002 to May 2006 (during which he was assigned to serve as the deputy director of the Social Affairs Office in Dongxin Township of Gulin County from September 2003 to December 2004), and worked in the Discipline Committee of Gulin County from May 2006 to July 2007. He served in various positions including staff member and section chief successively in the Organization Department of the Luzhou Naxi District Committee from July 2007 to October 2012 (during which he was assigned to serve as the deputy secretary of the Village Branch of Minqiang Village, Dadukou Town, Naxi District from September 2007 to July 2008, and temporarily served as a member of the Party Committee and the assistant to the head of the office of Yongning Street, Naxi District from April to October 2012), then served as deputy director of the Naxi District Human Resources and Social Security Bureau from November 2012 to February 2015. He served as deputy secretary of the Party Committee and the secretary of the Discipline Committee in Yongning Street, Naxi District from February 2015 to April 2016, as chief of the Mass Work Bureau of the Naxi District Party Committee from April 2016 to March 2017, and then as chief of the Bureau for Letters and Calls of Naxi District from May 2016 to April 2017. He served as the

6.1.2 非執行董事

徐飛先生，47歲，截至本報告日期，擔任本公司非執行董事及戰略委員會委員。彼同時任職於瀘州市國有資本運營管理有限責任公司及四川融通安防投資集團有限公司、四川新火炬化工有限責任公司、瀘州市城市建設投資集團有限公司、瀘州臨港投資集團有限公司、瀘州機場(集團)有限責任公司擔任董事。

徐先生擁有逾23年的人力資源和幹部人事管理經驗，彼自1999年10月至2002年3月在古蘭縣德耀鎮政府工作，自2002年3月至2006年5月在共青團古蘭縣委工作(其間自2003年9月至2004年12月選派至古蘭縣東新鄉任社會事務辦公室副主任)，自2006年5月至2007年7月在古蘭縣紀委工作，自2007年7月至2012年10月在瀘州市納溪區委組織部先後擔任工作人員、科長等多個職務(其間自2007年9月至2008年7月選派至納溪區大渡口鎮民強村擔任村支部副書記。自2012年4月至10月掛職擔任納溪區永寧街道黨委委員及辦事處主任助理)，其後自2012年11月至2015年2月在納溪區人力資源和社會保障局擔任副局長，自2015年2月至2016年4月在納溪區永寧街道擔任黨委副書記及紀委書記，自2016年4月至2017年3月在納溪區委群工局擔任局長，自2016年5月至2017年4

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deputy director of the office of the Naxi District Party Committee from March 2017 to February 2019, as the deputy secretary of the Party Committee and the town mayor of Baijie Town, Naxi District from February 2019 to December 2019, and as the secretary of the Party Committee of Baijie Town, Naxi District from December 2019 to December 2021. He has served as the chairman of the supervisors committee of Sichuan Tianhua Co., Ltd., Luzhou Aviation Development Investment Group Co., Ltd., Sichuan Guxu Coalfield Development (Group) Co., Ltd, Sichuan Quality Inspection Co., Ltd. (四川國檢檢測有限責任公司) from December 2021 to September 2023 (during which he served as chairman of the supervisor committee of Sichuan Liquor Group Industry Development Co., Ltd. (四川省川酒集團產業發展有限公司) from November 2022 to September 2023).

Mr. Xu studied at the Sichuan Radio and TV University* (四川廣播電視大學) majoring in finance and taxation from September 1997 to June 1999 and obtained a college diploma, and he studied in the correspondence college of the Party School of Sichuan Provincial Committee* (四川省委黨校函授學院) majoring in economic management from September 2000 to December 2002 and obtained a bachelor's degree. In November 2023, he qualified as an intermediate economist by the Ministry of Human Resources and Social Security of the People's Republic of China.

Ms. Zhang Guanghui (張光惠女士), aged 58. As of the date of this report, Ms. Zhang served as a non-executive Director and a member of the Nomination and Remuneration Committee. She also served as a director of Luzhou State-owned Capital Operation Co., Ltd.* (瀘州市國有資本運營管理有限責任公司), Luzhou Airport (Group) Co., Ltd. (瀘州機場(集團)有限責任公司), Luzhou Public Transportation Group Co., Ltd., Luzhou Baijiu Industrial Development Investment Group Co., Ltd., Digital Luzhou Industrial Investment Group Co., Ltd., Sichuan Quality Inspection Co., Ltd. (四川國檢檢測有限責任公司).

月擔任納溪區信訪局局長，自2017年3月至2019年2月擔任納溪區委辦公室副主任，自2019年2月至2019年12月在納溪區白節鎮擔任黨委副書記及鎮長，自2019年12月至2021年12月在納溪區白節鎮擔任黨委書記。其後自2021年12月至2023年9月在四川天華股份有限公司、瀘州航空發展投資集團有限公司、四川省古敘煤田開發股份有限公司、四川國檢檢測有限責任公司擔任監事會主席(其間自2022年11月至2023年9月在四川省川酒集團產業發展有限公司擔任監事會主席)。

徐先生自1997年9月至1999年6月在四川廣播電視大學學習財政稅收專業並取得專科學歷，自2000年9月至2002年12月在四川省委黨校函授學院學習經濟管理專業並取得本科學歷。於2023年11月獲中華人民共和國人力資源和社會保障部授予中級經濟師資格。

張光惠女士，58歲，截至本報告日期，擔任本公司非執行董事及提名薪酬委員會委員。彼同時任職於瀘州市國有資本運營管理有限責任公司及瀘州機場(集團)有限責任公司、瀘州市公共交通集團有限公司、瀘州白酒產業發展投資集團有限公司、數字瀘州產業投資集團有限公司、四川國檢檢測有限責任公司擔任董事。

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第六章 董事、監事及高級管理層(續)

Ms. Zhang has over 26 years of experience in health and epidemic prevention management. She served as a staff of the Luxian Health and Epidemic Prevention Station from July 1992 to October 1992, and as the chief of the Epidemic Prevention Section of the Health Bureau of Longmatan District, Luzhou City from August 1997 to October 1998. She successively served as the deputy director, director of the Labour Union Commission, member of the Party Committee and Discipline Inspection Team Leader of the Health Bureau of Longmatan District, Luzhou City from October 1998 to December 2004. She successively served as the secretary of the Party Committee, deputy director and director of the Health Bureau of Longmatan District, Luzhou City from December 2004 to December 2014, and then as the secretary of the Party Committee and director of the Healthcare and Family Planning Bureau of Longmatan District, Luzhou City from December 2014 to April 2016, and as a director of the Economic Working Committee of CPPCC National Committee of Longmatan District, Luzhou City from April 2016 to September 2016, and as a member of the Party Committee and deputy general manager of Southwest Medical and Health Industry Investment Group Co., Ltd.* (西南醫療健康產業投資集團有限公司) from September 2016 to March 2023. She then acted as the chairman of the supervisory committees of Sichuan Rongtong Security Investment Group Co. Ltd., Sichuan New Torch Chemical Co., Ltd. (四川新火炬化工有限公司), Luzhou Lingang Investments Group Co., Ltd., Luzhou Yunlong Airport Development Company Limited and Luzhou High-tech Investment Group Co., Ltd. from July 2023 to September 2023.

Ms. Zhang studied at the North China Coal Medical University* (華北煤炭醫學院) majoring in preventive medicine from September 1987 to July 1992 and obtained a bachelor's degree of medicine as an undergraduate. She attended the first training course for cadres at the Party School of the Luzhou Municipal Party Committee* (瀘州市委黨校) in May 1999. Through a part-time program, she studied at the correspondence college of the Party School of Sichuan Provincial Committee* (四川省委黨校函授學院) majoring in law from August 1996

張女士擁有逾26年的衛生防疫管理經驗，彼自1992年7月至1992年10月在瀘縣衛生防疫站任工作員，自1997年8月至1998年10月在瀘州市龍馬潭區衛生局擔任防疫股股長，自1998年10月至2004年12月在瀘州市龍馬潭區衛生局先後擔任副局長、工委主任、黨委委員、紀檢組長，自2004年12月至2014年12月在瀘州市龍馬潭區衛生局先後擔任黨委書記、副局長、局長，其後自2014年12月至2016年4月在瀘州市龍馬潭區衛生和計劃生育局擔任黨委書記、局長，自2016年4月至2016年9月在瀘州市龍馬潭區政協經工委擔任主任，自2016年9月至2023年3月在西南醫療健康產業投資集團有限公司擔任黨委委員、副總經理。其後自2023年7月至2023年9月在四川融通安防投資集團有限公司、四川新火炬化工有限責任公司、瀘州臨港投資集團有限公司、瀘州雲龍機場空港發展有限責任公司、瀘州市高新投資集團有限公司擔任監事會主席。

張女士自1987年9月至1992年7月在華北煤炭醫學院預防醫學專業學習並取得本科學歷及醫學學士學位，1999年5月在瀘州市委黨校第一期幹部培訓班學習，自1996年8月至

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to December 1998 and obtained a bachelor's degree. She attended a postgraduate course at the Southwest China Normal University* (西南師範大學) in November 2003, and attended the fourth training course for female cadres at the Party School of the Luzhou Municipal Party Committee in 2004.

Ms. Hu Fenfen (胡芬芳女士), aged 40, was a non-executive Director and a member of the Strategy Committee of the Company as of the date of this report. Ms. Hu has been the senior professional director of the Strategic Investment 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 April 2023. She was a director of Huai'an Water Conservancy Survey and Design Institute Co., Ltd., Beijing Beishui Rongzhi Education Technology Co., Ltd., Beijing BEWG GreenTech Seawater Desalination Technology Co., Ltd., Hunan BG Well-point Environmental Science & Technology Co., Ltd., Beijing Beichuang Green Private Equity Fund Management Co., Ltd. She also served as a supervisor of Guangdong Beijing Enterprises Shixi Technology Co., Ltd. and Hangzhou Beishui Future Technology Co., Ltd..

Ms. Hu has over 18 years of accounting and financial management experience. She 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 and deputy general manager of the Strategic Investment Development Center of Beijing Enterprises Water Group Limited from December 2012 to January 2014, from January 2014 to March 2016, from March 2016 to May 2017 and from May 2017 to March 2023, respectively.

Ms. Hu received a bachelor's degree in accounting in 2004 and master's degree in finance in 2006 from Renmin University of China (中國人民大學) located in Beijing, the PRC.

1998年12月在四川省委黨校函授學院在職學習法律專業並取得本科學歷，2003年11月參加西南師範大學研究生課程班學習，2004年參加瀘州市委黨校第四期女幹部培訓班學習。

胡芬芳女士，40歲，截至本報告日期，擔任本公司非執行董事及戰略委員會委員。胡女士自2023年4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)戰投發展中心高級專業總監。彼現時擔任淮安市水利勘測設計研究院有限公司、北京北水融智教育科技有限公司、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、北京北創綠色私募基金管理有限公司董事。彼現時亦擔任廣東北控石犀科技股份有限公司、杭州北水未來科技有限公司的監事。

胡女士擁有逾18年會計及財務管理經驗。彼自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月及自2017年5月至2023年3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、副總經理及戰投發展中心副總經理。

胡女士先後於2004年及2006年自中國北京市中國人民大學獲得會計學學士學位及金融學碩士學位。

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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 53, was an independent non-executive Director, the chairwoman of the Nomination and Remuneration Committee and a member of the Audit Committee of the Company as of the date of this report. 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 33 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 Shanghai 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，53歲，截至本報告日期，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）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）獨立董事。

馬女士擁有逾33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年擔任四川創意技術股份有限公司（現稱創意信息技術股份有限公司）獨立董事，自2009年至2015年擔任四川廣運集團股份有限公司獨立董事，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）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。

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第六章 董事、監事及高級管理層(續)

Mr. Fu Ji (傅驥先生), aged 58, was an independent non-executive Director and the chairman of the Audit Committee of the Company as of the date of this report. 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 39 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，58歲，截至本報告日期，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39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。

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第六章 董事、監事及高級管理層(續)

Mr. Liang Youguo (梁有國先生), aged 64, was an independent non-executive Director and a member of the Nomination and Remuneration Committee and the Audit Committee of the Company as of the date of this report. He is also secretary general of the Sichuan Urban Water Association.

Mr. Liang has over 42 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，64歲，截至本報告日期，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42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。

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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 50, served as the shareholder representative Supervisor and chairman of the Supervisory Committee of the Company as of the date of this report. He also served as a director of Luzhou State-owned Capital Operation and Management Co., Ltd., Luzhou City Xinglu Investment Group Co., Ltd., Luzhou Development Holdings Group Co., Ltd, Luzhou Industrial Development Investment Group, Lutianhua Group Inc., Sichuan Liquor Group Co., Ltd. (四川省酒業集團有限責任公司), Luzhou Aviation Development Investment Group Co., Ltd. and Luzhou Lingang Investments Group Co., Ltd..

Mr. Yang has over 28 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

6.1.4 監事

楊震球先生，50歲，截至本報告日期，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及瀘州市興瀘投資集團有限公司、瀘州發展控股集團有限公司、瀘州產業發展投資集團有限公司、瀘天化(集團)有限責任公司、四川省酒業集團有限責任公司、瀘州航空發展投資集團有限公司、瀘州臨港投資集團有限公司擔任董事。

楊先生擁有逾28年財務及管理經驗。彼自1996年8月至2009年5月歷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月歷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)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合作顧問(江西市場總監)。彼自

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

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 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.

2017年7月至2018年5月擔任泰富重裝集團有限公司行政總裁助理、市場總監及公司管理委員會成員。彼自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)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 34, was a shareholder representative Supervisor of the Company as of the date of this report. 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 10 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，34歲，截至本報告日期，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10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。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 53, joined the Group in September 1989. She served as an employee representative Supervisor as of the date of this report. She concurrently served as a professional manager of Human Resources Department.

Ms. Xiang has 28 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 October 2024, 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. She then acted as the head of the office of the Board of the Company from June 2021 to October 2024, as a director of Luzhou Xinglu Wastewater Treatment Co., Ltd. from September 2014 to October 2024.

向敏女士，53歲，於1989年9月加入本集團。截至本報告日期，擔任本公司職工代表監事。彼同時擔任本公司人力資源部專業經理。

向女士擁有28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2024年10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。其後自2021年6月至2024年10月擔任本公司董事會辦公室主任，自2014年9月至2024年10月擔任瀘州市興瀘污水處理有限公司董事。

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 50, served as an employee representative Supervisor as of the date of this report. He also serves as the manager of the Marketing Department of the Company, and he has been serving as the chairman of Weiyuan Qingxi Water and Weiyuan Installation Company since April 2023.

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，50歲，截至本報告日期，擔任本公司職工代表監事。彼同時擔任本公司營銷部經理，彼自2023年4月起擔任威遠清溪水務及威遠安裝公司董事長。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Luo has over 26 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 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. He served as the manager of the General Management Department of the Company from December 2022 to February 2024.

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.

羅先生擁有逾26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月曆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，自2022年12月起至2024年2月擔任本公司綜合管理部經理。

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。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Tang Nanyou (唐南友先生), aged 50, served as an employee representative Supervisor as of the date of this report. He was also the general manager of the Longmatan Water Supply Branch.

Mr. Tang has over 26 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.

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.

唐南友先生，50歲，截至本報告日期，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26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月曆任青島啤酒(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。

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。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Gu Ming'an (辜明安先生), aged 59, 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). 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. He has been serving as an external Supervisor of Jianyang Rural Commercial Bank Co., Ltd. since June 2024.

Mr. Gu has 35 years of experience in teaching and research. He 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 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. He 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) from August 2015 to June 2022. He served 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.HK) from March 2016 to September 2022.

辜明安先生，59歲，截至本報告日期，擔任本公司外部監事。彼同時於西南財經大學兼任教授。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獨立監事。自2024年6月起擔任簡陽農村商業銀行股份有限公司的外部監事。

辜先生擁有35年的教學和研究經驗。彼自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：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。彼自2015年8月至2022年6月擔任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。彼自2016年3月至2022年9月擔任瀘州銀行股份有限公司(股份代號：1983.HK)的獨立非執行董事。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

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 41, served as an external Supervisor of the Company as of the date of this report. 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 over 16 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.

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，41歲，截至本報告日期，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16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 to the Board

Mr. Chen Yongzhong (陳永忠先生), aged 51, joined the Group in December 2012 and serves as our secretary to the Board and company secretary. 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 27 years of experience in accounting and financing. He 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, and he 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, the chairman of Weiyuan Qingxi Water and Weiyuan Installation Company from September 2018 to October 2019 and director of Xinglu Wastewater Treatment from March 2022 to December 2024.

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，51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。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27年會計與財務經驗。彼自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；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，自2022年3月至2024年12月擔任興瀘污水處理董事。

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. Chen Qinan (陳棋楠先生), aged 46, has been the general manager of the Company since December 2023. For more details, please refer to “Mr. Chen Qinan, Executive Director” in this chapter.

Mr. Yang Xudong (楊旭東先生), aged 56, has been the deputy general manager of the Company since January 2023, who is responsible for project construction and production technology 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.

6.1.6 高級管理人員

陳棋楠先生，46歲，於2023年12月起擔任本公司總經理，相關詳情參見本章「執行董事之陳棋楠先生」。

楊旭東先生，56歲，自2023年1月起擔任本公司副總經理，負責工程建設和生產技術管理工作。

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)

Ms. Fan Wenjie (範文婕女士), aged 45, has served as deputy general manager of the Company since December 2023 and was responsible for general affairs, quality system construction and material supply management.

Ms. Fan worked in the Luzhou Branch of China Agricultural Development Bank from July 2001 to December 2011. She served as a staff member of Longma Xingda Small-loan Co., Ltd.* (龍馬興達小額貸款股份有限公司) in Luzhou from December 2011 to August 2012, a staff member of the legal department and the head of legal affairs at Xinglu Investment from August 2012 to December 2014 (during which she also served as the risk director of Luzhou Jiangyang District Xinglu Hongyang Micro-Credit Co., Ltd. (瀘州市江陽區興瀘鴻陽小額貸款有限公司) from February 2013 to April 2014), and the deputy manager of the legal department of Xinglu Investment from December 2014 to June 2016. She served as the head of the human resources department of Xinglu Investment from June 2016 to August 2023.

Ms. Fan graduated from Chongqing University majoring in finance and economics in June 2001, and graduated from Sichuan University majoring in law in June 2004. She graduated from Changchun University of Technology with a master's degree majoring in business administration in June 2022. Ms. Fan qualified as a senior economist in July 2020.

范文婕女士，45歲，自2023年12月起擔任本公司副總經理，負責綜合事務、質量體系建設和物資供應管理工作。

范女士自2001年7月至2011年12月在中國農業發展銀行瀘州市分行工作；自2011年12月至2012年8月在瀘州市龍馬興達小額貸款股份有限公司任職員；自2012年8月至2014年12月在興瀘投資先後擔任法務部職員及法律事務主辦(其間自2013年2月至2014年4月兼任瀘州市江陽區興瀘鴻陽小額貸款有限公司風險總監)；自2014年12月至2016年6月任興瀘投資法務部副經理；自2016年6月至2023年8月任興瀘投資人力資源部部長。

范女士於2001年6月畢業於重慶大學貿易經濟專業，於2004年6月畢業於四川大學，主修法律專業；並於2022年6月畢業於長春工業大學工商管理專業，取得碩士學位。范女士於2020年7月取得高級經濟師資格。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Jin Hua (劉勁樺先生), aged 50, has served as deputy general manager of the Company since December 2023 and was responsible for safety and environmental protection and marketing management.

Mr. Liu worked as a designer in the Changfei Mechanics Division of AVIC II from August 1997 to April 2006. He worked in Sichuan Banda Chemical Co., Ltd.* (四川班達化工有限公司) from March 2011 to December 2012, and served as the assistant to the general manager and the head of the production department of Sichuan Banda Chemical Co., Ltd. from December 2012 to July 2014. He served as a staff member of Ruijia Technology Ceramics Industry (Sichuan) Co., Ltd.* (銳佳科技陶瓷(四川)有限公司) from July 2014 to April 2015, a staff member of the production safety department of Luzhou Xinglu Water (Group) Company Limited from April 2015 to October 2017. He served as the manager of Luzhou Xinglu Water (Group) Beijiao Water Co., Ltd. from October 2017 to April 2020 (during which he also served as the deputy manager of the production management department of Luzhou Xinglu Water (Group) Co., Ltd. from July 2018 to April 2020), the deputy manager of the production technology department of Luzhou Xinglu Water (Group) Co., Ltd. from April 2020 to July 2021, the manager of the production technology department of Luzhou Xinglu Water (Group) Co., Ltd. from July 2021 to March 2023, and the general manager of water production company from March 2022 to March 2023. He served as a supervisor of Luzhou Xinglu Wastewater Treatment Co., Ltd. from March 2022 to December 2023, and the general manager of Branch of Jiangyang Water Supply from March 2023 to February 2024.

Mr. Liu graduated from Nanchang University majoring in industrial electric automation in August 1997 and qualified as an electrical engineer in September 2002.

劉勁樺先生，50歲，自2023年12月起擔任本公司副總經理，負責安全環保及營銷管理工作。

劉先生自1997年8月至2006年4月在中航二集團昌飛機動處任設計員；自2011年3月至2012年12月在四川班達化工有限公司工作，自2012年12月至2014年7月任四川班達化工有限公司總經理助理及生產部部長；自2014年7月至2015年4月在銳佳科技陶瓷(四川)有限公司任職員；自2015年4月至2017年10月在瀘州市興瀘水務(集團)有限公司生安部任職員；自2017年10月至2020年4月擔任瀘州市興瀘水務(集團)北郊水業有限公司經理(其間自2018年7月至2020年4月兼任瀘州市興瀘水務(集團)股份有限公司生產管理部副經理)；自2020年4月至2021年7月擔任瀘州市興瀘水務(集團)股份有限公司生產技術部副經理；自2021年7月至2023年3月擔任瀘州市興瀘水務(集團)股份有限公司生產技術部經理；自2022年3月至2023年3月兼任制水公司總經理；自2022年3月至2023年12月擔任瀘州市興瀘污水處理有限公司監事；自2023年3月至2024年2月擔任江陽供水分公司總經理。

劉先生於1997年8月畢業於南昌大學工業電氣自動化專，並於2002年9月取得電氣工程師資格。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

Mr. Ouyang Peng (歐陽鵬先生), aged 50, joined the Group in September 2013 and serves as the chief financial officer of the Company since November 2017, mainly responsible for financial management of the Company. He also concurrently serves as a supervisor of Luzhou Xingxin Water Environmental Governance Co., Ltd.

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.

歐陽鵬先生，50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工作。彼同時兼任瀘州市興新水環境治理有限公司監事。

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。

Chapter VI Directors, Supervisors and Senior Management (Continued)

第六章 董事、監事及高級管理層(續)

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 and the tax agent by the China Certified Tax Agents Association in November 2023.

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，於2023年11月取得中國註冊稅務師協會授予稅務師職業資格。

6.1.7 Company Secretary

Mr. Chen Yongzhong (陳永忠先生), aged 51, 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.

6.1.7 公司秘書

陳永忠先生，51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 Changes in Directors

During the Reporting Period, there was no change in the Company’s Directors.

There are no changes in the information of the Directors of the Company that are required to be disclosed under Rule 13.51B of the Listing Rules.

6.2.1 董事變動情況

於報告期內，公司董事無人員變動。

概無根據上市規則第13.51B條須予披露的本公司董事的資料變動。

6.2.2 Changes in Supervisors

During the Reporting Period, there was no change in the Company’s Supervisors.

6.2.2 監事變動情況

報告期內，公司監事無人員變動。

6.2.3 Changes in Senior Management

During the Reporting Period, there was no change in the Company’s senior management.

6.2.3 高級管理人員變動情況

於報告期內，公司高級管理人員無變動。

Chapter VI

Directors, Supervisors and Senior Management (Continued)

第六章

董事、監事及高級管理層(續)

6.2.4 Basic Information on Directors,
Supervisors and Senior Management

6.2.4 董事、監事及高級管理人員基本
情況

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

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 姓名	Gender 性別	Age 年齡	Position 職務
Zhang Qi 張歧	Male 男	51	Executive Director and chairman of the Board 執行董事兼董事長
Chen Qinan 陳棋楠	Male 男	46	Executive Director and general manager 執行董事兼總經理
Xu Guanghua 徐光華	Male 男	57	Executive Director (employee representative Director) 執行董事（職工代表董事）
Xu Fei 徐飛	Male 男	47	Non-executive Director 非執行董事
Zhang Guanghui 張光惠	Female 女	58	Non-executive Director 非執行董事
Hu Fenfen 胡芬芬	Female 女	40	Non-executive Director 非執行董事
Ma Hua 馬樺	Female 女	53	Independent non-executive Director 獨立非執行董事
Fu Ji 傅驥	Male 男	58	Independent non-executive Director 獨立非執行董事
Liang Youguo 梁有國	Male 男	64	Independent non-executive Director 獨立非執行董事
Yang Zhenqiu 楊震球	Male 男	50	Shareholder representative Supervisor and the chairman of the Supervisory Committee 股東代表監事兼監事會主席
Lai Bingyou 賴柄有	Male 男	34	Shareholder representative Supervisor 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 姓名	Gender 性別	Age 年齡	Position 職務
Xiang Min 向敏	Female 女	53	Employee representative Supervisor 職工代表監事
Luo Chaoping 羅超平	Male 男	50	Employee representative Supervisor 職工代表監事
Tang Nanyou 唐南友	Male 男	50	Employee representative Supervisor 職工代表監事
Gu Ming'an 辜明安	Male 男	59	External Supervisor 外部監事
Xiong Hua 熊華	Male 男	41	External Supervisor 外部監事
Chen Yongzhong 陳永忠	Male 男	51	Secretary to the Board and company secretary 董事會秘書兼公司秘書
Yang Xudong 楊旭東	Male 男	56	Deputy general manager 副總經理
Fan Wenjie 范文婕	Female 女	45	Deputy general manager 副總經理
Liu Jinhua 劉勁樺	Male 男	50	Deputy general manager 副總經理
Ouyang Peng 歐陽鵬	Male 男	50	Chief financial officer 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 and the industrial cluster of Dechang County in Liangshan Yi 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及涼山州德昌縣工業集中區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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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 RMB0.04 per Share (tax inclusive) for the year ended 31 December 2024 (2023: RMB0.05 per Share (tax inclusive)) to Shareholders whose names appeared on the register of members of the Company on Tuesday, 15 July 2025 (the "**Record Date**") (subject to the approval of Shareholders on the AGM to be held on Friday, 27 June 2025), with the total amount being approximately RMB34.39 million. Once approved, the final dividends will be paid on or before Thursday, 31 July 2025.

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2024年12月31日止年度之末期股息為每股人民幣0.04元(含稅)(2023年：每股人民幣0.05元(含稅))予於2025年7月15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2025年6月27日(星期五)舉行的股東週年大會上批准)，總金額約人民幣34.39百萬元。經批准後，末期股息預期將於2025年7月31日(星期四)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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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股所涉及的中國、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, 27 June 2025.

7.5 股東週年大會

我們將於2025年6月27日(星期五)召開股東週年大會。

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 Tuesday, 24 June 2025 to Friday, 27 June 2025 (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 Tuesday, 24 June 2025. 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 Monday, 23 June 2025.

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2025年6月24日(星期二)至2025年6月27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2025年6月24日(星期二)。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2025年6月23日(星期一)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 Friday, 11 July 2025 to Tuesday, 15 July 2025 (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, 15 July 2025. 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 Thursday, 10 July 2025.

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2025年7月11日(星期五)至2025年7月15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2025年7月15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2025年7月10日(星期四)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 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.

7.7 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 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.

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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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項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

In terms of business expansion, the actual circumstances, such as adjustments to water supply and drainage tariffs, PPP project policies, the cancellation of engineering construction and guaranteed minimum tariffs, and increased local government fiscal pressures leading to a rise in accounts receivable balances for sewage treatment fees, will extend the investment recovery period and weaken the our cash realization and debt repayment capacity, potentially adversely affecting the Company's market expansion and profitability growth if we fail to promptly optimize investment layout and business model.

We will adopt the following measures: enhancing strategic collaboration between government and enterprises, closely monitoring policy trends, dynamically adjusting investment strategies to address market changes, and maintaining the corporate leadership and competitiveness through technological innovation, improved management standards, innovative cooperation models, and industrial chain extension, so as to ensure sustained growth in the Company's market share.

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

業務拓展方面，有關供排水收費、PPP項目政策的調整至工程建設及保底收費取消，地方財政支付壓力增大致污水處理費應收賬款餘額增加等實際情況將拉長投資回收周期，弱化企業獲現和償債能力如果我們未能及時優化投資佈局與業務模式，將對公司市場擴張和盈利能力增長造成不良影響。

我們將採取以下措施：加強政企戰略協作，密切關注政策趨勢，動態調整投資策略應對市場變化，並通過技術革新、管理水平提升、合作模式創新、產業鏈延伸等方式保持企業的領先性和競爭力，確保公司市場份額持續增長。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

7.11.2 Operation and Management Risks

Our operating performance and financial condition are, to a certain extent, constrained by regional socioeconomic conditions and policy adjustments, such as a persistent socioeconomic downturn leading to a sluggish real estate market on which we rely, and local government fiscal payment difficulties resulting in elevated accounts receivable for sewage treatment fees, and the failure of the Company to secure sufficient funding and corresponding remedial measures may adversely impact our operational management and financial position.

We will implement the following countermeasures: ensuring sufficient management, operational, human, and financial resources to sustain our development, strengthening risk prevention mechanisms, controlling expenditures to effectively reduce costs, and enhancing the core competitiveness and profitability of the enterprise.

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 strengthening cost control for cost reduction and efficiency increase.

7.11.2 經營管理風險

我們的經營業績及財務狀況在一定程度上受到地區的社會經濟和政策調整制約，如社會經濟持續下行致我們依賴的房地產市場不景氣、地方政府財政支付困難致污水處理費應收賬款高企等，而企業未能取得充足資金及相應的補救措施，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，健全風險防范機制，控制支出有效降低成本，提升企業核心競爭力和盈利能力。

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；及繼續探索核心技術，通過強化成本管控，達到降本增效。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

7.11.4 Safety and Environmental Protection Risks

Contamination of our raw water for tap water supply, improper operations or equipment failures in the production process, substandard sewage treatment discharge, or improper sludge disposal may lead to incidents affecting water supply quality or causing secondary environmental pollution. In addition, factors such as facility or equipment malfunctions, human negligence, or operational errors could result in personnel injuries, fatalities, or property losses.

We will take the following countermeasures: 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; and enhance the technical staff's network security risk awareness and compliance operation level.

7.11.4 安全環保風險

我們的自來水原水受到污染，或生產環節操作不當及設備故障，污水處理未達標排放、污泥處置不當，可能或導致供水水質安全、二次環境污染等事件。此外，設施設備故障、或人為疏忽、操作錯誤等因素，可能引發人員傷亡、財產損失。

我們將採取如下應對措施：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；及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.

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 Data Fraud and Theft

7.11.6 資料詐騙及盜竊

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.

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。

We will take the following countermeasures: strengthen business system management and control; improve network system security; and 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.

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；及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。

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

於報告期內，本公司未發生資料詐騙及盜竊事件。

7.11.7 Policy Risks

7.11.7 政策風險

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.

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。

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.

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。

During the Reporting Period, the revenue from engineering business of the Company decreased by RMB39.35 million due to price policy adjustments.

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39.35百萬元。

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 867 employees (as at the end of 2023: 905 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. During 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867名僱員（2023年末有905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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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, Jingyan District, Qingbaijiang District of Chengdu, and Dechang County of Liangshan Yi 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 RMB580.01 million, accounting for 43.60% of the total revenue, and the total sales to the largest customer was RMB365.89 million, accounting for 27.50% 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 (excluding treasury shares) of the Company) 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、井研地區、成都市青白江區、涼山州德昌縣的地方政府。

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580.01百萬元，佔報告期間收入總額的43.60%；而向最大客戶的銷售總額為人民幣365.89百萬元，佔報告期間收入總額的27.50%。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%或以上的本公司已發行股份（不包括庫存股份）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 RMB210.41 million, accounting for 49.47% of the total amount of procurement for the Reporting Period. The purchase from the largest supplier was RMB77.66 million, accounting for 18.26% 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 (excluding treasury 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210.41百萬元, 佔報告期間採購總額的49.47%; 而向最大供貨商的採購總額為人民幣77.66百萬元, 佔報告期間採購總額的18.26%。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%或以上的本公司已發行股份(不包括庫存股份)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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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 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 million. The Company successfully issued the first and second tranche of corporate bonds in the principal amounts of RMB500 million and RMB200 million on 26 April 2019 and 23 September 2019, respectively, pursuant to the actual circumstances, and listed them on the Shanghai Stock Exchange on 8 May 2019 and 10 October 2019, respectively. On 11 October 2022, the second tranche bonds were delisted early due to full resale.

On April 18, 2024, the Company announced that it would redeem the principal and interest of the first tranche of bonds due on 25 April 2024, and delist them on 26 April 2024. For details, please refer to the Company's announcement on the Hong Kong Stock Exchange and the Shanghai Stock Exchange on 18 April 2024.

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700百萬元的公司債券。本公司根據實際情況於2019年4月26日、2019年9月23日分別成功發行本金為人民幣500百萬元、人民幣200百萬元的第一期及第二期公司債券，並分別於2019年5月8日、2019年10月10日在上海證券交易所上市。於2022年10月11日，第二期債券因全額回售而提前摘牌。

於2024年4月18日，本公司發佈公告於2024年4月25日兌付到期的第一期債券本息，並於2024年4月26日將其摘牌。有關詳情請參見本公司2024年4月18日於香港聯交所及上海證券交易所的公告。

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

During the Reporting Period, none of the Company or any of its subsidiaries purchased, sold or redeemed any listed securities (including sale of treasury shares as defined under the Listing Rules) of the Company. As at 31 December 2024, the Company did not hold any treasury shares.

7.15 購回、出售或贖回本公司的上市證券

於報告期內，本公司或其附屬公司概無購回、出售或贖回本公司任何上市證券(包括出售具上市規則定義的庫存股份)。於2024年12月31日，本公司並無持有任何庫存股份。

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.

7.16 優先購買權

根據公司章程中國法律，本公司並無任何有關優先購買權的規定。

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.

7.17 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 PROPERTY, PLANT AND EQUIPMENT

Details of changes in property, plant and equipment of the Group during the Reporting Period are set out in Note V. 11 to the consolidated financial statements in this annual report.

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五、11。

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 V. 27 to the consolidated financial statements in this annual report.

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五、27。

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 RMB59,000 in cash or materials to the Luzhou Branch of Sichuan Province Foundation for Poverty Alleviation and Luzhou Charity Federation, which were mainly used for the infrastructure construction of donees and student aid.

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、瀘州市慈善總會等捐贈錢款或物資共計人民幣59,000元，主要用於受贈單位基礎設施建設及助學等。

7.21 DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

7.21 董事、監事及高級管理層

7.21.1 Directors

During the Reporting Period, the Board 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, 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.

7.21.1 董事

於報告期間，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 Supervisors

During the Reporting Period, the Supervisory Committee 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, 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.

7.21.2 監事

於報告期間，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。

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

Changes in the information of Directors, Supervisors and chief executives of the Company during the Reporting Period are set out in the section headed "Directors, Supervisors and Senior Management" of this annual report.

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 revision 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

於報告期內本公司董事、監事及最高行政人員資料變動載於本年報的「董事、監事及高級管理層」一章內。

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).

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 XI(2).4 to the consolidated financial statements of this report.

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.

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 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).4。

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。未在本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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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 of the Company 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.

7.21.12 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 INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES 7.22 主要股東於股份中的權益及淡倉

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.

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 ⁽¹⁾	Approximate percentage in class of Shares issued 佔已發行類別股份的概約百分比	Approximate percentage in total Shares issued 佔已發行總股份的概約百分比
股東名稱	持股身份	股份類別	股份數目 ⁽¹⁾		
Xinglu Investment ⁽²⁾	Interest in a controlled corporation	Domestic Shares	574,363,690(L)	89.08%	66.81%
興瀘投資 ⁽²⁾	受控法團權益	內資股			
Xinglu Assets ⁽²⁾	Beneficial owner	Domestic Shares	511,654,127(L)	79.35%	59.51%
興瀘資產 ⁽²⁾	實益擁有人	內資股			
Luzhou Laojiao	Beneficial owner	Domestic Shares	70,406,310(L)	10.92%	8.19%
瀘州老窖	實益擁有人	內資股			
Luzhou Infrastructure ⁽²⁾	Beneficial owner	Domestic Shares	62,709,563(L)	9.73%	7.29%
瀘州基建 ⁽²⁾	實益擁有人	內資股			
Beijing Enterprises Water Group Limited ⁽³⁾	Beneficial owner	H Shares	71,150,000(L)	33.10%	8.28%
北控水務集團有限公司 ⁽³⁾	實益擁有人	H股			
Beijing Enterprises Environmental Construction Limited ⁽³⁾	Interest in a controlled corporation	H Shares	71,150,000(L)	33.10%	8.28%
北控環境建設有限公司 ⁽³⁾	受控法團權益	H股			
Beijing Enterprises Holdings Limited ⁽³⁾	Interest in a controlled corporation	H Shares	71,150,000(L)	33.10%	8.28%
北京控股有限公司 ⁽³⁾	受控法團權益	H股			
Beijing Enterprises Group (BVI) Company Limited ⁽³⁾	Interest in a controlled corporation	H Shares	71,150,000(L)	33.10%	8.28%
北京控股集團(BVI)有限公司 ⁽³⁾	受控法團權益	H股			
Beijing Enterprises Group Company Limited ⁽³⁾	Interest in a controlled corporation	H Shares	71,150,000(L)	33.10%	8.28%
北京控股集團有限公司 ⁽³⁾	受控法團權益	H股			
Beijing Enterprises Investments Limited	Interest in a controlled corporation	H Shares	71,150,000(L)	33.10%	8.28%
北京企業投資有限公司	受控法團權益	H股			
Beijing Enterprises Investments Limited	受控法團權益	H股			
Modern Orient Limited	Interest in a controlled corporation	H Shares	71,150,000(L)	33.10%	8.28%
現代東方有限公司	受控法團權益	H股			

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 ⁽¹⁾	Approximate percentage in class of Shares issued 佔已發行類別股份的 概約百分比	Approximate percentage in total Shares issued 佔已發行總股份的 概約百分比
股東名稱	持股份	股份類別	股份數目 ⁽¹⁾		
Sichuan Sans Venture Capital Co., Ltd. ⁽⁴⁾⁽⁷⁾ 四川三新創業投資有限責任公司 ⁽⁴⁾⁽⁷⁾	Beneficial owner 實益擁有人	H Shares H股	19,247,000(L)	8.95%	2.24%
Sichuan Development Holding Co., Ltd. ⁽⁴⁾ 四川發展(控股)有限責任公司 ⁽⁴⁾	Interest in a controlled corporation 受控法團權益	H Shares H股	19,247,000(L)	8.95%	2.24%
Suntront Intelligence (Hong Kong) Co., Ltd. ⁽⁵⁾ 新天智能(香港)有限公司 ⁽⁵⁾	Beneficial owner 實益擁有人	H Shares H股	16,884,000(L)	7.86%	1.96%
Suntront Tech Co., Ltd. ⁽⁵⁾ 新天科技股份有限公司 ⁽⁵⁾	Interest in a controlled corporation 受控法團權益	H Shares H股	16,884,000(L)	7.86%	1.96%
Fei Zhanbo ⁽⁵⁾ 費戰波 ⁽⁵⁾	Interest in a controlled corporation 受控法團權益	H Shares H股	16,884,000(L)	7.86%	1.96%
Luzhou Xiangyang Real Estate Development Co., Ltd. ⁽⁶⁾⁽⁷⁾ 瀘州向陽房地產開發有限公司 ⁽⁶⁾⁽⁷⁾	Beneficial owner 實益擁有人	H Shares H股	10,727,000(L)	4.99%	1.25%
Luzhou Xiangyang Enterprise Group Co., Ltd. ⁽⁶⁾ 瀘州向陽企業集團有限公司 ⁽⁶⁾	Interest in a controlled corporation 受控法團權益	H Shares H股	10,727,000(L)	4.99%	1.25%
Yang Lunfen ⁽⁷⁾ 楊倫芬 ⁽⁷⁾	Beneficial owner 實益擁有人	H Shares H股	10,336,000(L)	4.80%	1.20%
Wang Xiumei ⁽⁷⁾ 王秀梅 ⁽⁷⁾	Beneficial owner 實益擁有人	H Shares H股	9,790,000(L)	4.55%	1.14%
Yang Bin ⁽⁷⁾ 楊彬 ⁽⁷⁾	Beneficial owner 實益擁有人	H Shares H股	10,544,000(L)	4.91%	1.23%
Hwabao Trust Co., Ltd. ⁽⁷⁾ 華寶信託有限責任公司 ⁽⁷⁾	Trustee 信託受托人	H Shares H股	60,644,000(L)	32.11%	7.05%

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 ⁽¹⁾	Approximate percentage in class of Shares issued 佔已發行類別股份的 概約百分比	Approximate percentage in total Shares issued 佔已發行總股份的 概約百分比
股東名稱	持股身份	股份類別	股份數目 ⁽¹⁾		
Hwabao • Overseas Market Investment II (37-1 QDII Single Fund Trust) ⁽⁷⁾ 華寶•境外市場投資2號系列37-1期QDII 單一資金信託 ⁽⁷⁾	Trustee 信託受托人	H Shares H股	19,247,000(L)	8.95%	2.24%
Hwabao • Overseas Market Investment II (20-14 QDII Single Fund Trust) ⁽⁷⁾ 華寶•境外市場投資2號系列20-14期QDII 單一資金信託 ⁽⁷⁾	Trustee 信託受托人	H Shares H股	10,727,000(L)	4.99%	1.25%
Hwabao • Overseas Market Investment II (37-3 QDII Single Fund Trust) ⁽⁷⁾ 華寶•境外市場投資2號系列37-3期QDII 單一資金信託 ⁽⁷⁾	Trustee 信託受托人	H Shares H股	10,336,000(L)	4.8%	1.20%
Hwabao • Overseas Market Investment II (37-4 QDII Single Fund Trust) ⁽⁷⁾ 華寶•境外市場投資2號系列37-4期QDII 單一資金信託 ⁽⁷⁾	Trustee 信託受托人	H Shares H股	9,790,000(L)	4.55%	1.14%
Hwabao • Overseas Market Investment II (20-15 QDII Single Fund Trust) ⁽⁷⁾ 華寶•境外市場投資2號系列20-15期QDII 單一資金信託 ⁽⁷⁾	Trustee 信託受托人	H Shares H股	10,544,000(L)	4.91%	1.23%

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 100% interests in Xinglu Assets and 61.70% interests in Luzhou Infrastructure. Therefore, pursuant to the SFO, Xinglu Investment is deemed to be interested in the Domestic Shares held by Xinglu Assets and Luzhou Infrastructure. (3) Beijing Enterprises Water Group Limited is held by Beijing Enterprises Environmental Construction Limited as to 41.13%, which is in turn wholly-owned by Beijing Enterprises Holdings Limited, which is held as to 41.13% 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 35.68% 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) 興瀘投資持有興瀘資產100%的權益及持有瀘州基建61.70%的權益。因此，根據《證券及期貨條例》，興瀘投資被視為於興瀘資產及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41.13%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41.13%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35.68%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 10,727,000 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 10,336,000 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 9,790,000 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 10,544,000 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 60,644,000 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10,727,000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10,336,000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9,790,000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10,544,000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60,644,000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.

7.23 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 EQUITY-LINKED AGREEMENT

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

7.24 股票掛鈎協議

於報告期內，本公司並未訂立任何股票掛鈎協議。

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).

7.25 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 MATERIAL CONTRACTS

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.

7.26 重大合約

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。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

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 XI 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 connected transactions or 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章項下關連交易或持續關連交易。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 31 October 2024, the Company and Luzhou Lingang Investments Group Co., Ltd. ("**Lingang Investments Group**") entered into a construction contract, pursuant to which the Company agreed to provide water supply pipe installation services for Lingang Investments Group. The transaction amount is RMB4.06 million, with a construction period of 90 calendar days. Lingang Investments Group is directly held as to 50.27% by Xinglu Investment, and is indirectly held as to 15.75% through Luzhou Construction Investment Group Co., Ltd. (瀘州市城市建設投資集團有限公司). The remaining equity interests of Lingang Investments Group are held as to 10.94% by the Administration Committee of South Sichuan Port Area, China (Sichuan) Pilot Free Trade Zone (中國(四川)自由貿易試驗區川南臨港片區管理委員會), as to 9.12% by Luzhou Longchi Investment Co., Ltd. (瀘州市龍馳投資有限公司), as to 6.97% by Luzhou High-Tech Investment Group Co., Ltd. (瀘州市高新投資集團有限公司), as to 6.16% by CDB Development Fund Co., Ltd. (國開發發展基金有限公司), as to 0.71% by Luzhou State-owned Assets Supervision and Administration Commission (瀘州市國有資產監督管理委員會) and as to 0.08% by Sichuan Provincial Finance Department (四川省財政廳), respectively. Accordingly, Lingang Investments Group is a connected person of the Company under Chapter 14A of the Listing Rules and the transactions under the construction contract between the Company and Lingang Investments Group constitute connected transactions of the Company. For details, please refer to the announcement of the Company dated 31 October 2024.

7.27.3 Property Management and Canteen Outsourcing Service Contract

During the Reporting Period, the Company and its subsidiaries entered into following agreements with Luzhou Xinglu Property Management Co., Ltd. ("**Xinglu Property Management**"):

2024年10月31日，本公司與瀘州臨港投資集團有限公司(「**臨港投資集團**」)訂立施工合同，本公司據此同意向臨港投資集團提供給水管道安裝服務，交易金額為人民幣4.06百萬元，施工期為90個日曆日。臨港投資集團由興瀘投資直接持有其50.27%的股權，並透過瀘州市城市建設投資集團有限公司間接持有其15.75%的股權，臨港投資集團的其餘股權分別由中國(四川)自由貿易試驗區川南臨港片區管理委員會持有10.94%，瀘州市龍馳投資有限公司持有9.12%，瀘州市高新投資集團有限公司持有6.97%，國開發發展基金有限公司持有6.16%，瀘州市國有資產監督管理委員會持有0.71%，四川省財政廳持有0.08%，根據上市規則第14A章，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合同項下進行的交易構成本公司的關連交易。相關詳情請見本公司日期為2024年10月31日的公告。

7.27.3 物業管理及食堂外包服務

於報告期內，本公司及附屬公司與瀘州興瀘物業管理有限公司(「**興瀘物業管理**」)訂立如下協議：

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

On 27 March 2024, Xinghe Water Environment, a non-wholly owned subsidiary of the Company, entered into a property and cleaning service agreement with Xinglu Property Management, pursuant to which, Xinglu Property Management provided property management services and other related services to Hejiang Wastewater Plant, for a term of two years from the date of contract signing (i.e. from 27 March 2024 to 26 March 2026). The transaction amount is RMB0.529 million.

On 16 August 2024, Xinglu Wastewater Treatment, a non-wholly owned subsidiary of the Company, entered into a property and cleaning service contract with Xinglu Property Management, pursuant to which, Xinglu Property Management provided property management services (including order maintenance, cleaning and janitorial services, landscaping maintenance and canteen services) to eight wastewater treatment plants of Xinglu Wastewater Treatment, for a term commencing from 26 August 2024 to 25 August 2025. The transaction amount is RMB3.73 million. On 16 August 2024, the Company entered into a canteen business outsourcing service contract with Xinglu Property Management, pursuant to which, Xinglu Property Management provided the Company with canteen management services (including the provision of special technical and service personnel required for the catering of the Group's canteens to carry out labor services), for a term commencing from 16 August 2024 to 15 August 2025. The transaction amount is RMB0.38 million.

On 31 October 2024, the Company entered into a property management service contract with Xinglu Property Management, pursuant to which, Xinglu Property Management provided property management services to the Group's office premises, its affiliated water supply plants and other water supply facilities, for a term commencing from 31 October 2024 to 30 October 2025. The transaction amount is RMB1.46 million.

2024年3月27日，本公司非全資附屬公司興合水環境與興瀘物業管理訂立物業及清潔服務協議，興瀘物業管理據此向合江污水處理廠提供物業管理服務及其他相關服務，交易金額52.9萬元，服務期限自合同簽訂之日起兩年（即2024年3月27日至2026年3月26日）。

2024年8月16日，本公司非全資附屬公司興瀘污水處理與興瀘物業管理訂立物業及清潔服務合同，興瀘物業管理據此向興瀘污水處理的八座污水處理廠提供物業管理服務（包括秩序維護、清掃保潔、綠化維護及食堂服務），交易金額為人民幣3.73百萬元，服務期限自2024年8月26日起至2025年8月25日。2024年8月16日，本公司與興瀘物業管理訂立食堂業務外包服務合同，興瀘物業管理據此向本公司提供食堂管理服務（包括提供集團食堂餐飲所需的專用技術人員和服務人員，開展勞務服務），交易金額為人民幣0.38百萬元，服務期限自2024年8月16日起至2025年8月15日。

2024年10月31日，本公司與興瀘物業管理訂立物業管理服務合同，興瀘物業管理據此向本集團辦公場所、所屬供水廠及其他供水設施場所提供物業管理服務，交易金額為1.46百萬元，服務期限自2024年10月31日起至2025年10月30日。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

As Xinglu Property Management is a wholly-owned subsidiary of Xinglu Assets, 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 also complied with the relevant requirements under Chapter 14A of the Listing Rules. For details, please refer to the announcements of the Company dated 27 March, 16 August and 31 October 2024, respectively.

7.27.4 Transfer of Equity Interest in the Target Company

On 16 August 2024, the Company entered into an equity transaction contract with Xinglu Assets, pursuant to which the Company agreed to transfer, and Xinglu Assets agreed to acquire, the entire equity interest in the Luzhou Xinglu Water (Group) Crystal Trading Co., Ltd. (瀘州市興瀘水務(集團)水晶商貿有限公司). The Luzhou Xinglu Water (Group) Crystal Trading Co., Ltd. (瀘州市興瀘水務(集團)水晶商貿有限公司) is a limited liability company established in the PRC on 23 February 1996 and is a wholly-owned subsidiary of the Company. It is principally engaged in the business of trading services (including ready-to-sell drinking water, food sales, materials and equipment sales, etc.). The transaction consideration is RMB9.782 million. Xinglu Assets is the Controlling Shareholder of the Company. Accordingly, Xinglu Assets is a connected person of the Company under Chapter 14A of the Listing Rules and the transactions under the equity transaction contract constitute connected transactions of the Company. The Company has also complied with the relevant requirements under Chapter 14A of the Listing Rules. For details, please refer to the announcement of the Company dated 16 August 2024 and 23 August 2024.

興瀘物業管理為興瀘資產的全資附屬公司，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日期分別為2024年3月27日、8月16日、10月31日的公告。

7.27.4 轉讓目標公司股權

2024年8月16日，本公司與興瀘資產訂立股權交易合同，本公司據此同意轉讓與興瀘資產同意受讓瀘州市興瀘水務(集團)水晶商貿有限公司的全部股權，瀘州市興瀘水務(集團)水晶商貿有限公司為一家於1996年2月23日在中國成立的有限責任公司，為本公司的全資附屬公司，其主要從事商貿服務業務(包含現制現售飲用水、食品銷售、材料及設備銷售等)，交易代價為9.782百萬元。興瀘資產為本公司控股股東，根據上市規則第14A章，故興瀘資產被視為本公司關連人士，股權交易合同項下進行的交易構成本公司的關連交易，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日期為2024年8月16日及2024年8月23日的公告。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

7.27.5 Sludge Disposal

On 16 May 2024, Xinglu Wastewater Treatment, a non-wholly owned subsidiary of the Company, entered into a sludge disposal service contract (the “**Service Contract**”) with Luzhou Xinglu Environmental Protection Development Co., Ltd. (“**Xinglu Environmental Protection**”), pursuant to which, Xinglu Environmental Protection agreed to provide sludge disposal services to Xinglu Wastewater Treatment, for a term of 1 year from the date of contract signing and becoming effective (i.e. from 28 June 2024 to 27 June 2025). The transaction amount shall not exceed RMB33 million/year. As at the date of contract signing, Xinglu Environmental Protection is a wholly-owned subsidiary of Luzhou Xinglu Environment. Luzhou Xinglu Environment is directly held as to 38.35% by Xinglu Investment and indirectly held as to 36.65% through Tianhong Partnership. Xinglu Environmental Protection is a connected person of the Company under Chapter 14A of the Listing Rules and the transactions contemplated under the Service Contract constitute continuing connected transactions of the Company.

As at the date of contract signing, as the highest applicable percentage ratio (on an annual basis) in respect of the transactions under the Service Contract is more than 5% but less than 25% and the absolute amount exceeds HK\$10 million, pursuant to the Listing Rules, the transactions are subject to the reporting, announcement, annual review, circular and independent shareholders' approval requirements. The Company has also complied with the relevant requirements and was approved by the independent shareholders on 28 June. For details, please refer to the announcements of the Company dated 16 May, 7 June and 28 June 2024.

7.27.5 污泥處置

2024年5月16日，本公司非全資附屬公司興瀘污水處理與瀘州市興瀘環保發展有限公司（「**興瀘環保**」）訂立污泥處置服務合同（「**服務合同**」），興瀘環保據此同意向興瀘污水處理提供污泥處置服務，交易金額為不超過人民幣3,300萬元／年。服務期限自合同簽訂並生效之日起1年（即2024年6月28日至2025年6月27日）。於合同簽訂日期，興瀘環保為興瀘環境的全資附屬公司，而興瀘環境則由興瀘投資直接持有38.35%及透過天泓合夥間接持有36.65%的權益，根據上市規則第14A章，興瀘環保為本公司關連人士，服務合同項下擬進行的交易構成本公司的持續關聯交易。

於合同簽訂日期，服務合同項下進行的交易的最高適用百分比率（按年度基準）超過5%但低於25%，且絕對金額超過1000萬港元，故根據上市規則，該等交易須遵守申報、公告、年度審閱、通函及獨立股東批准規定，本公司亦遵守了相關規定，並於6月28日獲得獨立股東批准。相關詳情請見本公司於2024年5月16日、6月7日、6月28日的公告。

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

7.27.6 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:

7.27.6 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：

Chapter VII Directors' Report (Continued)

第七章 董事會報告(續)

(1) have not been approved by the Company's Board of Directors;	(1) 並未獲本公司董事會批准；
(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;	(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；
(3) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and	(3) 在各重大方面沒有根據有關交易的協議進行；及
(4) have exceeded the annual caps set by the Company.	(4) 超逾本公司訂定之年度上限。

7.28 COMPLIANCE WITH NON-COMPETITION AGREEMENT

The then Controlling Shareholder Xinglu Investment (now the actual controller) signed a non-competition agreement (the **"Non-competition Agreement"**) on 10 March 2017, in favour of the Company. Pursuant to the Non-competition Agreement, Xinglu Investment 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.

Xinglu Investment 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 Xinglu Investment regarding compliance with the Non-competition Agreement and determined that Xinglu Investment 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

2017年3月10日，時任控股股東興瀘投資（現為實控人）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，興瀘投資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。

興瀘投資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興瀘投資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，興瀘投資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 applicable 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 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 terms of Directors (including non-executive Directors and independent non-executive Directors) are three years, but extendible by election. The term of the second session of the Board and the board of supervisors has expired in March 2025. As (among others) some of the Directors were required to be nominated by the Shareholders, while the nomination procedure has not been completed and some of the Director candidates are still under consideration, the Company was unable to complete the transition before the end of the first session. Before the completion of transition, the existing Directors and the supervisors of the Company will continue to perform their duties.

As of the date of this report, save for code provision B.2.2, the Company has been complied with all applicable code provisions under the Corporate Governance Code.

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

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 and as of the date of this report.

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適用守則條文，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。本公司第二屆董事會、監事會的任期已於2025年3月屆滿。由於(其中包括)部分董事由股東提名，提名程序尚未完成且部分董事的繼任人選尚在甄選中，本公司未能在第二屆董事會屆滿前完成換屆工作，在完成換屆工作前，現任董事、監事將繼續履行相應職責。

截至本報告日期，除守則條文第B.2.2條外，本公司一直遵守企業管治守則中的所有適用守則條文。

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)所有董事購買及維持一項集體責任保險。

7.31 重大訴訟

就董事所知，於報告期內及截至本報告日期，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 chairman 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 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 2023 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.

ShineWing Certified Public Accountants LLP will retire at the end of the forthcoming annual general meeting of the Company. The Company will propose a resolution at the forthcoming annual general meeting to re-appoint the Company's auditor for the next year.

During the past three fiscal years, the Company did not change its auditor.

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 核數師

信永中和會計師事務所（特殊普通合夥）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2023年股東週年大會批准後，信永中和會計師事務所（特殊普通合夥）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。

信永中和會計師事務所（特殊普通合夥）將於本公司應屆股東週年大會結束時退任。本公司將於應屆股東週年大會上提呈一項決議案，續聘本公司下一年度核數師。

過往三個會計年度內，本公司並無更換核數師。

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 second 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.

8.1 監事會組成

於報告期間，本公司第二屆監事會由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 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.

8.2 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

8.2.2 監事會會議情況

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

於報告期內，監事會之成員出席記錄如下：

Name	Position	Meetings attended/ eligible for attending 出席／應參加 會議次數	Attendance rate
姓名	職位		出席率
Mr. Yang Zhenqiu	Shareholder representative and Chairperson of the Supervisory Committee		
楊震球先生	股東代表監事兼監事會主席	2/2	100%
Mr. Lai Bingyou	Shareholder representative Supervisor		
賴柄有先生	股東代表監事	2/2	100%
Ms. Xiang Min	Employee representative Supervisor		
向敏女士	職工代表監事	2/2	100%
Mr. Luo Chaoping	Employee representative Supervisor		
羅超平先生	職工代表監事	2/2	100%
Mr. Tang Nanyou	Employee representative Supervisor		
唐南友先生	職工代表監事	2/2	100%
Mr. Gu Ming'an	External Supervisor		
辜明安先生	外部監事	2/2	100%
Mr. Xiong Hua	External Supervisor		
熊華先生	外部監事	2/2	100%

Chapter VIII Supervisory Committee's Report (Continued)

第八章 監事會報告(續)

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 2023, interim report and results announcement for the six months ended 30 June 2024 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 convened meetings of the Supervisory Committee in accordance with the relevant provisions of the Rules of Procedure of the Supervisory Committee 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2023年12月31日止年度的年度報告、截至2024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《監事會議事規則》相關規定，依法召開監事會會議，充分發揮監事會的監督作用，提高監事會履職能力。

Chapter VIII Supervisory Committee's Report (Continued)

第八章 監事會報告(續)

8.3 BASIC EVALUATION ON THE OPERATION MANAGEMENT AND OPERATING RESULTS OF THE COMPANY IN 2024

8.3 對本公司2024年度經營管理行為和業績的基本評價

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 2024 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.

8.3.1 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2024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 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 2024, led by the Board, the operation team of the Company adhered to the overriding principles of "pursuing progress while ensuring stability", thoroughly implemented the operation philosophy of "equal emphasis on the water supply and drainage business, horizontal expansion of business and vertical extension of industry", focused on "organic growth and external expansion", and faced up to the adverse impact brought by the continued downturn in the real estate market, tight local financial payments and pricing policy adjustment. It overcame difficulties and took multiple measures to achieve various goals and tasks.

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。2024年，公司經營班子在董事會的正確領導下，秉持「穩中求進」的工作總基調，觀察落實「供排水並重、規模橫向拓展、產業縱向延伸」的經營思路，以「內生增長、外延拓展」為重要抓手，直面房地產市場持續低迷、地方財政支付緊張及價費政策調整帶來的不利影響，攻堅克難、多措並舉，推動各項目標任務的落實。

Chapter VIII Supervisory Committee's Report (Continued)

第八章 監事會報告(續)

8.4 SUPERVISORY COMMITTEE'S INDEPENDENT OPINION ON THE MATTERS OF THE COMPANY IN 2024

8.4 監事會對本公司2024年度有關事項的獨立意見

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 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.

8.4.1 本公司依法運作情況評價

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 Evaluation on Financial Operation

In 2024, 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.

8.4.2 財務執行情況評價

2024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。

Chapter VIII Supervisory Committee's Report (Continued)

第八章 監事會報告(續)

8.4.3 Evaluation on Connected Transactions of the Company

In 2024, 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 2024, 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 and fair, did not undermine the interest of the Company and Shareholders, particularly the interest of minority shareholders.

8.4.4 Evaluation on Internal Control and Risk Management

In 2024, 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

2024年度，本公司與關連人士之間的關連交易，均按《公司章程》和《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。2024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，定價依據充分且公允，沒有損害本公司及股東，尤其是中小股東的利益。

8.4.4 內控及風險管理情況評價

2024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 continuously 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
28 March 2025

監事會成員將持續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
2025年3月28日

Chapter IX Corporate Governance Report

第九章 企業管治報告

9.1 COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Adhering to the core values of the corporate culture of “Innovation and Excellence, Human-Water Harmony” and the business philosophy of “Win-win, Consensus, Sharing, Co-action and Resonance”, with the enterprise mission of “Fulfilling Responsibility, Creating Values, and Serving the Masses” and maintaining the overall development idea of “Consolidation, Expansion, Capital Empowerment, Technology Leading and Service Improvement”, 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 applicable 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 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 terms of Directors (including non-executive Directors and independent non-executive Directors) are three years, but extendible by election. The term of the second session of the Board and the board of supervisors has expired in March 2025. As (among others) some of the Directors were required to be nominated by the Shareholders, while the nomination procedure has not been completed and some of the Director candidates are still under consideration, the Company was unable to complete the transition before the end of the first session. Before the completion of transition, the existing Directors and the supervisors of the Company will continue to perform their duties.

As of the date of this report, save for code provision B.2.2, the Company has been complied with all applicable code provisions under the Corporate Governance Code. The Board will review the corporate governance practices and operations of the Company from time to time for the purpose of complying with the relevant requirements under the Listing Rules.

9.1 遵守企業管治守則

本公司秉承企業文化「創新卓越、人水和諧」的核心價值觀，堅持「共贏、共識、共享、共行、共鳴」的經營哲學，以「履行責任、創造價值、幸福百姓」為企業使命，堅持「固本榮枝、深耕廣拓、資本賦能、科技引領、強化服務」的總體發展思路，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適用守則條文，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。本公司第二屆董事會、監事會的任期已於2025年3月屆滿。由於（其中包括）部分董事由股東提名，提名程序尚未完成且部分董事的繼任人選尚在甄選中，本公司未能在第二屆董事會屆滿前完成換屆工作，在完成換屆工作前，現任董事、監事將繼續履行相應職責。

截至本報告日期，除守則條文第B.2.2條外，本公司一直遵守企業管治守則中所載的所有守則條文。董事會將不時審查本公司的企業管治常規運作，亦符合上市規則相關規定。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

9.2 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 BOARD OF DIRECTORS

Composition of the Board

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

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 is 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.

9.3 董事會

董事會組成

截至本報告日期，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。

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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

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; and (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.

9.4 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 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；及(5)檢討本公司遵守企業管治守則的守則條文規定的情況，並將其披露於按照上市規則規定籌備的企業管治報告中。

董事會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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

9.7 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.

9.6 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。

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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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. Chen Qinan. The chairman of the Board is elected by more than a half of all Directors, and the general manager is nominated by the chairman of the Board and appointed by the Board.

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.

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).

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，由執行董事陳棋楠先生擔任。董事長由全體董事過半數選舉產生。總經理由董事長提名並董事會聘任。

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 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)。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

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 董事多元化政策

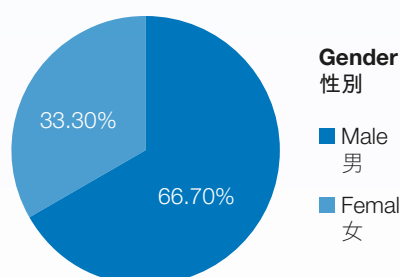
董事會根據上市規則第13.92條採納董事會多元化政策，其中載列了達致和維持董事會多元化的方法，以提升優化董事會的人員結構。本公司肯定及接受董事會成員多元化的益處，並確保董事會在切合本公司業務所需的技能、經驗和多元化方面取得平衡。董事會所有委任均以用人唯才為原則，在甄選候選人時以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗、技能知識及服務任期。最終將按人員的長處及可為董事會提供的貢獻而做決定。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

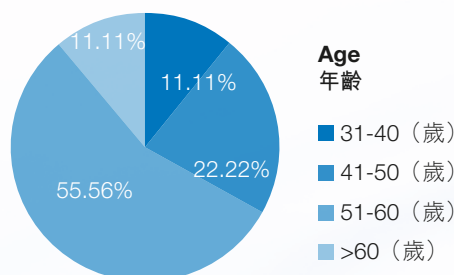


9.10.1 性別

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。

9.10.2 Age

As of the date of this report, among the Board members, there are one member aged 31 to 40, two members aged 41 to 50, five members aged 51 to 60 and one member aged over 60, accounting for approximately 11.11%, 22.22%, 55.56% and 11.11% of the total number respectively.



9.10.2 年齡

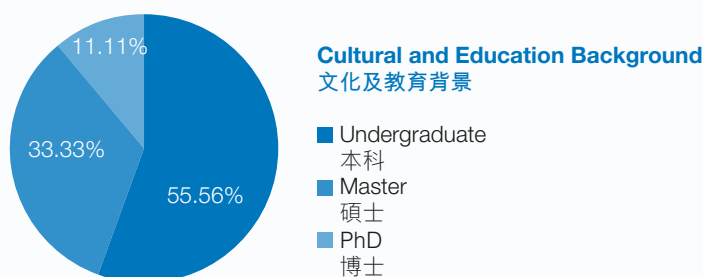
截至本報告日期，董事會成員中，年齡介乎31至40歲有1人，約佔總人數的11.11%；年齡介乎41至50歲有2人，約佔總人數的22.22%；年齡介乎51至60歲有5人，約佔總人數的55.56%；年齡超過60歲有1人，約佔總人數的11.11%。

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 5 members holding bachelor's degree, 3 members holding master's degree and 1 member holding doctor's degree, accounting for 55.56%, 33.33% and 11.11% of the total number respectively.

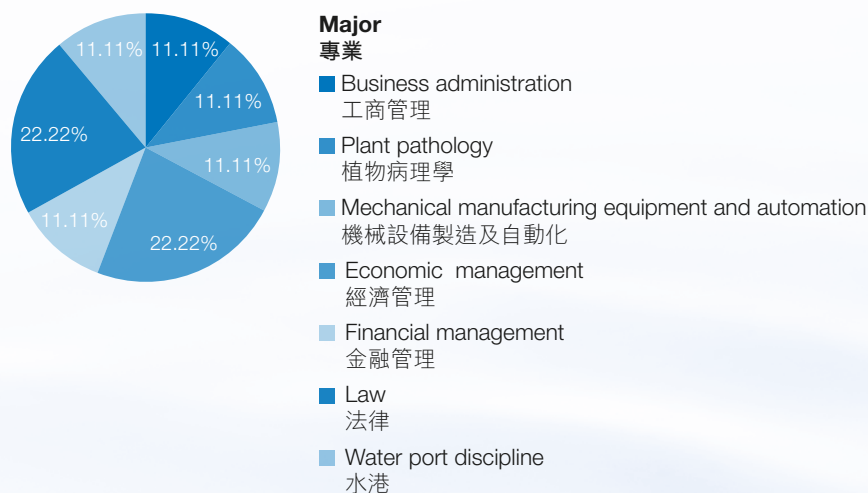


9.10.3 文化及教育背景

截至本報告日期，董事會成員中，學歷為大學本科有5人，約佔總人數的55.56%；碩士有3人，約佔總人數的33.33%；博士有1人，約佔總人數的11.11%。

9.10.4 Major

As of the date of this report, among the Board members, there are 1 member majoring in business administration, 2 member majoring in economic management, 1 member majoring in financial management, 2 member majoring in law, 1 member majoring in water port discipline, 1 member majoring in plant pathology and 1 member majoring in mechanical manufacturing equipment and automation, accounting for 11.11%, 22.22%, 11.11%, 22.22%, 11.11%, 11.11% 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1人，約佔總人數的11.11%；經濟管理專業有2人，約佔總人數的22.22%；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%；植物病理學專業有1人，約佔總人數的11.11%；機械設備製造及自動化專業有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。



9.11 OPERATION OF THE BOARD

The Company has established mechanisms to ensure views and input for preparation 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; and

9.11 董事會的運作

本公司已設立機制，以確保董事會獲得編製的意見及建議：

- (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；及

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.

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或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 8 Board meetings,
and the attendance of Directors are as follow:

報告期內，本公司董事會共召開了8次董事會會
議，董事出席會議的情況如下：

Name	Name	Meetings	Attendance rate
		attended/eligible for attending 出席／應參加 會議次數	
姓名	職位		出席率
Mr. Zhang Qi 張歧先生	Executive Director and chairman of the Board 執行董事兼董事長	8/8	100%
Mr. Chen Qinan 陳棋楠先生	Executive Director and general manager 執行董事兼總經理	8/8	100%
Mr. Xu Guanghua 徐光華先生	Executive Director (employee representative Director) 執行董事（職工代表董事）	8/8	100%
Mr. Xu Fei 徐飛先生	Non-executive Director 非執行董事	8/8	100%
Ms. Zhang Guanghui 張光惠女士	Non-executive Director 非執行董事	8/8	100%
Ms. Hu Fenfen 胡芬芬女士	Non-executive Director 非執行董事	8/8	100%
Ms. Ma Hua 馬樺女士	Independent non-executive Director 獨立非執行董事	8/8	100%
Mr. Fu Ji 傅驥先生	Independent non-executive Director 獨立非執行董事	8/8	100%
Mr. Liang Youguo 梁有國先生	Independent non-executive Director 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 1 general meeting in total, and the attendance of Directors are as follows:

報告期內，本公司共召開了1次股東大會，董事出席會議的情況如下：

Name	Position	Meetings attended/eligible for attending	Attendance rate
		出席／應參加 會議次數	
姓名	職位		出席率
Mr. Zhang Qi 張歧先生	Executive Director and chairman of the Board 執行董事兼董事長	1/1	100%
Mr. Chen Qinan 陳棋楠先生	Executive Director and general manager 執行董事兼總經理	1/1	50%
Mr. Xu Guanghua 徐光華先生	Executive Director (employee representative Director) 執行董事（職工代表董事）	1/1	100%
Mr. Xu Fei 徐飛先生	Non-executive Director 非執行董事	1/1	100%
Ms. Zhang Guanghui 張光惠女士	Non-executive Director 非執行董事	1/1	100%
Ms. Hu Fenfen 胡芬芬女士	Non-executive Director 非執行董事	1/1	100%
Ms. Ma Hua 馬樺女士	Independent non-executive Director 獨立非執行董事	1/1	100%
Mr. Fu Ji 傅驥先生	Independent non-executive Director 獨立非執行董事	1/1	100%
Mr. Liang Youguo 梁有國先生	Independent non-executive Director 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)

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 “Compliance Obligations of Listed Companies in Hong Kong” regarding directors’ integrity responsibility, directors’ duty performance with diligence and prudence set out in the Listing Rules, and disciplinary sanctions imposed by the Stock Exchange and the SFC, 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. Chen Qinan, Mr. Xu Guanghua, Mr. Xu Fei, Ms. Zhang Guanghui, 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「香港上市公司合規義務」的講座，主要涉及《上市規則》中對董事的誠信責任要求、董事的勤勉謹慎履職義務、聯交所及證監會的紀律制裁等內容。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、陳棋楠先生、徐光華先生、徐飛先生、張光惠女士、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.

As of the date of the Report, the Strategy Committee of the second session of the Board consists of an executive Director Mr. Zhang Qi, and non-executive Directors Mr. Xu Fei 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 two meetings, 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:

Name	Position	Meetings attended/eligible for attending	Attendance rate
		出席／應參加 會議次數	
姓名	職位		出席率
Mr. Zhang Qi 張歧先生	Executive Director and chairman of the Board 執行董事兼董事長	2/2	100%
Mr. Xu Fei 徐飛先生	Non-executive Director 非執行董事	2/2	100%
Ms. Hu Fenfen 胡芬芬女士	Non-executive Director 非執行董事	2/2	100%

During the Reporting Period, there was no change on the members of the Strategy Committee.

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。

截至本報告日期，第二屆董事會戰略委員會由執行董事張歧先生、非執行董事徐飛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2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：

Meetings attended/eligible for attending	Attendance rate
	出席／應參加 會議次數
出席率	
2/2	100%
2/2	100%
2/2	100%

於報告期內，戰略委員會人員無變動。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

As of the date of the Report, the Nomination and Remuneration Committee of the second session of the Board consists of Ms. Ma Hua, an independent non-executive Director, Ms. Zhang Guanghui, 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 two 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.

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。

截至本報告日期，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、非執行董事張光惠女士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2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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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

於報告期內，委員會之成員出席記錄如下：

Name	Position	Meetings attended/eligible for attending	Attendance rate
		出席／應參加 會議次數	
姓名	職位		出席率
Ms. Ma Hua 馬樺女士	Independent non-executive Director 獨立非執行董事	2/2	100%
Ms. Zhang Guanghui 張光惠女士	Non-executive Director 非執行董事	2/2	100%
Mr. Liang Youguo 梁有國先生	Independent non-executive Director 獨立非執行董事	2/2	100%

During the Reporting Period, there was no change on the members of the Nomination and Remuneration Committee.

於報告期內，提名薪酬委員會人員無變動。

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.

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.

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。

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。

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 held six meetings, in which, the Auditor's Report for 2023, the Interim Review Plan for 2024 and the Review Report were heard; and the Auditor's Report, Annual Results, the Annual Report for 2023, Auditor's Interim Report, the Interim Consolidated Financial Statements, the Interim Results announcement and the Interim Report for 2024, 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 2023 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共舉行了6次會議，聽取了核數師關於2023年度審計工作情況報告、2024年中期審閱工作計劃及審閱工作情況報告，並審議通過了2023年度核數師報告、業績公告、年度報告、及2024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2023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	Attendance rate
		attended/eligible for attending 出席／應參加 會議次數	
姓名	職位		出席率
Mr. Fu Ji 傅驥先生	Independent non-executive Director 獨立非執行董事	6/6	100%
Mr. Liang Youguo 梁有國先生	Independent non-executive Director 獨立非執行董事	6/6	100%
Ms. Ma Hua 馬樺女士	Independent non-executive Director 獨立非執行董事	6/6	100%

During the Reporting Period, there was no change on the members of the Audit Committee.

於報告期內，審計委員會人員無變動。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

9.16 REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

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 XI(2).4 to the consolidated financial statements.

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:

Remuneration range (RMB'000) 薪酬區間 (人民幣千元)	Number of persons 人數
300-400	5
200-300	1

9.17 DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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 2024.

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.

9.16 董事及高級管理人員的薪酬

本公司已就制訂本集團高級管理人員的薪酬政策建立正式及具透明度的程序。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)、4。

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：

9.17 董事對財務報表承擔之責任

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2024年12月31日止年度的合併財務報表之責任。

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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

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: +86 830 319 4768

Company website: www.lzss.com

E-mail address: lxzlwaterstock@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.

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。

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：+86 830 319 4768

公司網站：www.lzss.com

電郵地址：lxzlwaterstock@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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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 2024 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.

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。

2024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於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 2024 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. For the year ended 31 December 2024, the Audit Committee and the Board were not aware of any material internal control deficiencies and were satisfied that the Group's risk management and internal monitoring systems were effective and adequate.

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.

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2024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。截至2024年12月31日止年度，審計委員會及董事會並不知悉任何重大內部監控缺失，並信納本集團之風險管理及內部監察體系有效而足夠。

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。

Chapter IX Corporate Governance Report (Continued)

第九章 企業管治報告(續)

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.

The following table sets out the remuneration paid/payable to the Company’s auditor during the Reporting Period:

Auditor 核數師	Annual auditor services 年度核數師服務	Interim financial review services 中期財務審閱服務	Others 其他	Total costs (RMB’000) 費用總額（人民幣／千元）
ShineWing 信永•中和	2,000	380	0	2,380

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。

下表載列本報告期內支付／應付予本公司核數師的薪酬：

9.22 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

During the Reporting Period, the Company did not make any amendments to the Articles of Association.

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.

9.24 REGULATORY REVIEW

The Company was not subject to material administrative penalties for violating national administrative regulations during the Reporting Period.

9.25 LITIGATION AND ARBITRATION

As far as the Directors are aware, the Company was not involved in any material legal proceedings or claims as at the end of the Reporting Period.

9.22 公司章程的修改

於報告期內，本公司並無對公司章程作出任何修改。

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 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 訴訟與仲裁

就董事所知，於報告期末，本公司並無涉及任何重大法律訴訟或索賠。

Chapter X Environmental, Social and Governance Report

第十章 環境、社會及管治報告

ABOUT THE ESG REPORT

The Group has compiled this report to facilitate various stakeholders—including shareholders, investors, government, customers, employees, suppliers and partners, and communities—in gaining a comprehensive understanding of the Group's Environmental, Social, and Governance (ESG) information. The scope of this report encompasses the core businesses of the Group and its subsidiaries.

Reporting Period

This report is an annual report, and the report time range is from January 1, 2024 to December 31, 2024. Some contents may exceed the above time range due to elaboration.

Preparation Basis

This report has been prepared in accordance with Appendix C2, "Environmental, Social and Governance Reporting Guide" (the "ESG Guide") of the Listing Rules, and with reference to standards such as The sustainability reporting standards issued by the Global Reporting Initiative (GRI Standards).

About the Information

The monetary amounts involved in the report are measured in Renminbi (RMB), unless otherwise specified.

ESG報告說明

本公司為各利益相關方（包括股東與投資者、監管機構、客戶、員工、合作夥伴、社區等）瞭解本集團的環境、社會及管治（「ESG」）方面的信息，編製了本報告。本報告的匯報範圍涵蓋本公司及其附屬公司的核心業務。

報告期

本報告為年度報告，報告時間範圍為2024年1月1日至2024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

本報告遵循上市規則附錄C2《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。

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 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 ensuring 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 2024, and was reviewed and approved by the Board on March 28, 2025. 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 responsibility as the decision-maker for ESG matters. The Board is responsible for reviewing and approving the resolution of the annual environmental, social and governance report; identifying, assessing, and managing material ESG-related issues, including risks to the Group's business; and developing strategies around the risk reduction of environmental impact, products and services, employees, procurement, and so on. We integrate ESG-related work into the Group's daily operations and establish an ESG working group. We clarify the implementation of ESG management and target responsibilities, and assign dedicated personnel to carry out ESG-related communication, data collection, and report preparation. 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2024年ESG工作的進展與成效，並於2025年3月28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、數據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、匯報關於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 2024, the Group focuses on reviewing and supervising the implementation of ESG issues such as the proposal on reviewing the 2024 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. We actively communicate with stakeholders, carry out key management on ESG material issues of concern to all parties, and continuously improve 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. Dedicated personnel 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. The ESG working group regularly reviews the Group's performance, deliberates on the disclosure information in the Group's environmental, social and governance report, and reports to the Executive Committee on a regular basis.

2024年，本集團將關於審議2024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平。

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、數據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數據，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)

Board of Directors	The Board assumes full responsibility for ESG strategies and reports, and is responsible for assessing and determining the ESG risks of the Group and ensuring that the Group has established appropriate and effective ESG risk management and internal control systems.	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。
Strategy Committee	The Strategy Committee integrates ESG principles into the Group's business objectives and long-term development strategies and supervises implementation effectiveness.	戰略委員會	將ESG理念與公司經營目標、長期發展策略相結合，並對執行情況進行監督。
ESG working group	The ESG working group clarifies accountability for ESG management and objectives, prepares ESG reports, and regularly reports to the Executive Committee.	ESG工作小組	明確ESG管理和目標的責任落實，編製ESG報告，並定期向執行委員會匯報。
Various departments	Responding to important ESG issues identified by the Group, various departments implement specific ESG objectives, including standardizing corporate governance, promoting green transformation, safeguarding employees' rights, and empowering supplier development.	各部門	根據公司識別的重要性ESG議題，負責具體落實ESG目標，包括規範企業治理、推動綠色轉型、保護員工權益、賦能供應商發展等相關議題。

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.

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、財務數據披露及財務報告事宜。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

ESG Reporting Principles

Materiality: The materiality of our ESG matters is 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.

Quantification: 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 consistent.

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：本報告披露數據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. Maintaining an open and continuous dialog with stakeholders and responding to their concerns are the Group's top priorities. Therefore, the Group continues to maintain communication with stakeholders and establishes diversified communication channels to continuously listen to the expectations and demands of stakeholders, respond to the opinions of stakeholders in a timely manner, and deepen the participation of stakeholders in the Group's ESG management. We strive to perform social responsibilities and create value for stakeholders while operating in accordance with laws and regulations. From the perspective of sustainable development, we sorted out and formed a communication table with stakeholders to provide a basis for the identification of our material issues, so as to improve the sustainable development performance 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，建立多元化溝通渠道，持續聆聽利益相關方期望與要求，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，從而有針對性地提升本集團的可持續發展表現並有效響應各方期望。

Stakeholders 利益相關方	Issues focused 關注議題	Communication channels 溝通渠道	Response measures 回應措施
Shareholders and investors	- Continuous creation of value return - Corporate governance and risk management - Exercise of the right to know and participate in decision-making - ESG responsibility concept - ESG responsibility governance framework - Board of Directors statement on Board engagement responsibility management	- Shareholders' meeting - Regular disclosure of investor communication meetings - Results conference - Teleconference	- Stable operations - Timely and effective information disclosure - Investment management
股東與投資者	- 持續創造價值回報 - 企業管治與風險管理 - 行使知情權和參與決策權 - ESG責任理念 - ESG責任管治架構 - 董事會聲明董事會參與責任管理	- 股東大會 - 定期披露投資者溝通會議 - 業績發佈會 - 電話會議	- 穩健經營 - 及時有效信息披露 - 投資管理

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Stakeholders 利益相關方	Issues focused 關注議題	Communication channels 溝通渠道	Response measures 回應措施
Government	- Compliance operation - Tax compliance - Anti-corruption management - Energy conservation and consumption reduction - Support for economic development	- Daily communication - Information announcement - On-site visit - Government-enterprise cooperation - Government censorship	- Compliance management - Compliance with law and discipline - Tax compliance - Technological innovation
政府	- 合規運營 - 依法納稅 - 反貪污管理 - 節能降耗 - 支持經濟發展	- 日常溝通 - 信息公告 - 現場考察 - 政企合作 - 政府審查	- 合規管理 - 遵紀守法 - 依法納稅 - 科技創新
Customers	- Product quality and service - Protection of consumers' rights and interests - Customer satisfaction	- Daily service communication - Portal website, WeChat official account, etc. - Customer service hotline - Customer symposium - Satisfaction survey	- Quality control - Technological innovation
客戶	- 產品質量及服務 - 消費者權益保障 - 客戶滿意度	- 日常服務溝通 - 門戶網站、微信公眾號等 - 客戶服務熱線 - 客戶座談會 - 滿意度調查	- 質量管理 - 技術創新
Employees	- Equal and diverse employment - Reasonable salary and benefits - Smooth development - Safe and healthy work environment - Prevention of child labor and forced labor - Employee satisfaction	- Labor contract - Employee activities - Workers congress - Email, website, and other communication platforms	- Equal employment - Diversified recruitment - Career advancement channel - Education system - Occupational health management - Employee care activities
員工	- 平等、多元化僱傭 - 合理的薪酬與福利 - 通暢的發展管道 - 安全健康的工作環境 - 防止童工及強制勞動 - 員工滿意度	- 勞動合同 - 員工活動 - 職工代表大會 - 郵件、網站等溝通平台	- 平等僱傭 - 多元化招聘 - 職業晉升通道 - 培訓體系 - 職業健康管理 - 員工關愛活動

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Stakeholders 利益相關方	Issues focused 關注議題	Communication channels 溝通渠道	Response measures 回應措施
Suppliers and partners	- Transparent procurement - Cooperation and mutual benefits - Commitment - Supply chain risk management - Green procurement	- Open bidding - Project cooperation - Partner conference - Supplier site visit - Online service platform	- Supply chain responsibilities management - Open and fair procurement - Green procurement
供應商及合作夥伴	- 透明採購 - 合作共贏 - 信守承諾 - 供應鏈風險管理 - 綠色採購	- 公開招標 - 項目合作 - 合作夥伴大會 - 供應商走訪 - 在線服務平台	- 供應鏈責任管理 - 陽光採購 - 綠色採購
Community	- Community charity - Rural revitalization - Voluntary activities	- Public benefit activities - Community services	- Volunteer services - Charity activities
社區	- 社區公益 - 鄉村振興 - 志願活動	- 公益活動 - 社區服務	- 志願者服務 - 公益慈善活動
Environment	- Emission reduction - Energy saving - Environmental and natural resource protection - Environmental compliance - Setting up of environmental targets - Response to climate changes	- Environmental impact assessment - Environmental information disclosure - Public survey of project and environmental impacts - Public benefit activities for environmental protection - Communication with environmental organizations	- Establishment of an environmental management system - Emission management - Efficient use of resources - Minimized environmental impact
環境	- 降低排放 - 節約能源使用 - 環境及天然資源保護 - 環保合規 - 環保目標設立 - 應對氣候變化	- 環境影響評估 - 環境信息披露 - 項目與環境影響公眾調查 - 環保公益活動 - 與環保組織的溝通	- 建立環境管理體系 - 排放物管理 - 資源有效利用 - 最小化環境影響

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

IDENTIFICATION OF MATERIAL ISSUES 實質性議題識別

The Group sorted out the concerns of the mainstream ratings of the capital market on the industry in which the Group operates and constructed the material issue database for ESG reporting based on the actual business operation and development planning, feedback from stakeholders, and opinions of external experts, as well as the industry-leading practices and industry hotspots. 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 invited stakeholders to rate the 18 ESG issues in the issue database through questionnaires. The substantive issue matrix of this report is worked out based on assessment from two dimensions: materiality to stakeholders and materiality to business management. The matrix categorizes the materiality of issues into two levels: very important and important.

本集團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18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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Material Issue Assessment Process for Xinglu Water's 2024 ESG Report

興滬水務2024年度ESG報告實質性議題評估流程

01 ESG issue identification and confirmation

01 ESG議題識別和確認

- Comprehensively sort out the key points of the Group's sustainable development work and feedback from stakeholders, benchmark industry hotspots and leading practices, and delineate the scope of issues.
- 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；
- Identify the industry's focus in the field of sustainable development by considering the ESG rating assessment elements in the capital market and the standards and objectives of sustainable development management.
- 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。

02 Stakeholder communication and research

02 利益相關方溝通與調研

- 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.
- 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；
- Compile an online questionnaire for the assessment of ESG material issues and invite stakeholders to rate the materiality of ESG issues.
- 編製ESG實質性議題評估在線調研問卷，邀請各利益相關方對相應ESG議題的實質性進行打分。

03 Assessment of material issues

03 實質性議題評估

- According to the results of stakeholder questionnaires and the corporate development, carry out a material issue assessment from the materiality to stakeholders and the materiality to business management and sort the materiality of ESG issues based on the score to generate a matrix.
- 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。

Chapter X

Environmental, Social and Governance Report (Continued)

第十章

環境、社會及管治報告(續)

List of Material Issues of Xinglu Water's 2024 ESG Report

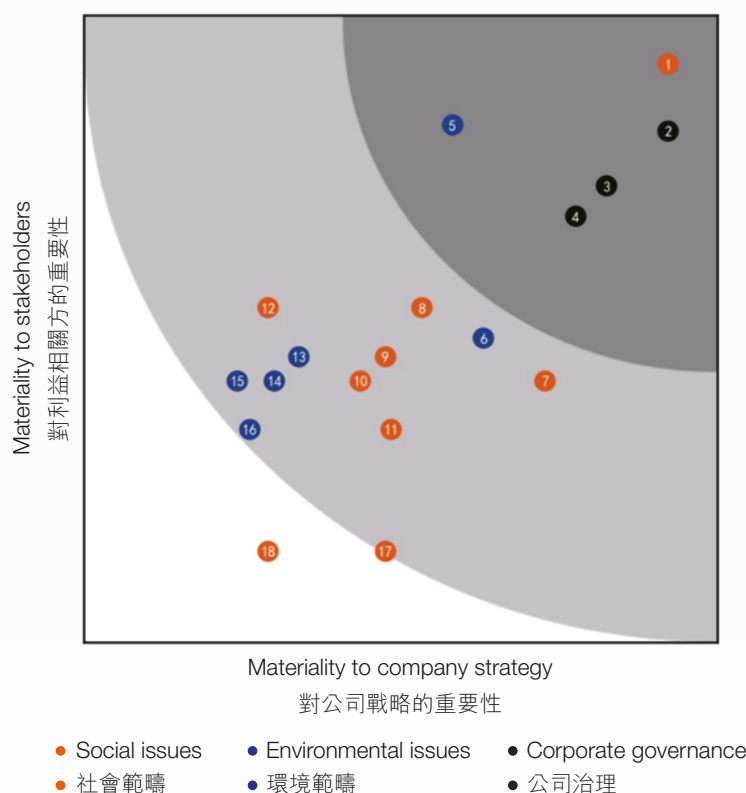
興瀘水務2024年ESG報告實質性議題列表

Very Important			Important		
非常重要			重要		
1	Quality of products and services	產品與服務質量	13	Circular economy and resource efficiency	循環經濟與資源效率
2	Corporate governance	公司治理	14	Cleantech opportunities	清潔技術機遇
3	Compliance management	合規管理	15	Emissions and waste management	排放物與廢棄物管理
4	Integrity promotion	廉潔建設	16	Biodiversity conservation	生物多樣性保護
5	Response to climate changes	應對氣候變化	17	Intellectual property protection	知識產權保護
6	Water resources management	水資源管理	18	Community involvement and public education	社區參與和公眾教育
7	R&D innovation	研發創新			
8	Employees safety and occupational health	員工安全及職業健康			
9	Employee development and training	員工發展與培訓			
10	Supply chain management	供應鏈管理			
11	Data security and customer privacy protection	數據安全與客戶隱私保護			
12	Support for sustainable urban development	可持續城市發展支持			

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Matrix of Material Issues of Xinglu Water's 2024 ESG Report
興瀘水務2024年ESG報告實質性議題矩陣圖



In the future, we will continue to focus on stakeholders and constantly review and update important issues. We plan to expand the scale of research on the basis of the original stakeholders involved in the assessment of material issues to understand the demands of multiple parties more comprehensively, providing guidance for corporate operations as well as 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、充分地瞭解多方要求，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)

GOVERNANCE COMPLIANCE AND STABLE OPERATION

治理合規，穩健運營

Anti-Corruption

反腐倡廉

The Group strictly abides by the “Company Law of the People’s Republic of China”, the “Anti-Money Laundering Law of the People’s Republic of China”, and other national laws and regulations related to anti-corruption and anti-bribery. We have developed systems and regulations, including the “Prevention of Duty-related Crimes Work System”, “Party Conduct and Integrity Responsibility Management Measures”, “Engineering Cost Review and Approval Management Measures”, “Construction Project Management Measures”, “Procurement Management Measures”, “‘Three Important and One Large’ Matters Decision-Making Management Measures”, and “Implementation Measures for Pursuing Responsibility for Illegal Operation and Investment”. We firmly oppose and explicitly prohibit corrupt practices, aiming to foster a culture of integrity and honesty within the Group.

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》《黨風廉潔責任管理辦法》《工程造價編審管理辦法》《建設工程項目管理辦法》《採購管理辦法》《「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。

In 2024, to effectively implement the responsibility for comprehensive and strict Party governance, establish a supervision mechanism of “dare not corrupt, cannot corrupt, and do not want to corrupt”, and promote the modernization of the Group’s governance system and governance capacity, the Group focused on key areas such as materials procurement, materials and equipment, the expenses for official overseas trips, official vehicles, and official receptions (“Three Public Expenses”), and engineering projects to carry out special inspections, self-examinations, and self-corrections. The Group conducted inspections on the three public expenses and tap water sediments in the sewage segment and investigated issues related to water supply operations, financial accounting discrepancies, and employees’ leave of absence.

2024年，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，集團聚焦物資採購、材料設備、三公經費、工程項目等重點領域開展專項督查、自查自糾。對污水板塊開展了三公經費、自來水底泥檢查；對供水經營問題、財務賬面問題、員工請假問題進行調查。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

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 signs integrity-related responsibility letters with corresponding organizations and individuals, such as signing the annual "Commitment to Integrity" with personnel in integrity risk positions, and each Party branch of the Group signs the "Party Construction and Party Conduct and Integrity Construction Objective Responsibility Letter"; revises the "Party Conduct and Integrity Responsibility Management Measures" to further improve the integrity risk prevention and control system and effectively prevent integrity risks; signs the "Commitment to Integrity in Employment" with middle-level managers, engineering project personnel, as well as personnel in procurement, installation and maintenance, finance, and other key positions annually; and makes full use of the Group's WeChat official 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.

Reporting Channel

Xinglu Water has a zero-tolerance policy towards any illegal or irregular behavior and encourages units or individuals to exercise strict supervision. They are encouraged to report and provide feedback on any incidents or clues that violate national laws, regulations, and Group rules and regulations. The Group is committed to protecting the legitimate rights and interests of whistleblowers.

Multiple reporting channels, including hotlines, complaint suggestion boxes, email, and office, are set up to solicit clues related to political and work ethics from all cadres and employees as well as the general public. A reporting hotline (0830-2367075) and a reporting email are set up, enabling the public to provide timely and accurate feedback, promoting the healthy operation and steady development of the Group.

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《廉潔承諾書》，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；完善了《黨風廉潔責任管理辦法》，進一步完善廉潔風險防控體系，有效防範廉潔風險；每年向中層管理人員、工程項目人員、採購、安裝維修、財務等關鍵崗位人員簽訂《廉潔從業承諾書》；充分利用公司微信公眾號、網站等載體及時報導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。

舉報渠道

興瀘水務絕不姑息任何違法違規行為，鼓勵單位或個人嚴格監督，積極舉報和反饋任何違反國家法律法規及本集團規章制度的事件線索，並承諾維護舉報人的合法權益。

設立了監督舉報電話、投訴意見箱、郵箱、辦公室等多形式面向全體幹部職工、廣大用戶群眾，廣泛徵集政風、行風等問題線索。設立舉報電話(0830-2367075)、舉報郵箱等，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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Anti-Corruption Training

To effectively strengthen the Group's Party conduct and integrity building, taking the Party discipline study and education as an opportunity, the Group has focused on categorized and position-specific training for disciplinary inspection and supervision cadres to address key supervisory challenges. We have actively participated in the professional training organized by the superior discipline inspection commission and held monthly study sessions (expanded) of the Party general branch to study relevant laws, regulations, and typical cases related to integrity. We also invited external experts, such as lawyers, to provide anti-corruption training to members of the Board of Directors. Government officials from the regions where we operate have been invited to conduct anti-corruption training for senior and middle-level managers of the headquarters and key units.

During the reporting period, the Group organized a comprehensive range of anti-corruption training programs, reinforcing the importance of integrity in professional conduct. The programs include the following:

- We conducted one capacity enhancement training session for disciplinary inspection and supervision cadres and participated in two training sessions on improving the comprehensive quality and capabilities of discipline inspection and supervision cadres organized by the superior discipline inspection commission. A total of three people in the Group participated in or assisted in handling discipline inspection cases at the company level and by the superior discipline inspection commission.
- We conducted discipline training and collective integrity discussions for 15 key individuals, including newly promoted cadres, young cadres, and cadres in key positions, requiring everyone to take the lead in maintaining integrity and self-discipline and giving priority to discipline awareness.
- We conducted integrity risk assessments for 562 critical personnel, identifying 1,233 risk points and formulating 1,249 targeted mitigation measures, thereby fully leveraging their deterrent effect.

反貪污培訓

為切實加強本集團黨風廉潔建設，本集團以黨紀學習教育為契機，聚焦監督重點難點分類分崗開展紀檢監察幹部培訓，積極參加上級紀委組織的業務培訓，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。並且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。

報告期內，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：

- 開展紀檢監察幹部能力提升培訓1次，參加上級紀委組織的紀檢監察幹部綜合素質能力提升培訓2次，公司共計3人次參與或協助公司及上級紀檢案件辦理；
- 對新提拔幹部、年輕幹部、關鍵崗位幹部等15名重點對象開展紀律培訓和集體廉潔談話，要求大家帶頭做好廉潔自律，將紀律意識挺在前面；
- 對562名重要崗位人員開展廉潔風險點排查，查找風險點1,233個，制定有效措施1,249條，充分發揮警示作用。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Case study: Visit to the Luzhou Confidentiality Education and Training Center

案例：參觀瀘州保密教育培訓中心

The group organized 27 people, including members of the Group's Party committee, members of the leadership team, members of the discipline inspection commission, heads of grass-roots Party organizations, heads of functional departments, newly promoted cadres, non-Party-member cadres, and personnel in key positions, to visit the integrity education base—the practical training platform of the Luzhou Confidentiality Education and Training Center.

本集團組織公司黨委委員、班子成員、紀委委員、各基層黨組織負責人、各職能部門負責人、新提拔幹部、非黨員幹部、關鍵崗位人員參觀廉潔教育基地—瀘州保密教育培訓中心實訓平台，共計27人。



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Compliance Management

The Group has established the Compliance Committee led by the Chairman, clarifying the main responsibilities of each group member to ensure solid implementation of compliance work. The Group has also incorporated compliance management into the annual work plan as a significant aspect of the Group's orderly progress.

In 2024, we organized various compliance training programs at the group company level, focusing on management and comprehensive capability enhancement. Key initiatives included large-scale training activities covering the following themes: "Comprehensive Budget Management and Process Control" "New Productive Forces Driving High-Quality Enterprise Development" "Empowering Enterprise Growth with AI, Automation, and Big Data" "Financial and Operational Knowledge Special Sessions" "Government and Business Etiquette" These programs collectively attracted 496 participants across multiple sessions.

The Group attaches great importance to business ethics management and has formulated the "Implementation Measures for Pursuing Responsibility for Illegal Operation and Investment" and the "Compliance Management Measures". We have established a leadership group for accountability to supervise employees at all levels in adhering to professional ethics in accordance with rules, disciplines, and laws and to handle issues related to violations of professional ethics.

合規管理

本集團成立了以董事長為組長的合規委員會，明確小組各成員主要職責，確保合規工作紮實開展，並將合規管理工作納入年度工作計劃作為公司重要工作有序推進。

2024年，我們通過多種方式組織合規培訓，在集團公司層面，圍繞管理與綜合能力提升，組織開展了多場大型培訓活動，培訓內容涵蓋全面預算管理及過程管控，新質生產力推動企業高質量發展，AI、自動化、大數據賦能企業發展，財務業務知識專題，政務商務禮儀等主題，參培496人次；

本集團重視商業道德管理，制定了《違規經營投資責任追究實施辦法》《合規管理辦法》，並成立了責任追究工作領導小組及合規委員會，監督各級員工依規依紀依法履行職業操守，處置員工違反職業道德的問題。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Intellectual Property Management

Technological innovation is a crucial support for improving product and service quality. The Group strongly supports technological innovation while placing great importance on intellectual property protection. The Group strictly adheres to laws and regulations such as the “Patent Law of the People’s Republic of China”, the “Trademark Law of the People’s Republic of China”, and the “Copyright Law of the People’s Republic of China”. We have also implemented the “Intellectual Property Management Measures” to protect the intellectual property held by the Group, standardize intellectual property management, encourage employees’ creativity and invention, and promote the widespread application of scientific and technological achievements.

The Group has established a leadership structure for intellectual property and implemented a system of rewards and punishments, clarifying the responsibilities of all parties involved. The Group has set requirements for intellectual property custody, information transmission during the development of achievements, document storage, and the signing of the “Commitment to Comply with the ‘Intellectual Property Management Measures’” for new employees. These measures aim to maximize the protection of the Group’s intellectual property and promote its sustainable development. During the reporting period, two training sessions on intellectual property protection were conducted, with a total of 588 participants.

Information Security and Data Security

The Group attaches great importance to protecting customer privacy. The “Business Charge System Management Measures” formulated by the Group clearly stipulates that employees are not allowed to provide information such as user names, phone numbers, and ID cards in the system without authorization, and strictly require employees to follow the management measures. The Group signs a confidentiality agreement with employees who have authorized access to the user system and provides training related to privacy protection 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 their identity information, strictly protecting the privacy of each customer.

知識產權管理

技術創新是產品和服務質量提升的重要支撐，本集團支持技術創新，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，並出台《知識產權管理辦法》，以保護本集團持有的知識產權，規範知識產權管理工作，鼓勵員工發明創造的積極性，促進科技成果的推廣應用。

本集團建立知識產權領導機構和獎懲辦法，明確各方職責，規定知識產權保管要求、開發成果期間的信息傳遞要求、資料保管要求、入職員工需簽訂《遵守〈知識產權管理辦法〉承諾書》要求等，以最大限度保護本公司知識產權，促進公司可持續發展。報告期內，開展知識產權保護相關培訓共計2次，培訓人數共588人。

信息安全與數據安全

本集團高度重視保護客戶隱私。本集團制定的《營業收費系統管理辦法》中，明確規定員工對於系統中用戶姓名、電話、身份證等信息不得隨意對外提供，並嚴格要求員工遵照該管理辦法執行。對於有權限進入用戶系統的員工，本集團均與其簽訂保密協議，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，驗明身份信息後才會為其查詢信息，嚴格保護每一位客戶的隱私。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

INNOVATION-DRIVEN, STRIVING FOR SERVICE EXCELLENCE

The Group adheres to the core values of “innovation and excellence, human-water harmony”. By adopting strict product quality and service management systems, the Group continuously improves the quality of products and services and actively undertakes social responsibilities to provide citizens with high-quality and safe tap water.

High-Standard Service

The Group has always adhered to the service philosophy of “refreshing customer experience with sincerity and interpreting human-water harmony with action” and emphasized customer feedback to continuously improve customer service quality. The Group set up a hotline service center to provide consultation, services, and complaints handling on a 24-hour basis. In response to customers’ feedback or requests for assistance, the Group arranged for the hotline operator to answer the questions. If the questions cannot be resolved, it would be forwarded to the professional staff for answering or handling, and a return visit by telephone would be conducted.

To better carry out our business and improve the ability of business personnel, the Group has formulated normative systems such as “Service Hotline Management Measures”, “Key Customers Management Measures”, and “One-Stop Service Management Measures”. Through continuous follow-up, the Group continues to revise relevant specifications and management measures and requires the employees of all business units to follow the updates. Keeping customer-centric, the Group standardizes service processes, strengthens customer communication, and continuously improves the service level.

創新驅動，服務至善

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質量及服務管理制度，不斷提升本集團產品和服務的質量，積極承擔社會責任，為市民提供優質、安全、放心的自來水。

品質服務

本集團始終堅持「真情刷新客戶體驗、行動詮釋人水和諧」的服務理念，重視客戶反饋，為持續提升客戶服務質量打下良好的基礎。本集團成立熱線服務中心，24小時提供諮詢、服務及投訴，針對客戶反饋的問題或求助，安排熱線話務員解答，若不能解決則轉交至相關專業工作人員解答或處置，並進行電話回訪。

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《服務熱線管理辦法》《大客戶管理辦法》《一站式服務管理辦法》等規範性制度，並通過持續跟進，不斷對相關規範、管理辦法進行修訂，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，不斷完善服務水平。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

In 2024, the Group attached great importance to communication with customers. We developed multiple communication and complaint channels for customers, made revisions to the “One-Stop Service Manual”, and formulated management measures such as the “Service Hotline Management Measures” and the “One-Stop Service Management Measures”. Customers can report problems through the mayor’s hotline, call center, online service hall, WeChat official 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 closed-loop management. The Group implements strict control of the time limit for user calls, puts forward suggestions for handling the deficiencies found, and urges relevant departments to make rectifications.

2024年，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管道，對《一站式服務工作手冊》進行制度化修訂，並新增了《服務熱線管理辦法》《一站式服務管理辦法》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。

Case study: Xinglu Water Group carried out the activity of “Water Service Illuminated by the Red Flag: High-quality Service Reaching Every Household”

案例：興瀘水務集團開展「水潤旗紅優質服務進萬家」活動

The Group carried out the activity of “Water Service Illuminated by the Red Flag: High-quality Service Reaching Every Household”. We delivered water supply services such as business handling, leakage detection and repair, and answered water-related questions to the residents’ doorsteps. We have promoted the forward shift of service access points and the downward allocation of service resources, closely adhered to the needs of people’s livelihood, and integrated water supply services into thousands of households. 開展「水潤旗紅優質服務進萬家」活動，將業務辦理、查漏維修、用水問題答疑等供水服務送到用戶「家門口」，推動服務端口前移，服務力量下沉，緊貼民生需求，將供水服務融入千家萬戶。



During the reporting period, we received 123 valid user complaints and reports, and the processing completion rate was 100%. No dissatisfaction was reported to the 12345 government affairs hotline.

報告期內，我們收到123條用戶投訴和舉報，處理完結率為100%。無12345政務熱線不滿意事件。

Chapter X Environmental, Social and Governance Report (Continued)

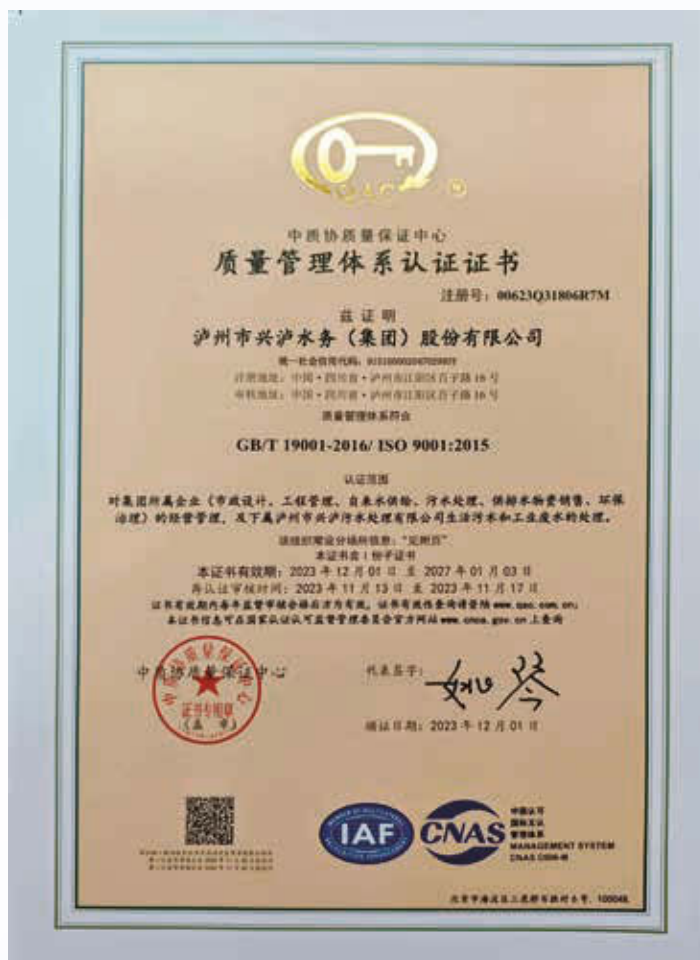
第十章 環境、社會及管治報告(續)

Tap Water Supply

The Group strictly abides by the “Urban Water Supply Quality Management Regulations” and the “Drinking Water Sanitation Supervision and Management Measures”, and other laws and regulations. In addition, we have formulated the “Water Quality Management Measures” and relevant management regulations to ensure the quality of water supply. The Group has passed the ISO 9001 quality control system certification. By formulating internal control indicators for water quality and promoting the construction of intelligent water services, the Group collects control parameters in real time in the process of production through the “Internet+” production management platform, monitors the whole process of production, and implements stricter quality testing standards for finished water. In this way, we provide high-quality and safe tap water for urban development and citizens’ life in compliance with the national standards.

自來水供應

本集團嚴格遵守《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》等相關管理規定保障供水質量。本集團已通過ISO 9001質量體系認證。此外，本集團制定水質內控指標，持續推進智慧水務建設，通過互聯網+生產管理平台，實時採集產品生產過程中的控制參數，對產品生產進行全過程監控，並且對出廠水質量執行更嚴格的質量檢測標準，保障為城市發展和市民生活提供優質安全的自來水，確保產品符合國家標準。



During the reporting period, the total amount of water supplied by the Group was 200.27 million tons, and the inspections at all levels were performed well, with a 100% inspection pass rate.

報告期內，本集團供水總量20,027萬噸，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)

Clean Water Production

To ensure the safety and stability of water supply, the Group closely monitors changes in water quality, conducts regular investigations of potential safety hazards, and avoids risks from the source. Contingency plans for emergencies in water production and operation have been established to improve the ability and level of preventing and controlling environmental emergencies and ensure normal production.

The Group monitors 97 indicators, such as turbidity, residual chlorine, and microorganisms, during water production according to the “Standards for Drinking Water Quality” (GB 5749) and formulates a series of mechanisms and measures to ensure clean water production. We have formulated an internal quality management manual and managed the water production process in strict accordance with this manual. To further improve the capacity for stable water supply, the Group plans water supply schedules, makes emergency plan management, implements water meter audits, and adopts high-efficiency pump units.

Sewage Management

Holding the business philosophy of “Treat water pollution for the benefit of the water environment”, the Group vigorously promotes regional pollution control, makes great efforts to build diversified industries, and constructs a platform for enterprise development. Through refined management and specialized operation, the Group forms a regional market advantage and increases the space for the water environment treatment industry, making positive contributions to the improvement of the ecological environment of regional municipalities and the sustainable development of cities.

The Group strictly adheres to national standards such as the “Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant” (GB 18918-2002), the “Examination Methods for Municipal Sewage” (CJ/T51), and other normative documents. The Group 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 175.2 million tons, representing an increase of 9.43% over the previous year (total amount of sewage treated in 2023: 160.1 million tons).

潔淨制水

為保證水質安全穩定，本集團嚴密監控水質變化，定期開展安全隱患排查，致力於從源頭規避風險，建立了供水生產運行突發事故應急預案，進一步提高了預防和控制環境突發事件的能力和水平，確保了正常生產。

對於制水過程，本集團嚴格按照國家《生活飲用水衛生標準》(GB 5749)，對濁度、餘氯、微生物等97項指標進行監控，並制定了一系列確保制水潔淨的機制和措施：制定內部質量管理手冊，並在制水過程中嚴格按照質量管理手冊管理，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。

污水處理

本集團秉承「治理水污染 益於水環境」的經營理念，大力推進全域治污，傾力打造多元產業，構築企業發展平台，通過精細化管理、專業化經營，形成區域化市場優勢，厚植水環境治理產業發展空間，為改善區域市生態環境，促進城市可持續發展做出積極貢獻。

本集團嚴格遵守國家《城鎮污水處理廠污染物排放標準》(GB18918-2002)、《城市污水水質檢驗方法標準》(CJ/T51)等規範性檔，並建立《生產類管理制度匯編》，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175.2百萬噸，較上一年度增加9.43%(2023年污水處理總量：160.1百萬噸)。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

High-Efficiency Processing Technologies

Focusing on the development of sewage treatment technology, the Group formulates the “Management 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 takes the lead in implementing the “Internet+ production management” system for the tap water supply business segment. The Group established the “Internet+ production management” platform and formulated management measures for the operation and supervision of the intelligent inspection system for the sewage treatment business segment. In addition, the Group monitors the implementation of the “Internet+ production management” model to ensure a standardized and process-based management.

During the reporting period, to better integrate the operations and management of urban and township business segments, improve management quality, and optimize personnel structure, the Production Department consolidated the information platforms of these segments. Aligned with the Company’s current conditions, new functional requirements were also proposed to develop a production management platform tailored to Xinglu Wastewater Treatment’s unique characteristics. In May 2024, the platform entered its pilot operation phase, adopting a mobile and PC-based operational model to enable real-time monitoring of plant operations anytime and anywhere. Field personnel executed tasks based on platform instructions, effectively eliminating spatial information barriers.

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，在污水處理業務板塊建立了「互聯網+生產管理」平台與智慧巡檢系統運行監管管理辦法，對「互聯網+生產管理」模式運行情況進行落實，確保管理過程標準化、流程化。

報告期內，為更好的實現城鎮、鄉鎮板塊運營和管理的融合，提升管理質量、優化人員結構，生產部將城鎮、鄉鎮板塊的信息化平台進行資源整合，並結合公司現有情況提出新的功能性要求，建設具有興瀘污水特色的生產管理平台。2024年5月，該平台投入試運行階段，以手機端+PC端的操作模式，達到隨時隨地了解場站的運行情況，現場負責人員根據平台的指令進行任務執行，全面解決空間上的信息壁壘。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

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. To ensure the safety and stability of production and operation, the Group closely monitors the water quality changes, regularly checks hidden safety risks for production and operation, and tries to avoid the occurrence of accidents and hazards from the source. The main water quality indicators monitored include chemical oxygen demand, biochemical oxygen demand, suspended solids, ammonia nitrogen, TP, TN, PH, anions, animal and vegetable oils, and fecal coliform. The Group also introduced an intelligent inspection system for the sewage treatment business segment to enhance inspection of the production process. The system has been implemented in the tap water supply business segment on a trial basis since 2020, and full coverage of the system in the Group's water supply and sewage treatment business was achieved.

According to the inspection problem list of previous years by the Ministry of Ecology and Environment and the problems of key plants and stations, Xinglu Wastewater Treatment dispatched professional technicians in batches to be stationed at the above-mentioned key plants and stations. They went on-site to check and analyze the causes of the problems, drew up renovation plans and renovation lists, and assisted in determining the models of equipment to be purchased. Moreover, they went to the site to provide guidance on renovation and commissioning. Through one-to-one technical assistance and guidance, the problems of arduous process regulation and unstable effluent water quality in some township plants and stations were solved, and the overall production operation and management level of township plants and stations was improved.

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。為進一步保障生產運營的安全性與穩定性，公司嚴密監控水質變化，定期開展生產運行安全隱患排查工作，致力於從源頭規避事故風險與隱患的發生，打造放心、安全的水環境。其中水主要監測的水質指標有化學需氧量、生化需氧量、懸浮物、氨氮、TP、TN、PH、陰離子、動植物油及糞大腸菌群等。為加強對生產過程中的巡視巡檢，本集團在污水處理業務板塊亦引入了智能巡檢系統，該系統自2020年開始在自來水供應業務板塊試行，目前已實現對本集團自來水供應和污水處理業務的全覆蓋。

根據生態環境部往年督察問題清單和重點廠站問題，污水公司分批次派駐專業技術人員下沉駐點上述重點廠站，現場查看分析問題原因，擬定改造方案和改造清單，協助確定設備採購型號，同時到現場指導改造、調試，通過點對點技術幫扶指導，解決了部分鄉鎮廠站工藝調控困難、出水水質不穩定的問題，提升了鄉鎮廠站的整體生產運營管理水平。

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 quality of the outlet water from the Group's sewage treatment reached Standard A of the first-class standard of the "Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant" (GB 18918-2002), and the Group did not experience any lawsuits arising from violations of laws and regulations related to products and services.

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。

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Product liability 產品責任	Total number of incidents of non-compliance with laws and regulations on health, safety, and labeling of products and services provided 所提供的產品和服務在健康與安全、標籤方面發生違法違規事件的總數	Occurrences 件	0	0	0
	Number of complaints received about products and services 接獲關於產品及服務的投訴數目	Occurrences 件	37	107	146
	Complaint handling rate 投訴處理率	% %	100	100	100

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

R&D Innovation

The Group adopts the strategy of innovation-driven development. To promote the exploration of new technologies and projects, the Group carried out a number of new projects by cooperating with universities, industries, and other partners. In 2024, the Group continued to promote scientific research and innovation, accelerate the transformation of technological achievements, and improve the scientific and technological level in accordance with the “Innovation Management Measures” and the “Management Measures for Internal Control of R&D Projects”. During the reporting period, the Group obtained a total of 30 utility model patents, such as the emergency treatment system for overflow sewage from the sewage treatment plant’s interception pipe network and intelligent remote monitoring equipment, and nano flocculant dosing device, and one invention patent for the “Granulatable BioDopp biochemical reaction system and sewage treatment method”. These patents effectively enhanced the sewage treatment and monitoring technology. Among them, the “Internet+ production management platform” won third prize in the final of the Green and Low-Carbon Track of the Sichuan Division of the 2024 National “Data Elements X” Competition.

研發創新

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。2024年度，本集團依據《創新管理辦法》《研發項目內控管理辦法》，持續推進科研創新，加速技術成果轉化，提升公司科技水平。報告期內，累計取得了30項實用新型專利，例如污水處理廠截污管網溢流污水應急處理系統、智能遠程監控設備、納米絮凝劑的投加裝置等；取得1項發明專利—「可造粒型BioDopp生化反應系統及污水處理方法」，有效提升污水處理和監控技術。其中「互聯網+生產管理平台」在2024年「數據要素×」全國大賽四川分賽綠色低碳賽道總決賽三等獎。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

The Third Prize in the Green and Low-carbon Track of the Sichuan Division of
the 2024 National “Data Elements X” Competition
2024年「數據要素×」全國大賽四川分賽綠色低碳賽道三等獎



获奖名次	团队名称/项目名称
一等奖	排水管网智慧管理队 排水管网全场景数据要素提质增效解决方案
	数智达人 碳·新路，逐·绿行——基于“电-碳计算模型”的碳排放监测服务平台
二等奖	百威皇冠 数据织网控能耗，智管百威绿效高
	广元TCL海能 广元市TCL危险废物类数字化转型及自动控制系统改造项目
	流域污染数智侦探家 多源数据驱动的小流域污染溯源及综合解决方案
三等奖	兴泸水务智慧生产管理团队 “互联网+生产管理”系统
	四川数智汇先锋 数据要素赋能生态环境非现场执法能力提升
	天之蓝队 “天空地”数字化大气智慧监测和溯源防控项目
	中国铁塔股份有限公司南充市分公司 南充市嘉陵江流域综合治理监管平台项目
	李家岩水库数字孪生团队 数据要素+数字孪生水库典型应用实践

中国·四川 | Sichuan·China

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

In 2024, Xinglu Wastewater Treatment placed great emphasis on scientific and technological innovation. It carried out in-depth cooperation with scientific research institutions, universities, and other entities, and promoted the close integration of production, education, and research as well as the transformation of scientific and technological achievements. It has obtained one invention patent and one utility model patent in total, which were respectively for the mixing device and the granulatable BioDopp biochemical reaction system and sewage treatment method. The Group's scientific and technological innovation capabilities were significantly enhanced. The quantity and quality of patent achievements steadily improved and yielded remarkable results, further strengthening the Group's comprehensive strength and providing robust scientific and technological support for the high-quality development of the enterprise.

2024年，污水公司高度重視科技創新工作，與科研院所、高校等進行深度合作，推動產學研緊密結合和科技成果的轉化，共獲得1項發明專利、1項實用新型專利的授權，分別為混合裝置、可造粒型BioDopp生化反應系統及污水處理方法。科技創新能力明顯提升，專利成果數量和質量穩步向好、卓有成效，進一步強化公司綜合實力，為企業高質量發展提供了堅強有力的科技支撐。

Advanced Unit of New Productive Forces in Water Pollution Control
水污染治理新質生產力先進單位



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
R&D investment 研發投入	Amount of R&D investment 研發投入金額	RMB10,000 萬元	82.13	5.12	0
	Number of R&D personnel 研發人員人數	Persons 人	48	47	47
	Ratio of R&D investment to revenue 研發投入佔營收比率	% %	0.061	0.004	0

ECO-FRIENDLY, PURSUING GREEN DEVELOPMENT

生態友好，綠色發展

The Group always adheres to the concept of green development. As an environment-friendly enterprise, the Group has continuously strengthened ecological and environmental protection, improved sustainable development capabilities, and actively assumed the corporate responsibility of green development.

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。

Pollutant Discharge Management

污染物排放管理

The Group keeps optimizing discharge management by strictly abiding 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 Prevention and Control of Environmental Pollution by Solid Waste”, the “Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant” (GB 18918-2002), the “Standard for Operation and Maintenance Quality Assessment of Municipal Wastewater Treatment Plant” (CJJ/T 228-2014), and other laws and regulations.

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質量評價標準》(CJJ/T228-2014)等法律法規、排放標準，優化排放物管理工作。

Based on the ISO 14001 environmental management standard system, the Group has formulated internal environmental management systems such as the “Management Measures for Identification of Environmental Factors and Dangerous Sources, Risk Evaluation and Risk Control”. Moreover, the Group has passed the ISO 14001 re-certification.

本集團依據ISO 14001環境管理標準體系，制定了《環境因素和危險源辨識及風險評價和風險控制管理辦法》等內部環境管理制度，並已通過ISO14001再認證。

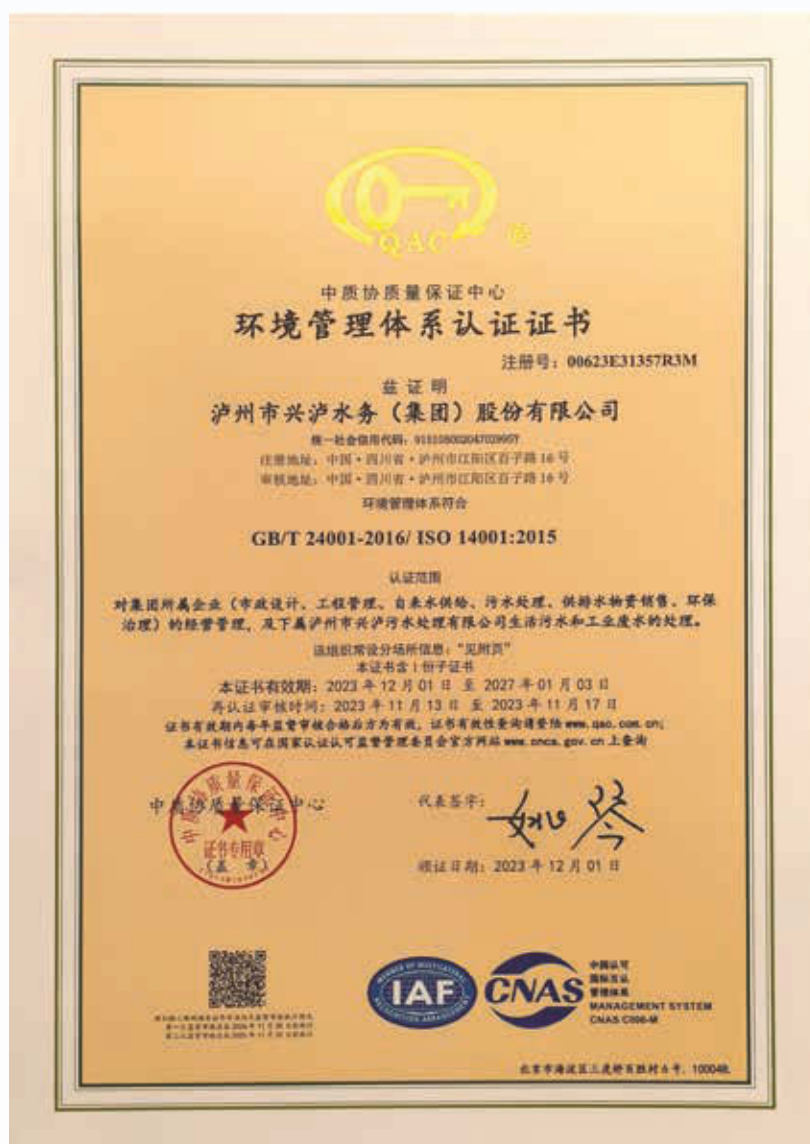
Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

During the reporting period, the Group did not incur any material irregularities or litigations arising from environmental issues.

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。

Xinglu Water Group passed the ISO 14001 environmental management system certification
興瀘水務集團通過ISO14001環境管理體系認證



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Xinglu Wastewater Treatment insists on serving every drop of standardized water. Holding the business philosophy of “Treat water pollution for the benefit of the water environment”, it vigorously promotes regional pollution control, makes great efforts to build diversified industries, and constructs a platform for enterprise development. Through refined management and specialized operation, it forms a regional market advantage and increases the space for the water environment treatment industry, making positive contributions to the improvement of the ecological environment of regional municipalities and the sustainable development of cities. The Company has formulated the “Environmental Protection Management System”, “Information Reporting System for Environmental Safety Emergencies”, and other internal environmental management systems, and passed ISO 14001 environmental management system certification.

污水公司堅持為每一滴達標水服務，秉承「治理水污染 益於水環境」的經營理念，大力推進全域治污，傾力打造多元產業，構築企業發展平台，通過精細化管理、專業化經營，形成區域化市場優勢，厚植水環境治理產業發展空間，為改善區域市生態環境，促進城市可持續發展做出積極貢獻。公司制定了《環境保護管理制度》《突發環境安全事件信息報告制度》等內部環境管理制度，並獲取了ISO14001環境管理體系認證。

Xinglu Wastewater Treatment's certificate of ISO 14001 environmental management system
污水公司通過ISO14001環境管理體系認證



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Waste Management and Reduction

The Group strictly abides by the “Management Measures for Hazardous Waste Transfer Forms”, “Sichuan Province Hazardous Waste Pollution Prevention Measures”, “Identification standards for hazardous waste – General rules” (GB 5085.7-2019), “Standard for pollution control on hazardous waste storage” (GB 18597-2023), “Technical specifications on identification for hazardous waste” (HJ/T 298-2019) and other relevant laws and regulations. By formulating the “Hazardous Waste Management System”, “Special Emergency Plan for Hazardous Chemical Leakage”, “Hazardous Waste Management Measures of Xinglu Wastewater Treatment Co., Ltd.” and other internal systems, the Group established a sound waste management mechanism and achieve compliant and orderly treatment.

The Group has established a complete waste management mechanism, which enables regular declaration, classified collection, centralized storage, standardized records, consistent accounts, and compliant waste treatment. We have established a waste registration system to investigate and register waste types, quantities, concentrations, discharge methods, and whereabouts, and also set up pollution source files for declaration and registration. We implement a waste discharge quantitative management system, formulate waste discharge quota indicators, and incorporate 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 5085.7-2019)、《危險廢物貯存污染控制標準》(GB18597-2023)、《危險廢物鑒別技術規範》(HJ/T 298-2019)等相關法律法規，制定《危險廢物管理制度》《危化品洩漏專項應急預案》《興瀘污水處理有限公司危險廢物管理辦法》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 waste generated by the Group's tap water supply business mainly includes organic solvents, inorganic cyanides, strong acids, strong alkalis, total phosphorus and total nitrogen, heavy metals, chromium-containing substances, and volatile phenols generated in the process of water quality testing. For the management of hazardous waste in the tap water supply business, we have developed a number of treatment measures:

- Set seepage-proof and leak-proof hazardous waste storage rooms and build cofferdams at storage points; classify and store hazardous waste in specified containers, mark the category, hazardous nature and weight, and dispose of reagent bottles containing hazardous waste uniformly according to the hazardous waste disposal method.
- The hazardous waste management system and special emergency response plan for hazardous chemical leakage are carried out by individuals through learning, publicity, and promotion.
- Establish a "Hazardous Waste Record Form" for inspectors to fill in the amount of waste produced. The monitoring station makes statistics every quarter, and Luzhou Xinglu Water Quality Testing Co., Ltd. makes statistics again at the end of the year based on the actual production volume. The hazardous waste is handed over to a qualified third-party vendor for centralized processing.

The non-hazardous waste from the tap water supply business of the Group mainly includes dried sludge cakes, containers containing non-toxic reagents, and domestic garbage generated during the production process. For the management of non-hazardous waste in the tap water supply business, we have adopted a number of measures to effectively deal with it:

- Concentrate the high-turbidity wastewater discharged from the sedimentation tank and filter, dehydrate and dry the sludge through a vacuum filter or centrifuge, and transport it to brick factories for compliant 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水質檢測過程中產生的有機溶劑、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化品洩漏專項應急預案，通過學習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，並由瀘州興瀘水質檢測公司每季度進行統計，年終再根據實際產生量作二次統計，統一交由有資質的第三方機構集中處理。

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乾化污泥泥餅、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，運至磚廠合規處置；

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

- Wash the containers containing the reagents and transport them to the waste treatment plant as domestic waste.

Sewage treatment business

Hazardous waste generated by the Group's sewage treatment business mainly includes hazardous waste generated in the process of water quality testing: COD, ammonia nitrogen, total phosphorus, total nitrogen, BOD, coliform bacteria, petroleum, anionic surfactants, waste packaging, waste chemicals, and waste engine oil. This kind of waste is uniformly handed over by the Group to a third-party treatment agency with the corresponding disposal qualifications for transfer and disposal, for which the Group implements centralized collection, classified storage, consistent accounts, standardized records, and compliant disposal as per the hazardous waste management requirements.

The Group adopts the following measures for the management of non-hazardous waste:

- After the sludge is concentrated and dehydrated, it is transported to a qualified unit for blending combustion and incineration, achieving the harmless disposal of the sludge.
- Drying and centralized treatment of sludge reduces the water content of sludge, thus reducing the sludge quality and volume and achieving sludge reduction.

Noise Management and Reduction

The Group complies with the "Law of the People's Republic of China on Prevention and Control of Environmental Noise" and strictly manages noise emissions. The main source of noise generated by the Group is construction noise, which can be classified into machinery noise, construction operation noise, and construction vehicle noise. Excavators are the typical construction machinery used in the construction projects of the Group. The construction noises include sporadic beating sounds, impact sounds of loading and unloading vehicles, and impact sounds of dismantling templates, which are transient noises. The noise of construction vehicles belongs to traffic noise. Among these construction noises, mechanical noise has the greatest impact on the acoustic environment.

- 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、廢機油等，公司統一交由有處理資質的第三方處理機構進行轉移與處置，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，外運至有資質單位摻燒、焚燒，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，降低污泥質量和體積，實現污泥的減量化。

噪音管理及控制

本集團遵守《中華人民共和國環境噪音防治法》，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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

The Group has formulated a series of measures for noise control: Preferentially use low-noise equipment, arrange construction time reasonably, and prohibit nighttime construction. If the process requires continuous construction with strong noise, the consent of the local environmental protection, urban management, and other competent departments shall be obtained first, and the surrounding households and units shall be notified in time to avoid noise disturbance disputes.

本集團制定了一系列措施進行噪音管控，在設備選型時盡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。

Wastewater Management and Reduction

廢水管理及減排

The Group conducts drainage management by strictly abiding by the “Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant” (GB 18918-2002), “Technical Specification for Operation, Maintenance and Safety of Municipal Wastewater Treatment Plant” (CJJ 60-2011), and other laws and regulations. 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.

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)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制成泥餅外運無害處理，減少排水過程中對水資源的污染。

The Group performs wastewater management and emission reduction for two major segments: the tap water supply business and the sewage treatment business. For the tap water supply business, the Group improves the efficiency of water use by enhancing the control of self-use water rate. For the sewage treatment business segment, the Group discharges wastewater into the sewage treatment system for centralized treatment and discharge after the water reaches the standard. A waste liquid management system has been formulated to centrally collect and dispose of wastewater generated from the laboratory and online monitoring equipment.

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，並且制定了廢液管理制度，對化驗室及在線監測設備產生的廢水進行集中收集、合規處置。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Exhaust Gas Emission Management

The Group's tap water supply business does not consume fuel in the process of water supply, and the main source of certain impacts on the surrounding environment is the unorganized emission of chlorine gas that may be generated from the storage and chlorination process segments. The measures we have taken include:

- Adopting on-site preparation of chlorine dioxide to avoid the leakage of liquid chlorine and raw materials for the preparation of chlorine dioxide production.
- Reasonably storing raw materials for the production of chlorine dioxide and establishing cofferdams to prevent leakage of raw materials.

Exhaust gas emissions from the Group's sewage treatment business are mainly malodorous gases generated during the sewage treatment process. We reduce the pollution of such malodorous gases and protect the ecological environment by setting safety distances, increasing green areas, and installing odor-elimination devices.

廢氣排放管理

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。

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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Emissions and waste 排放與廢棄物	Wastewater pollutant discharge 廢水污染物排放				
	Chemical Oxygen Demand (COD) 化學需氧量 (COD)	Tons 噸	1,911.52	1,967.59	1,992.57
	Ammonia Nitrogen (NH ₃ -N) 氨氮 (NH ₃ -N)	Tons 噸	39.77	37.58	32.41
	Solid waste 固體廢棄物				
	Total amount of general industrial solid waste generated 一般工業固廢生成總量	Tons 噸	44,350.24	46,284.58	45,001.07
	Total amount of general industrial solid waste disposed of 一般工業固廢處置量	Tons 噸	44,350.24	46,284.58	45,001.07
	Total amount of hazardous waste generated 危險 (有害) 廢物生成總量	Tons 噸	31.28	27.84	25.26
	Total amount of hazardous waste disposed of 危險廢物處置量	Tons 噸	31.28	27.84	25.26
	Incineration 焚燒	Tons 噸	0	1.65	1.23
	Landfill 填埋	Tons 噸	0	26.19	24.03
	Others 其他	Tons 噸	31.28	0	0

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

RESOURCE MANAGEMENT

As a water enterprise, the Group is mainly engaged in the businesses of tap water supply and sewage treatment, which do not involve the consumption of manufactured goods and packaging materials. Therefore, the Group pays great attention to the protection of the water environment. The Group carries out optimization on resource use by complying with 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”.

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

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

- Hold the water conservation publicity week every year to make employees know water-saving methods and measures.
- Regularly arrange maintenance workers to maintain toilet faucets and other related appliances to avoid waste such as water tank leakage.
- In the event of a water outage or other emergencies, verify that faucets are turned off to prevent the loss of tap water when no one is working.
- Formulate a water intake plan and submit it to the competent authorities every year.

加強資源管理

本集團作為水務企業，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，因此對水環境保護予以極大關注。本集團嚴格遵守《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》等法律法規開展優化資源使用工作。

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

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宣傳，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；
- 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；
- 每年制定取水計劃報送主管部門。

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

- The water supply plant strengthens the management of self-use water and reduces the use of self-use water by recycling backwash water and the supernatant of sludge water after passing through the sludge system.
- Establish a daily record table to monitor the self-use water rate in the production process, conduct year-on-year and month-on-month comparisons every month to ensure that the index data is normal, and perform target assessment based on the monthly and annual targets of the self-use water rate.
- Recycle self-use water for production from water plants in real time, with the self-use water rate falling by 0.02% year-on-year.
- Recycle the water used to rinse filter tanks and sludge water from water plants.

Sewage treatment business

- For the use of water resources, carry out daily monitoring, monthly consumption statistics collection, and strict process supervision to improve the usage of water resources.
- Use the reclaimed water reuse system for greening and production to reduce water resource consumption.
- For the use of energy and other raw materials, carry out daily monitoring and monthly consumption statistics collection, establish a target assessment mechanism at the beginning of the year, and implement strict process supervision to improve resource usage.

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沖洗水、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，確保指針數據正常，並結合自用水率月度及年度目標，進行目標考核；
- 自來水廠生產自用水實時回收，自用水率同比下降0.02%；
- 自來水廠沖洗濾池、排泥水等均實現回收循環使用。

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；
- 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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Case study: Xinglu Wastewater Treatment was awarded titles of “Double Excellent and Double Advanced” due to excellent performance in sewage treatment

案例：污水處理獲肯定，榮獲「雙優雙選」等稱號

On December 25, 2024, the Symposium on the Improvement of Water Pollution Control Quality and Efficiency and the Transformation of Technological Innovation Achievements in Sichuan Province, as well as the Commendation Conference for the Selection Results of the “Double Excellent and Double Advanced” by the Sichuan Water Pollution Control Association, were grandly held in Yibin. Xinglu Wastewater Treatment has made remarkable achievements in improving the urban water environment, protecting urban high-quality water resources, promoting the use of recycled water, developing new green energy, facilitating the transformation of resource-based cities, and driving the drainage industry in surrounding counties and municipalities. It was awarded four honorary titles, namely the “Excellent Unit of Urban Sewage O&M in Sichuan Province” “Excellent Unit of Village Sewage O&M in Sichuan Province”, “Advanced Unit of New Productive Forces in Intelligent Water Pollution Control in Sichuan Province”, and “Advanced Unit of Sustainable Development in Water Pollution Control in Sichuan Province”.

2024年12月25日，四川省水污染治理提質增效與技術創新成果轉化研討會和四川省水污染治理服務協會「雙優雙選」評選結果表彰大會在宜賓市隆重召開。污水公司在改善城市水環境、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，被授予「四川省城鎮生活污水優秀運維企業」、「四川省村鎮生活污水優秀運維單位」、「四川省智慧水污染治理新質生產力先進單位」、「四川省水污染治理可持續發展先進單位」4項榮譽稱號。



Chapter X
第十章

Environmental, Social and Governance Report (Continued)
環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Water resources management 水資源管理	Total water intake 取水總量	10,000 tons 萬噸	20,225.40	22,004.80	20,705.44
	Total discharge 排水總量	10,000 tons 萬噸	15,625.10	16,539.00	17,438.90
	Total water consumption 總耗水量	10,000 tons 萬噸	20,225.40	22,004.80	20,705.44
	Total water intake from sources for operational water supply 制供水業務水源取水總量	10,000 tons 萬噸	20,221.00	20,358.00	20,608.49
	Total water consumption for production and operations 生產及辦公耗水總量	10,000 tons 萬噸	597.00	528.00	537.00
	Water consumption density 耗水密度	10,000 tons/RMB1 萬噸／百萬元	14.69	4.64	15.56
	Water purifier consumption 淨水劑耗用量	Tons 噸	1697.70	1956.90	2,000.41

Environmental and Ecological Protection
環境及生態保護

Safeguarding of Ecological Environment
呵護生態環境

The Group is fully aware of the importance of environmental protection and biodiversity protection, which has been incorporated into the project site selection stage. We carry out environmental and fishery assessments to fundamentally reduce the impact of project construction and post-operation on the environment and biodiversity.

本集團充分認識到環境保護與生物多樣性保護的重要性，從項目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，從根本上降低項目建設和後期運營對環境和生物多樣性的影響。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

To reduce other environmental pollution during the operation process, the Group has taken a series of environmental protection measures to protect the living environment around the construction site.

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。

- Reduce dust: Wind-blown dust and mechanical dust generated during the construction may affect nearby residents and factories. To reduce the impact of project dust and surroundings, a series of measures can be taken if the weather is continuously fine with the wind. For example, sprinkle water on the surface of the piled soil, cover it with protective screening, install spraying devices for dust suppression, and require the constructors to implement a cleaning system for the lands.
- Dispose of construction waste: Project developers and project contractors shall contact the local sanitation department to clean up domestic waste at the construction site in time. The project contracting unit shall forbid littering by construction personnel and ensure a healthy working and living environment for workers.
- Advocate civilized construction: The construction unit is required to minimize the impact on surrounding residents, factories, and schools through civilized construction as a "People Caring Project". The Group organizes liaison meetings for the construction unit, subdistrict office, and owners to solve environmental impact problems through timely negotiation.
- Reduce dredging 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 odor. Timely cleaning after dredging is required. When dismantling a biochemical pool, open the airtight pool cover according to the order of transformation and close it in time to reduce the exposure time.
- 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，防止揚塵及採取防塵網護蓋，設置霧化炮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：項目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質量；
- 倡導文明施工：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；
- 減少清淤臭氣：採用濕式清淤並盡量減少施工擾動，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)

Water Resource Protection

The Group has formulated the “Water Quality Management Measures” and “Management Measures for the Investigation and Rectification of Hidden Hazards in Safety, Environmental Protection and Occupational Health” and improved the water source protection mechanism to protect the water source and ecological environment where it operates. During the reporting period, the Group took a series of measures to protect water sources:

- During the flood peak period, the Group made arrangements for personnel in charge to be on duty and required the on-duty personnel of each production site to strengthen inspection and the leaders of each production site and the Group to maintain unimpeded communication to 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 2024, a total of about 6.5 tons of garbage and sundries have been cleaned up in the water source protection area.
- Actively publicize the knowledge and systems of drinking water source protection areas, carry out the themed activities of “Green travel for environmental protection”, and provide training to water plant employees on relevant knowledge, laws and regulations such as the “Water Pollution Prevention and Control Law” and “Water Quality Management Measures”.

水源保護

針對水源保護等問題，本集團制定《水質管理辦法》《安全環保職業健康隱患排查治理管理辦法》，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：

- 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，2024年，水源保護區共清理垃圾、雜物約6.5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》《水質管理辦法》等相關知識、法律法規培訓。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Propaganda of Environmental Protection Culture

環保文化宣傳

Being committed to green development, the Group enhanced employees' awareness of environmental protection, actively carried out tree planting work, and protected 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 Wastewater Treatment held the “Environmental Protection Facilities Open Day” activity

案例：興瀘污水公司環保設施開放活動



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Case study: Xinglu Wastewater Treatment organized the “June 5th World Environment Day” activity

案例：污水公司組織宣傳六五世界環境日

On June 5, 2024, Xinglu Wastewater Treatment organized a publicity activity for World Environment Day on June 5th with the theme of “Comprehensively Promoting the Construction of a Beautiful China” on the fourth section of Binjiang Road. The Group’s volunteers popularized sewage treatment knowledge to the citizens on site and patiently answered the questions raised by them. By means of on-site consultations, distributing 500 pieces of promotional materials, 500 eco-friendly handbags, 48 umbrellas, 14 banners, and other various forms, the citizens’ understanding of the sewage treatment process and its importance was deepened through this activity. Their attention to environmental protection work was also enhanced.

2024年6月5日，污水公司在濱江路四段組織開展以「全面推進美麗中國建設」為主題的六五世界環境日宣傳活動，公司志願者現場向市民普及污水處理知識，耐心解答市民提出的問題，利用現場諮詢、發放宣傳資料500份、環保手袋500個、雨傘48把，橫幅14條等多種形式，通過活動，加深市民了解污水處理的過程和重要性，同時提高對環保工作的關注度



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

ENERGY-SAVING, EMPOWERING GREEN OPERATIONS

節能減排，綠色運營

Climate Change Governance

氣候變化管理

According to the ESG governance framework formulated by the Group, it is clarified that the Board of Directors shall consider climate-related issues when reviewing and guiding strategies, important action plans, risk management policies, annual budgets and business plans, formulating organizational performance goals, monitoring implementation and execution, and overseeing significant capital expenditures, acquisitions and divestitures. The Board of Directors 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. Besides, the Group established an ESG working group to clarify the responsibility for climate change management and target implementation. The ESG working group reports to the Executive Committee on a regular basis.

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，定期向執行委員會匯報。

Climate Change Management Strategy

氣候變化管理戰略

We recognize that environmental and climate risks may lead to operational and financial risks. For the identified climate-related risks, the Group developed the flood control and emergency rescue plan and the emergency response plan for rain, snow and freezing disasters. We conduct emergency drills annually to strengthen the response and emergency handling level of emergencies, ensuring that emergencies can be efficiently handled to prevent emergencies from causing greater impact.

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，本集團制定了防洪搶險和雨雪冰凍災害兩項突發事件專項應急預案，明確應對突發事件的方法和機制，並每年組織開展突發事件應急演練，以加強對突發事件的反應速度和應急處理水平，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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Identification and Management of Climate Change Risks

氣候變化風險識別及管理

Based on the industry characteristics and our actual situation, we have identified and assessed the management process of climate-related risks.

根據本集團所處行業特性，結合實際情況，我們制定了識別和評估氣候相關風險的管理流程。

Climate-related risks include transformation risks related to a low-carbon economy and physical risks related to climate change impacts. Transformation risk can be divided into policy and regulatory risks, technical risks, market risks, and reputation risks. Physical risks include acute physical risks (mainly single events, such as typhoons, floods, and other extreme weather) and chronic physical risks (long-term changes in climate patterns, such as persistent high temperatures).

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，如台風、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）。

In terms of policy and regulatory risks among transformation risks, with the deepening awareness of climate change from all walks of life and the implementation of relevant policies, an increase in our operating costs will be caused due to an increase in energy prices in locations where we operate, energy use caps, expanded coverage of paid greenhouse gas emissions or other regulatory requirements for environment improvement. Therefore, we will continue to pay attention to the impact of climate change on our business and fully respond to policy requirements.

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，充分響應政策要求。

As far as acute physical risks are concerned, we attach importance to the impact of extreme weather on production operations and identify natural disasters, extreme weather or adverse meteorological conditions that operations may face.

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：

- When extreme rainfall occurs, it may affect the water quality of the Group's water sources and result in an increase in water turbidity, which will directly affect the production plan and product delivery due to the affected workplace, production facilities, personnel commuting and transportation.

- 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。

If the temperature drops suddenly due to extreme weather, our pipes may burst due to thermal expansion and contraction, which may affect our production guarantee and make us unable to produce as planned.

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)

Energy Management and Carbon Emission Reduction

能源管理及碳減排

The main energy consumption of the Group is the electricity consumed in the production process and daily office work. We have carried out a number of conservation and optimization measures in terms of energy use and water resources management:

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。

- Implement the budget management of the fuel consumption of vehicles by determining vehicle usage expenses at the beginning of the year based on the situation of each unit. Conduct quarterly reviews and reports, and incorporate them into the units' annual target assessment.
- Promote public transportation. The “Official Vehicle Management Measures” clarifies that employees shall, in principle, use public transportation for business trips in other cities to reduce vehicle exhaust emissions.

- 車輛油耗實行預算管理，年初根據各單位情況核定車輛使用費用，季度檢查通報，年度納入單位目標考核；
- 提倡公共交通，在《公務用車管理辦法》中，明確員工異地出差原則上使用公共交通，減少車輛尾氣排放。

Tap Water Supply Business

自來水供應業務

GHG emissions from the Group's tap water supply business are primarily caused by electricity consumption for production and office use. Through a series of refined management measures, the Group has achieved remarkable success in controlling electricity consumption for secondary water supply. During the reporting period, we took a number of measures to reduce greenhouse gas emissions:

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。集團通過多項精細化管理措施，在二次供水電耗控制方面取得了顯著成效。報告期內，我們採取多項減少溫室氣體排放的措施。

- Enhance the upgrade and renovation of equipment, prioritizing the use of high-efficiency energy-saving pumps and frequency converters to continuously improve equipment energy efficiency.
- Use “Internet+ production management” to achieve real-time control of power consumption and data acquisition and to find and deal with abnormal data in time. The statistical analysis of the data over the years makes it easy to find out the data rules, which facilitates the reduction of power consumption in a more targeted manner and greatly improves work efficiency.
- Regularly organize training sessions on energy conservation and consumption reduction to fully enhance employees' awareness of energy saving and operational standards.

- 加強對設備的更新改造，優先選用高效節能型水泵和變頻器，不斷提升設備能效水平；
- 通過互聯網+生產管理實現電耗的實時監督控制和數據採集，及時發現數據異常並作出處理。通過歷年數據的統計分析，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；
- 定期組織節能降耗專題培訓，全面提升員工的節能意識和操作規範；

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

- By dynamically adjusting the start-stop frequency and operating pressure of the secondary water supply pumps, the equipment operates within the high-efficiency range. Additionally, the use of an intelligent monitoring system allows for real-time tracking of the equipment's status, enabling the timely detection and resolution of any issues, which effectively reduces unnecessary energy consumption.

Through these measures, the Group achieved a 14.46% reduction in secondary water supply electricity consumption compared to planned targets, laying a solid foundation for green operations and sustainable development goals.

Sewage Treatment Business

GHG emissions from the Group's sewage treatment business are primarily caused by electricity consumption and fuel use for production and office, as well as methane gas generated from the sewage treatment process. Xinglu Wastewater Treatment actively improved energy efficiency through measures such as optimizing the technological process and optimizing equipment operation. The Company reduces electricity consumption by optimizing the process control and reducing the amount of aeration, avoids energy wastage through real-time monitoring of sewage quality and flow rate and reasonable adjustment of equipment operation parameters, and improves the equipment efficiency by strengthening the maintenance.

- Establish the "Compilation of Production Management Systems" and "Monthly Report System of Production Energy Consumption". Hold production operation analysis meetings every month to analyze the reasons for the increase or decrease of energy consumption, facilitating the reduction of energy consumption and rational use of resources.
- Increase the use of new process technology to reduce energy consumption in process operation and lower GHG emissions.
- Implement low dissolved oxygen and sludge concentration control during production and operation to reduce power consumption.
- Start and stop the lifting pump at a high liquid level to reduce power consumption.

- 通過動態調整二次供水泵的啟停頻率和運行壓力，確保設備始終運行在高效區間，同時借助智能監控系統實時跟蹤設備狀態，及時發現並解決異常問題，有效減少了不必要的能耗。

通過以上措施的綜合實施，本集團成功實現了二次供水電耗實際值較計劃值下降14.46%的顯著成果，為綠色運營和可持續發展目標奠定了堅實基礎。

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。污水公司積極改進工藝流程、優化設備運行方式等措施，提高能源利用效率；優化工藝控制水平，減少曝氣量，降低電力消耗；實時監測污水水質和流量，合理調整設備運行參數，避免能源浪費；加強設備維護和保養，提高設備運行效率。

- 建立《生產類管理制度匯編》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；

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Green Office

The Group actively practices the concept of green development and environmental protection and has made various efforts to achieve green office. To ensure the implementation of green office, the Group has improved the warehouse management, optimized the receipt registration system for materials and articles, and specified the air-conditioning temperature of each office. Besides, the required materials shall be purchased as per the bidding requirements, and bidding records shall be completely kept. Specific measures are formulated to reduce energy consumption, and waste and control indicators are set up.

The Group also requires employees to save energy and resources in their daily office work:

- Forbid the use of permanent lights and reasonably set the computer operation mode and air-conditioning temperature to avoid the waste of electricity caused by unnecessary operation of lights, air conditioners and computers.
- Encourage employees to use public transportation for commuting, which helps save energy and reduce emissions.
- Preferentially use online office management systems and platforms, optimize the group's online approval process, and promote paperless office.
- Implement the management of the office expense budget by determining office expenses at the beginning of the year based on the situation of each unit. Conduct quarterly reviews and reports, and incorporate them into the units' annual target assessment.
- Adopt reusable toner cartridges and ink cartridges for printers and promote 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，合理設計算機運行模式及空調開啟溫度，避免因照明、空調及計算機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；
- 提倡使用在線辦公管理系統和平台，優化集團在線審批流程，推進無紙化辦公；
- 實行辦公費用預算管理，年初根據各單位情況核定辦公費用，季度檢查通報，年度納入單位目標考核；
- 打印機採用可循環再用的碳粉盒及墨盒，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)

Indicators and Targets

To facilitate the measurement of the climate change process, it is crucial to select appropriate parameters and indicators and to set response targets. According to the ESG Reporting Guide of the Hong Kong Stock Exchange, the Group clarified the climate risk indicators related to energy efficiency, water resource efficiency, waste discharge and GHG emission management based on the actual situation. In addition, the Group sets targets for energy efficiency, water resource efficiency, GHG emissions (scope 1) and GHG emissions (scope 2) and regularly reviews the implementation of the targets.

The Group's target for energy and water resources management is to improve the effective utilization of energy and water resources and to maximize the environmental and economic benefits of energy and water resources on the premise of ensuring business activities. For the tap water supply business, the Group formulates a management target for self-use water ratio.

Adhering to the concept of energy saving, consumption reduction, and environmental protection, we strive to reduce emissions from the source. We will always take the promotion of emissions management and environmental protection as the long-term goal, and spare no efforts to achieve a circular economy for sustainable development.

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，最終實現循環經濟理念，走可持續發展道路。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Comprehensive energy consumption	10,000 tons of standard coal	0.479	2.14	2.08
綜合能源消耗量	萬噸標煤			
Comprehensive energy consumption density	Tons of standard coal/RMB1 million of revenue	3.382	16.64	15.64
綜合能源消耗密度	噸標煤／百萬元營收			
Total internal energy consumption by energy type				
內部能源消耗總量按能源類型區分				
Electricity consumption	10,000 kilowatt-hours	5,842.5	17,266.02	16,763.05
用電量	萬度			
Electricity consumption	10,000 kilowatt-hours	0.976	5.37	3.04
天然氣消耗量	萬立方米			
Gasoline consumption	10,000 liters	2.97	9.94	9.19
汽油消耗量	萬升			
Diesel consumption	10,000 liters	0.049	4.34	7.77
柴油消耗量	萬升			
Total GHG emissions	10,000 tons of carbon dioxide equivalent	3.20	9.89	10.11
溫室氣體排放 ¹ 總量	萬噸二氧化碳當量			
– Direct GHG emissions ²	10,000 tons of carbon dioxide equivalent	0.12	0.04	0.05
– 直接溫室氣體排放量	萬噸二氧化碳當量			
– Indirect GHG emissions	10,000 tons of carbon dioxide equivalent	3.07	9.85	9.96
– 間接溫室氣體排放量	萬噸二氧化碳當量			
GHG emission density	Tons of carbon dioxide equivalent/RMB1 million of revenue	22.57	76.57	75.25
溫室氣體排放密度	噸二氧化碳當量／百萬元營收			

² Calculation method of GHG emissions:

Direct GHG emissions: Group's energy consumption x Corresponding emission factor. Refer to (1) "General Rules for the Calculation of the Comprehensive Energy Consumption" and (2) "Guidelines for the Preparation of Provincial Greenhouse Gas Inventories" for the emission factors.

Indirect GHG emissions: Group's purchased electricity consumption x Corresponding emission factor. Refer to "Study on Carbon Dioxide Emission Factors of Regional Power Grids in China" for the emission factor.

Total GHG emissions: The sum of direct GHG emissions and indirect GHG emissions.

¹ 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子，排放因子參考①《綜合能耗計算通則》②《省級溫室氣體清單編製指南》；

間接溫室氣體排放量：公司外購電力用量乘以對應排放因子，排放因子參考《中國區域電網二氧化碳排放因子研究》；

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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

In view of the changing nature of the Group's operating and marketing environment, we will conduct an 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, as well as identification and management of indicators and targets, and work with all sectors to address climate change in pursuit of sustainable development.

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、指針和目標識別與管理，攜手各界一起應對氣候變化，實現共同的可持續發展。

GATHER EMPLOYEES, GROW TOGETHER

The Group is committed to providing a broad platform for the development of employees, caring about their health and rights. By integrating the realization of employees' self-value with our development goals, we form an equal, mutually beneficial, harmonious and united corporate atmosphere of "happy work, happy life".

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。

Employee Hiring and Turnover

Equal Employment

We strictly abide by the "Law of the People's Republic of China on the Protection of Minors". To implement equal employment, we formulate and improve internal systems such as the "Employees Management Measures" and the "Management Measures for Persons in Charge of Functional Departments and Subsidiary Enterprises". To effectively protect the rights and interests of employees, we have signed the "Collective Contract on Work Safety and Occupational Health", the "Collective Consultation Contract on Wages", the "Collective Contract" and the "Collective Contract on the Protection of the Rights and Interests of Female Workers" with the labor union.

員工僱傭與流動

平等僱傭

本集團嚴格遵守《中華人民共和國未成年人保護法》，並制定完善《員工管理辦法》《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。本集團與工會簽訂《安全生產及職業衛生集體合同》《工資集體協商合同》《集體合同》以及《女職工權益保護集體合同》，切實保護員工權益。

We strictly regulate the recruitment, introduction, selection and appointment of employees to ensure fairness and transparency of the recruitment work. The recruitment implementation plan we made clarifies the recruitment conditions and implementation steps. Candidates are preliminary screened according to the recruitment needs and assessed from the aspects of professional ability, work attitude, stability, compliance, and so on. We resolutely oppose discrimination based on gender, age, health or other factors, and strive to achieve employment equality and diversity.

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。

Chapter X

第十章

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

In accordance with the “Employees Management Measures”, the Group’s public recruitment ratio for social recruitment has reached 100%. Recruitment announcements are released to the public through the South Sichuan job-hunting website (rc168.com) and other information disclosure platforms above the city level. There are no discriminatory conditions for recruitment, and the recruitment process fully reflects fairness and competition. No illegal recruitment occurred. Besides, according to the “Management Measures for Persons in Charge of Functional Departments and Subsidiary Enterprises”, we standardize the recruitment, introduction, selection and appointment of employees and ensure that the processes are transparent, and the results are fair.

按照《員工管理辦法》，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信息公開平台面向社會公开发佈，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。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。

Category	Indicator	Unit	2022	2023	2024
指標類別	指標	單位	2022年	2023年	2024年
Basic information 員工基本情況	Total number of employees	Persons	933	905	867
	員工總數	人			
	Male	Persons	630	614	590
	男性	人			
	Female	Persons	303	291	277
	女性	人			
	Number of full-time employees	Persons	933	905	867
	全職員工人數	人			
	Number of part-time employees	Persons	0	0	0
	兼職員工人數	人			
	Number of domestic employees	Persons	933	905	867
	國內員工人數	人			
	Number of overseas employees	Persons	0	0	0
	海外員工人數	人			

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Inclusion and diversity 包容性與多元化	Percentage of men on the Board of Directors, Board of Supervisors, and senior managers 董事會、監事會、高級管理人員中男性佔比	%	81.95	76.19	76.19
	Percentage of women among members of the Board of Directors, Board of Supervisors, and senior managers 董事會、監事會、高級管理人員中女性佔比	%	19.05	23.81	23.81
	Percentage of employees under 30 among members of the Board of Directors, Board of Supervisors, and senior managers 董事會、監事會、高級管理人員中30歲以下佔比	%	0	0	0
	Percentage of employees aged 30-50 among members of the Board of Directors, Board of Supervisors, and senior managers 董事會、監事會、高級管理人員中30~50歲佔比	%	57.14	61.90	47.62
	Percentage of employees over 50 among members of the Board of Directors, Board of Supervisors, and senior managers 董事會、監事會、高級管理人員中50歲以上佔比	%	42.86	38.10	52.38
	Percentage of male employees 員工中男性佔比	%	67.5	67.85	68.05
	Percentage of female employees 員工中女性佔比	%	32.5	32.15	31.95
	Percentage of employees under 30 years old 員工中30歲以下佔比	%	15	11.05	12.46
	Percentage of employees between 30 and 50 years old 員工中30~50歲佔比	%	64.6	68.29	64.71
	Percentage of employees over 50 years old 員工中50歲以上佔比	%	20.4	20.66	22.83

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Number and percentage of employees by education level	PhD	Persons	1	0	0
按學歷劃分的員工數量及 比例	博士	人			
		%	0.1	0	0
	Master's degree	Persons	8	13	13
	碩士	人			
		%	0.8	1.44	1.50
	Bachelor's degree	Persons	297	311	350
	本科	人			
		%	31.8	34.36	40.37
	Below bachelor's degree	Persons	627	581	504
	本科以下	人			
		%	67.2	64.2	58.13
Number and percentage of employees by area	Employees from Sichuan province	Persons	870	848	814
按地區劃分的員工數量及 比例	四川省	人			
		%	93.2	93.7	93.89
	Employees from Chongqing	Persons	24	23	19
	重慶市	人			
		%	2.6	2.54	2.19
	Employees from areas other than Sichuan Province and Chongqing	Persons	39	34	34
	四川省及重慶市以外地區	人			
		%	4.2	3.76	3.92
Number and percentage of ethnic minority employees	Total number of ethnic minority employees	Persons	35	31	28
少數民族員工數量及比例	少數民族員工的總人數	人			
	Percentage of ethnic minority employees				
	少數民族員工的所佔比例	%	3.8	3.43	3.23

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 prohibit the use of child labor and forced labor. Strictly following 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”, we strictly prohibit the employment of persons under the age of 18. During the recruitment process, we carefully check candidates’ identity and real age to ensure that candidates meet statutory requirements. If violations are found, we will take action to deal with the violation promptly to ensure the smooth operation of our talent system.

In terms of working hour management, the Group guarantees employees’ rights to enjoy rest and vacations stipulated by the state and prohibits the use of forced labor. We formulate the “Employees Management Measures”, “Remuneration Management Measures”, and other normative files, based on which we implement the system of requesting for and exchanging leave of absence for employees. If the working hours exceed the working hours stipulated by the state, overtime wages will be paid for the excess part according to our systems.

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周歲者，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《員工管理辦法》《薪酬管理辦法》等規範性檔，保障員工請假及並嚴格按照檔執行員工的請、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。

Category 指標類別	Indicator 指標	Unit 單位	2023 2023年	2024 2024年
Employee hiring and turnover 員工僱傭與流動	Number of new employees during the year	Persons	44	24
	當年員工新增僱傭數量	人		
	Male	Persons	28	15
	男性	人		
	Female	Persons	16	9
	女性	人		
	Under 30 years old	Persons	24	16
	30歲以下	人		
	30-50 years old	Persons	18	8
	30-50歲	人		
	Over 50 years old	Persons	2	0
	50歲以上	人		
	Number of employees from other areas	Persons	0	0
	其他地區	人		

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2023 2023年	2024 2024年
	Employee turnover rate for the year 當年員工流失率	%	7.62	5.19
	Male 男性	%	4.64	2.93
	Female 女性	%	2.98	2.26
	Under 30 years old 30歲以下	%	0.44	0.23
	30-50 years old 30-50歲	%	4.53	2.14
	Over 50 years old 50歲以上	%	2.65	2.82
	Overseas 境外	%	0	0
	Domestic 境內	%	7.62	5.19
	Employee fluctuation rate for the year 當年員工流動率	%	-2.76	-2.54
	Male 男性	%	-1.55	-1.27
	Female 女性	%	-1.22	-1.27
	Under 30 years old 30歲以下	%	2.21	1.61
	30-50 years old 30-50歲	%	-2.54	-1.27
	Over 50 years old 50歲以上	%	-2.43	-2.88
	Overseas 境外	%	-2.76	0
	Domestic 境內	%	-2.76	-2.54

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Employee Training and 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.

Employee Training

Aligning its development strategy, the Group prioritizes fulfilling employees' individual development needs. We devised tailored training plans for different categories of employees and continuously refined our employee training system. In 2024, the Group prioritized three levels of training programs focusing on enhancing management efficiency, employees' occupational skills, business service awareness, and innovation-driven development. The Group has established a mechanism for nurturing future talents, bolstered the development of talent pipelines, and optimized talent acquisition. To encourage skills transfer and facilitate rapid employee growth, Xinglu Water actively promotes a culture of mentorship, enriches the "mentor-apprentice" training system, and establishes the "Xinglu Water Lecture Hall" as a platform for integrating learning resources and documenting and passing on internal experience. We foster a positive and proactive environment for talent development across the entire Group.

During the reporting period, the Group adopted a hybrid training model combining internal training, external training, and field observation and exchange programs, conducting over 350 training sessions across all organizational levels. Total participation reached 6,353 person-times, including 165 senior executives, 1,263 middle-level managers and subsidiary leaders, and 4,758 general staff.

員工培訓與發展

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。

員工培訓

本集團圍繞企業發展戰略，關注員工個人發展需求，根據員工類別制定培養計劃，不斷完善員工培訓體系，2024年，公司重點在提升管理效能、員工職業技能、經營服務意識、創新驅動等方面編製三個層次的培訓計劃。本集團建立了後備人才培養機制，加強人才梯隊建設，優化人才供給。為鼓勵技藝傳承和促進員工快速成長，興瀘水務大力發揚傳幫帶文化，不斷豐富「師帶徒」培訓體系並打造「興瀘水務大講堂」，整合學習資源，沉澱並傳承內部經驗。在全集團營造積極向上的人才培養氛圍。

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，開展了各層級培訓350餘場次，累計參培6,353人次，其中集團公司高層累計參培165人次、中幹及旗下企業負責人累計參培1,263人次、普通員工累計參培4,758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 conducts special training on “New Productive Forces Driving High-quality Enterprise Development”

案例：興瀘水務集團開展「以新質生產力推動企業高質量發展」專題培訓

To fully implement the important insights of General Secretary Xi Jinping and the spirit of the 20th CPC National Congress, and to gain a deeper understanding and practice of the concept of “new productive forces driving high-quality enterprise development”, the Group held a special training session and seminar on “New Productive Forces Driving High-quality Enterprise Development”. Over 100 attendees, including Zhang Qi, the secretary of the Party committee and Chairman of the Board, leadership team members, heads of various functional departments and subsidiaries, and director-level staff, participated in this training session. 為全面貫徹落實習近平總書記的重要知識和黨的二十大精神，更加深入理解和踐行「新質生產力推動企業高質量發展」的理念，本集團舉辦了「以新質生產力推動企業高質量發展」專題培訓暨研討交流會。集團公司黨委書記、董事長張歧及領導班子成員、各職能部門及分子公司負責人、主管層級人員共100人參加。



To establish a comprehensive system for lifelong education, continuing education, and vocational skills training across society, Xinglu Wastewater Treatment has set up a Vocational Skills Certification Center. In accordance with laws and regulations, the Center conducted the first round of vocational skills education, testing, and evaluation for “Industrial Wastewater Treatment Technicians”. A total of 29 individuals were certified, and those who passed were awarded a skills certificate.

為建設全社會終身教育、繼續教育、職業技能教育培訓制度體系，公司成立職業技能等級認定中心，依法依規開展了第一批次「工業廢水處理工」職業技能教育教學檢測和評價鑒定，通過認定人數29人，依法對合格者頒發人才技能證書。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Employee Training 員工培訓	Total training sessions 培訓總場次	Times 次	374	500	350
	Total number of trainees 培訓總人次	Person-time 人次	8,025	8,423	6,353
	Amount of training expenses 培訓經費支出金額	RMB10,000 萬元人民幣	44.32	68.13	34.13
	Employee training coverage 員工培訓覆蓋率	%	100	100	100
	Proportion of female employees covered by training 培訓覆蓋的女性員工的比例	%	100	100	100
	Proportion of male employees covered by training 培訓覆蓋的男性員工的比例	%	100	100	100
	Proportion of senior management employees covered by training 培訓覆蓋的高級管理層員工的比例	%	100	100	100
	Proportion of middle-level management employees covered by training 培訓覆蓋的中級管理層員工的比例	%	100	100	100
	Proportion of grassroots employees covered by training 培訓覆蓋的基層員工的比例	%	100	100	100
	Average training hours per employee 員工接受培訓平均小時數	Hours 小時	1.2	1.39	1.29
	Average training hours for female employees 女員工接受培訓平均小時數	Hours 小時	3.48	4.26	4.01
	Average training hours for male employees 男員工接受培訓平均小時數	Hours 小時	1.82	2.07	1.89
	Average training hours for senior management 高級管理層接受培訓平均小時數	Hours 小時	21.75	49.75	47.25
	Average training hours for middle-level management 中級管理層接受培訓平均小時數	Hours 小時	16.3	15.77	26
	Average training hours for grassroots employees 基層員工接受培訓平均小時數	Hours 小時	1.33	1.20	1.36

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Assessment and Promotion

To clarify the career development path of employees, the Group 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 “Performance Management Measures”, the Group conducts assessments and uses them on a monthly, quarterly and annual basis. 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.

In 2024, the Group’s skills assessment involved a total of 283 employees. Out of these, 242 registered for the assessment. 118 employees passed the assessment, while 97 did not pass the upgrade exam and were classified as their original level. Additionally, 17 employees who were nearing retirement or unable to participate due to illness were also classified as their original level. A total of 233 employees were assessed, with 138 classified as junior workers, 87 as intermediate workers, and 8 as senior workers. In addition, professional and technical personnel are encouraged and actively organized to participate in continuing education and apply for professional titles. So far, 21 employees have applied for evaluations in various fields and levels, including engineering, environment, construction, archives, and political work.

考核與晉升

為明晰員工職業發展路徑，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《績效管理辦法》，以月度、季度和年度為單位進行考核並運用。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。

2024年，本集團技能考評共涉及283名員工，242人報名，考試通過評定118人，升級考試未通過按原級評定97人，臨退休或因病未參加考試繼續按原等級評定人員17人，評定總人數233人，其中，評定初級工138人，中級工87人，高級工8人。此外，鼓勵並積極組織專業技術人員開展繼續教育和職稱申報，已申報「工程、環境、建設、檔案、政工」等各專業、等級職稱評審21人。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Employee Assessment 員工考核	Number of employees undergoing regular performance and career development evaluations	Persons	933	905	867
	接受定期績效及職業發展考評的員工人數	人			
	Female employees	Persons	303	291	278
	女員工	人			
	Male employees	Persons	630	614	589
	男員工	人			
	Senior management	Persons	7	8	8
	高級管理層	人			
	Middle-level management	Persons	42	41	43
	中級管理層	人			
	Grassroots employees	Persons	884	856	816
	基層員工	人			
	Percentage of employees undergoing regular performance and career development evaluations among all employees	%	100	100	100
	接受定期績效及職業發展考評的員工佔全員百分比				
	Female employees	%	100	100	100
	女員工				
	Male employees	%	100	100	100
	男員工				
	Senior management	%	100	100	100
	高級管理層				
	Middle-level management	%	100	100	100
	中級管理層				
	Grassroots employees	%	100	100	100
	基層員工				

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Employee Health and Safety

Safe Production Management System

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 “Safe Production Law of the People’s Republic of China”, the “Law of the People’s Republic of China on Prevention and Control of Occupational Diseases”, and the “Regulations on the Supervision and Administration of Occupational Health in Workplaces”. The Group improves production safety and occupational health and safety systems, improves safety production and occupational health system management, and properly implements safety risk prevention and control, ensuring production safety and employee occupational health.

The hazardous factors incurred by branches and subsidiaries of the Group are primarily noise, acid mist and acid anhydride, electrician operations, and welding operations. We conduct monitoring and assessment of these hazardous factors and regularly organize occupational health check-ups for relevant personnel. We formulate systems such as the “Safety Production Policy and Target Management Measures”, “Safety, Environmental Protection, and Occupational Health Responsibility System Management Measures”, “Management Measures for Safety, Environmental Protection, and Occupational Health Laws and Regulations Identification and Compliance Evaluation”, “Labor Protection Supplies Management Measures”, and “Occupational Health Management Measures” to continuously improve the safety production standardization system.

- The Group headquarters, Hejiang Water Industry, Nanjiao Water Industry, Beijiao Water Industry, Xinglu Wastewater Treatment, 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);

員工健康與安全

安全生產管理體系

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。

本集團各分子公司主要涉及噪聲、酸霧和酸酐、電工作業以及焊工作業等危害因素。我們主要針對上述危害因素開展監測評估，並定期組織相關人員進行職業健康體檢。制定了《安全生產方針和目標管理辦法》《安全環保職業衛生責任制管理辦法》《安全環保職業衛生法律法規識別及合規性評價管理辦法》《勞保用品管理辦法》《職業健康管理辦法》等制度，不斷完善安全生產標準化體系：

- 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 internal systems and process regulations, such as the “Management System of Protective Equipment for Practitioners” and the “Management System of Publicity, Education, and Training on Prevention and Control of Occupational Diseases”. We conduct testing for occupational hazards at workplaces, organize occupational health education and training sessions, and ensure that key safety management personnel are certified. Employees are provided with appropriate labor protective equipment based on the results of occupational hazard testing. The entire workforce signs safety and environmental protection target responsibility letters. We continuously update safety facilities, equipment, and labor and occupational health protective supplies and allocate additional funds for rectifying hidden safety hazards to comprehensively safeguard the occupational health and safety of our employees.

The Group obtained the ISO 45001 Occupational Health and Safety Management System Certification. Our branches and subsidiaries provide employees with suitable labor protective equipment according to their specific circumstances and sign safety responsibility letters with them. They continuously update safety equipment and facilities, comprehensively ensuring the occupational health and safety of their employees.

- 本集團下屬污水處理業務企業嚴格落實了《從業人員防護用品管理制度》《職業病防治宣傳教育培訓管理制度》等內部制度和流程規定，開展了工作場所職業危害因素檢測，組織了職業健康教育培訓，主要安全管理人員均持證上崗，並按職業危害檢測結果為員工配備對應的勞動防護用品，全員簽訂安全環保目標責任書，持續更新安全設施設備和勞動職業健康防護用品，加大安全隱患整改經費投入，全面保障員工的職業健康安全。

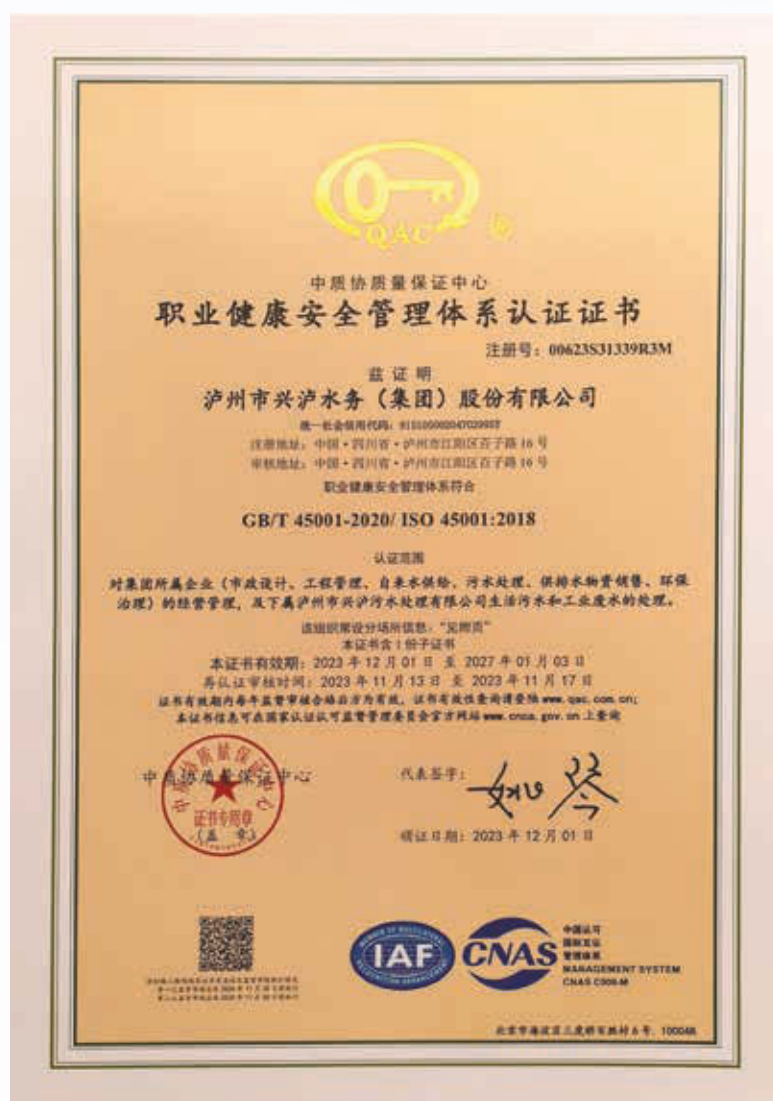
本集團獲得ISO 45001職業健康安全管理体系認證證書。各分子公司根據本單位實際，為員工配備適用的勞動防護用品，並與員工簽訂安全責任書，持續更新安全設備設施，全面保障員工的職業健康安全。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Occupational Health and Safety Management System Certification

職業健康安全管理體系認證證書



Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

For third-party safety management, the Group has established systems such as the “Contractor Safety Management Measures” and the “Stakeholder Safety Management Measures”. Following the principles of pre-event, during-event, and post-event management, we implement safety production management for contractors. We clearly define the safety production qualification requirements for contractors and sign safety production management agreements with them. We consider their safety management responsibilities and operations as equally important components, which are integrated into contract management to guide contractors in strengthening their safety production management capabilities. We provide on-site safety training for all parties involved in construction projects, including contractors. Before the commencement of projects, job briefings are conducted. During the construction process, we perform supervision inspections to encourage the construction parties to adopt civilized construction practices.

During the reporting period, the Group had zero production safety accidents, zero production stoppages caused by human error, and zero water quality safety accidents caused by human error.

對於第三方安全管理，本集團制定了《承包商安全管理辦法》《相關方安全管理辦法》等制度，根據事前、事中、事後的管理原則，對承包商進行安全生產管理。我們明確對承包商的安全生產資質要求，與其簽訂安全生產管理協議，將其安全管理責任與作業內容視為同等重要組成部分，並納入合同管理，指導承包商加強安全生產管理能力。我們對包含承包商在內的建設項目各方進行現場安全培訓，在項目開工前要進行工作交底，建設過程中，進行監督檢查，督促施工方文明施工。

報告期內本集團生產安全事故為0，人為責任造成的停產事故為0，人為造成的水質安全事故為0。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Case study: Safety manager training in the Group

案例：集團公司安全管理員培訓

In July 2024, the Group hired Luzhou Yun'an Technical School to conduct specialized safety knowledge training for the Group's key leaders and safety management personnel. The training covered safety laws, regulations, and other related knowledge, aiming to enhance the safety awareness of safety managers at all levels, to place a high priority on the Group's safety efforts, and to effectively implement the primary responsibility for safety.

2024年7月，公司外聘瀘州市運安技術學校對公司主要領導人及安全管理人員開展安全知識專項培訓，培訓內容涵蓋安全法律、法規等相關知識，旨在提高公司各級安全管理員的安全意識，高度重視公司安全工作，切實落實安全主體責任。



Occupational Health Protection

The Group strictly adheres to 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 Prevention and Control of Occupational Diseases", and the "Management Rules for Labor Protection Supplies of Employers". We have established a comprehensive occupational health and safety system to continuously improve the working and office environments for employees.

職業健康保護

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。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

The Group conducts regular occupational health and safety education and training sessions to actively foster a culture of safety production. Through activities such as safety knowledge learning, safety policy promotion, and safety skills training, the overall safety awareness of all employees is strengthened. In strict accordance with the requirements of the “Technical Specifications for Occupational Health Surveillance” (GBZ 188-2014), the Group establishes an occupational health management team and organizes employees to sign the “Safety and Environmental Protection Occupational Health Responsibility Letter” every year to strictly implement the Group’s occupational health management system.

本集團定期開展職業健康與安全教育培訓，積極營造安全生產文化氛圍，通過安全知識學習、安全政策宣貫、安全技能培訓等活動，強化全員安全生產意識。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，每年組織員工簽訂《安全環保職業健康責任書》，嚴格執行本集團職業衛生管理制度。

Occupational Health Protection Management System

職業健康保護管理體系

Employee Medical Examinations	The Group purchased annual health examination packages for all employees. We organize front-line employees to receive occupational health examinations before onboarding, during working on the post, and after leaving the post every year. We insist on monitoring occupational disease hazard factors and maintaining occupational health monitoring records for employees, so as to effectively protect employees’ occupational health.
員工體檢	公司為全體員工購買了年度健康體檢套餐，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，堅持每年開展職業病危害因素監測，並建立員工職業健康監護檔案，切實保障員工職業健康。
Safety Training	We 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, and special training on improving water quality. The training sessions include training for new employees and annual retraining for established employees.
安全培訓	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，培訓內容包括危廢品處理培訓、提升水質的專項培訓等，培訓人群包括新員工培訓，及老員工每年的復訓。
Equipment Assurance	At each relevant production site, we provide employees with necessary protective equipment, such as oxygen respirators, protective clothing, and other protective equipment.
設備保障	在各相關生產場站，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；
Insurance Payment	We provide work-related injury insurance for all regular employees. The labor union purchases commercial insurance for employees to ensure that employees who suffer work-related accidents or illnesses can receive medical relief and economic compensation.
保險繳納	為全體正式職工繳納了工傷保險，工會為員工購買商業保險，以保障員工因工作原因造成事故傷害或患病的職業可以獲得醫療救濟和經濟補償。

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 took a number of measures to effectively implement safety responsibilities: 報告期內，我們採取多項措施，有效落實安全責任：

- Organized relevant personnel to participate in occupational health examinations, with a total of 66 individuals participating in the examinations; 組織相關人員參加職業病健康體檢，參與職業病體檢人數66人；
- Organized employees to participate in the safety knowledge learning and quiz activity on “Criteria for Determining Major Accident Hazards”, with a total of 19,035 participants engaging in the learning and quiz; 組織員工參加「重大事故隱患判定標準」安全知識學習答題活動，共19,035人次參與學習答題；
- Organized 15 relevant management personnel, including key managers and department leaders, to participate in the annual training for occupational health management personnel organized by Luzhou Yinkang Health Management Training Co., Ltd. They successfully passed the assessment and obtained management certificates. 組織包括主要負責人、分管領導在內的相關管理人員15人，參加了瀘州市茵康健康管理培訓有限公司舉辦的職業健康管理人員年度培訓，並順利通過考核取得管理證書。

During the reporting period, the Group reported a zero occupational disease incidence rate, and a 100% periodic medical examination rate for positions exposed to occupational hazards. 報告期內本集團職業病發生率為0，職業危害崗位定期體檢率100%。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Category 指標類別	Indicator 指標	Unit 單位	2022 2022年	2023 2023年	2024 2024年
Health and Safety 健康與安全	Number of participants in safety education and training 安全教育培訓人次	Person-time 人次	9,376	10,442	11,651
	Safety education and training coverage 安全教育培訓覆蓋率	%	100	100	100
	Number of work-related fatalities 員工因工死亡人數	Persons 人	0	0	0
	Work-related employee mortality rate 員工因工死亡率	%	0	0	0
	Number of industrial accidents 工傷事故數	Times 次	2	5	4
	Lost work days due to work injury 因工傷損失工作日數	days/year 天/年	67	162	125
	Investment in safety production 安全生產投入	RMB10,000 萬元人民幣	569.67	759.47	465
	Employee medical examination coverage 員工體檢覆蓋率	%	100	100	100
	Coverage rate of special physical examination for women 女性專項體檢覆蓋率	%	100	100	100
	Occupational disease medical examination coverage 職業病體檢覆蓋率	%	100	100	100

Employee Compensation and Benefits

員工薪酬與福利

Employee Compensation System

員工薪酬體系

To mobilize employees' enthusiasm and creativity for work and build a harmonious labor relationship, the Group has formulated internal systems such as the "Remuneration Management Measures", "Management Measures for Performance Evaluation and Compensation of Management Members of Subsidiary Enterprises", and "Management Measures for Total Wages". We strictly follow these normative files to distribute and adjust employees' salaries and verify salaries of enterprises, ensuring that employees' legitimate rights and interests are fully protected in terms of salary management, working hour management, and employee benefits. This creates a good platform for the growth and development of employees.

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》《旗下企業經理層成員經營業績考核和薪酬管理辦法》《工資總額管理辦法》等內部制度，嚴格按照以上規範性文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，為員工的成長發展創造良好平台。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

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 smoothen the channels for democratic management.

We regularly hold employee representative meetings and organize employee representatives to participate in the leadership team's "one report, two evaluations" assessment sessions, as well as the assessment of grassroots Party building work by Party organization secretaries. We also organize employee supervisors to participate in relevant meetings of the Group's operation and management. For all major matters involving the vital interests of employees, an employee representative meeting will be convened for discussion and voting. We 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 2024, there were no incidents of petitions or mass events. In 2024, the Group held a total of six labor union committees and two employee congresses.

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.

Employee Welfare and Protection

In terms of employee welfare, the Group provides education and training sessions, labor protection benefits, birthday and holiday greetings, employee canteen services, and labor union organizations. In addition to legally providing the five social insurance and one housing fund for employees with labor contracts, we also offer workers' medical mutual aid insurance and safety production liability insurance, as well as transportation subsidies, annual medical examinations, and occupational health examinations for each employee, ensuring the protection of employee rights and benefits.

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》，暢通民主管理渠道。

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、黨組織書記抓基層黨建工作述職評議考核等工作；組織職工監事參加集團經營管理相關會議。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，2024年無上訪及群體事件發生。2024年本集團共召開工會委員會6次，職代會2次。

我們實行內外結合的公開形式，及時公開企業生產經營、管理發展方面的信息，使員工可以了解本集團動態，獲取關注的熱點信息，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。

員工福利保障

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，額外為每位員工購買職工醫療互助保險和安全生产責任險，並為員工提供交通費等補貼、年度體檢和職業健康體檢等，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)

Employee Care

The Group always adheres to the people-oriented strategy. During the reporting period, we organized various activities such as International Women's Day themed activity, employee photography and short video competitions, employee skills competitions, summer cool-off events, support for employees in difficulties, and visits to retired staff. These initiatives aim at enhancing employee care, boosting their work enthusiasm, and promoting the Group's sustainable and healthy development.

We implement targeted assistance. We pay attention to the suffering of employees, insist on helping those in need, dedicate love to them with practical actions, reduce their pressure of life, and form a corporate culture of mutual help and love. The labor union of the Group clarified the main causes of difficulties and assistance needs of the employees in difficulties in accordance with the filing standards of the ACFTU's "Management Measures for the Files of Employees in Difficulties", implemented assistance measures and assigned responsible persons for assistance, and appointed personnel responsible for file management to standardize the management of the files of employees in difficulties. The Group provides precise assistance to employees in difficulties, aiming to seek greater benefits for employees and build an emotional bridge between the labor union and employees.

員工關懷

本集團始終堅持以人為本。報告期內，我們通過舉辦國際三八婦女節主題活動、員工攝影、短視頻大賽、員工技能競賽、夏季送清涼慰問活動、幫扶困難員工、慰問退休職工等多項活動，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。

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。集團工會按照全總《困難職工檔案管理辦法》的建檔標準，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梁。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Case study: Organizing visits to Party members and employees in difficulties before the Spring Festival

案例：春節前組織對困難黨員和困難職工進行慰問

The Party committee and labor union of the Group adhere to providing assistance to Party members and employees facing hardships, and other employees who meet the assistance criteria. The focus is on helping employees address daily difficulties. Every year, before the Spring Festival, we organized visits to Party members and employees in difficulties.

集團公司黨委、工會堅持對公司困難黨員、困難職工及其他符合幫扶條件的員工提供幫助，重點幫助員工解決日常生活苦難問題，堅持每年春節前夕組織對困難黨員、困難職工進行慰問。



Organization of cultural and sports activities: 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, including:

- Held the “Chinese Dream · Beauty of Labor” staff photography and short video competition to further enrich the cultural life of employee;
- Organized the activity of soliciting calligraphy, painting and photography works with the theme of “Paying Tribute to Pollution Control Heroes and Forging Ahead on a New Journey”;
- Organized the hiking activity titled “Hiking for Health, Energizing Wastewater Treatment”;
- Organized and held a symposium on the occasion of the Army Day (August 1st), and visited veterans and their families.
- 舉辦「中國夢·勞動美」職工攝影、短視頻大賽，進一步豐富員工業餘文化生活；
- 組織開展「禮贊治污人，奮進新徵程」書畫攝影作品徵集活動；
- 組織開展「健康同行，活力污水」徒步活動；
- 組織召開了八一建軍節座談會，並對退役軍人及家屬進行了慰問。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Caring for female employees: 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 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:

- Carried out the themed activity of “Women Devoted to the Party to Advance on a New Journey” for International Women’s Day;
- Carried out cervical cancer screenings for female employees to effectively safeguard their physical and mental health;
- Purchased comprehensive health insurance and major illness insurance plans (Plan B) specifically for female employees, ensuring comprehensive coverage.

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：

- 開展「巾幗心向黨奮進新征程」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；
- 為女職工購買女工大病保險及女工大病保險B計劃，做到應保盡保。

SHARED ACCOUNTABILITY, POWERING MULTI-WIN SUCCESS

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.

責任擔當，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，通過參與社區共建、精準扶貧等活動，樹立有責任、有擔當的良好企業形象。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Supplier Management System

The Group adheres to the principles of honesty, mutual trust, and win-win cooperation, aiming to create a fully integrated, high-quality, and sustainable supply chain. During the reporting period, the Group continued to strictly follow internal systems such as the “Supplier Management Measures” and “Materials Management Measures” to optimize the material procurement process. During the reporting period, to streamline procurement management, the Group revised the “Materials Management Measures” and “Supplier Management Measures”. Additionally, we integrated and optimized the “Materials Management Measures” and “Bidding and Selection Management Measures” into the “Procurement Management Measures” to manage the procurement of materials and services comprehensively, uniformly, and systematically.

The Group continues to strengthen supplier admission, review, evaluation, and removal management. Suppliers are evaluated through a combination of daily assessments and year-end reviews. The Group examines suppliers’ ESG performance to reduce environmental and social impacts and build a sustainable future.

Supplier Access System

Considering various factors such as the supplier’s corporate strength, product quality, delivery cycle, product price, after-sales service, safety and environmental standards, and whether the supplier has obtained ISO 9001 and ISO 14001 management system certifications, the Group selects cost-effective suppliers as key partners through open bidding, invitation-based selection, and inquiries for quotation. The Group establishes supplier records for all confirmed suppliers, conducts qualification reviews, evaluations, and interviews, and carries out daily management and annual reviews in accordance with the Group’s “Supplier Management Measures”.

During the reporting period, the Group conducted admission reviews on 10 suppliers for water treatment materials, mechanical water meters, large valves, and low-consumption materials through methods such as open bidding, invitation-based selection, and inquiries for quotation. The Group achieved a 100% coverage rate for auditing safety and environmental clauses for new suppliers.

供應商管理體系

本集團秉承誠實互信、合作共贏理念，打造全鏈條、高品質、可持續的供應鏈。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，為便於統籌採購管理，對《物資管理辦法》《供應商管理辦法》進行修訂，並將《物資管理辦法》與《招標比選管理辦法》整合優化為《採購管理辦法》，從而全面、統一、規範地對物資、服務等採購工作進行管理。

本集團持續強化供應商准入、審核、評價、清退等管理，通過日常考核與年終評審相結合方式對供應商進行評價，檢視供應商ESG表現，降低環境及社會影響，構建可持續發展未來。

供應商准入制度

本集團綜合考慮企業實力、供貨質量、交貨周期、產品價格、售後服務、安全環保，以及是否取得ISO9001、ISO14001管理體系認證等多個方面，通過公開招標、邀請比選、詢價等方式選聘出性價比高的供應商作為本集團重點供應商。本集團對所確立的供應商建立供應商檔案，對供應商進行資質審核、考察、約談等，並根據本集團《供應商管理辦法》對供應商進行日常管理和年度評審。

報告期內，本集團對制水材料、機械水錶、大閥門、低耗材料等，通過進行公開招標、邀請比選、詢價等方式對10家供應商進行准入審核。本集團新供應商關於安全環保條款審核覆蓋率達100%。

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 and conducts regular supervision and reviews. When selecting suppliers through methods such as open bidding, invitation-based selection, and inquiries for quotation, we clearly specify the technical/quality requirements for the products provided by the suppliers in the selection documents and reflect these standards in the procurement contracts. We emphasize a culture of integrity and transparency within the supply chain, requiring all suppliers, engineering contractors, and labor service providers to abide by the code of ethical conduct, so as to strictly prevent any form of corrupt practices.

Supplier ESG Responsibility Management

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. Suppliers that have caused certain negative social impacts in terms of ESG will be subject to various punitive measures by the Group, such as risk warnings, downgrade of status, suspension of cooperation, or inclusion in a blacklist. The severity of the measures will depend on the social impact and the supplier management system.

- According to the “Materials Management Measures”, “Supplier Management Measures”, and “Procurement Management Measures” formulated by the Group, suppliers with a 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 certificates, special equipment design or manufacturing licenses, certificates of products that must be included in compulsory certification as stipulated by the state, water sanitation license approval documents, etc.;
- The Group has formulated the “Materials Management Measures” and “Supplier Management Measures” to identify ESG risks in planning, procurement, acceptance, warehousing, contracts, and assessment;

供應商評審監督

本集團對合格供應商實施動態管理，定期開展監督審核：在採取公開招標、邀請比選、詢價等方式選擇供應商時，在選聘文件中明確對供應商提供的產品需滿足的技術／質量要求，並在簽訂採購合同時體現產品技術／質量標準條款；重視誠信廉潔的供應鏈文化，要求全體供應商和工程項目承建單位、勞務單位等遵守廉潔從業準則，堅決杜絕各類反腐敗行為。

供應商ESG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。針對在ESG方面造成一定社會負面影響的供應商，本集團會根據其社會影響程度及供應商管理制度，對此供應商採取風險警告、降級處理、中止合作、列入黑名單等不同的處罰措施。

- 根據集團制定的《物資管理辦法》《供應商管理辦法》《採購管理辦法》，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、質量有保證、售後服務及時的供應商；

- 要求供應商提供質量(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》《供應商管理辦法》，對計劃、採購、驗收、入庫、合同、考核各環節的ESG風險進行識別；

Chapter X
第十章

Environmental, Social and Governance Report (Continued)
環境、社會及管治報告(續)

- When signing a procurement contract, we 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;

-
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議，對產品及運輸所涉及的环境因素、職業健康安全風險進行有效控制；
- 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 指標名稱	Unit 單位	2022 2022年度	2023 2023年度	2024 2024年度
Total number of suppliers 供應商總數	Number 個	237 131	199 138	232 180
Number of suppliers by region 按地區劃分的供應商數量	Number of suppliers in Sichuan Province 四川省供應商數目	Number 個	68 69	77.59
	Number of suppliers in Chongqing 重慶市供應商數目	%		
		Number 個	12 23	14
	Number of suppliers in the Chinese mainland other than Sichuan and Chongqing 四川及重慶以外大陸地區供應商數目	%	6 12	6.03
		Number 個	51 38	38
		%	26 19	16.38

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Indicator 指標名稱		Unit 單位	2022 2022年度	2023 2023年度	2024 2024年度
Number and proportion of suppliers by category – sewage treatment business 按類別劃分的供應商數量及比例－污水處理業務	General equipment 通用設備類	Number 個	20	23	11
		%	16.5	26	7.53
	Professional equipment 專業設備類	Number 個	16	9	50
		%	13.2	10	34.25
	Special equipment 特種設備類	Number 個	0	0	0
		%	0	0	0
	Safety materials 安全物資類	Number 個	3	3	3
		%	2.5	3	2.05
	Production of medicines 生產藥劑	Number 個	14	8	13
		%	11.6	9	8.90
	Production aids, logistical materials 生產輔助、後勤物資	Number 個	45	14	31
		%	37.2	16	21.23
	Service outsourcing 服務外包	Number 個	23	30	38
		%	19.0	34	26.03
	Main material 主材類	Number 個	46	40	40
		%	63.0	36	46.51
Number and proportion of suppliers by category – water supply business 按類別劃分的供應商數量及比例－自來水業務	Accessories 輔材類	Number 個	11	32	17
		%	15.1	29	19.77
	Important material 重要材料	Number 個	6	13	4
		%	8.2	12	4.65
	Equipment 設備類	Number 個	12	19	23
		%	16.4	17	26.74
	Electrical 電氣類	Number 個	2	8	2
		%	2.7	7	2.33
	Implementation of annual evaluation rates on practices to suppliers 向供應商執行有關慣例的年度評價率	%	100	100	100

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Boosting Industry Development

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. 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.

Industry-University-Research Cooperation

The Group focuses on the development of industry-university-research cooperation. We have successfully established a municipal-level expert workstation with a top-tier team led by three domestic academicians. Additionally, we signed the “Service Agreement for Science and Technology Special Agents of Luzhou Enterprises” with Sichuan Vocational College of Chemical Technology. Invited by the Sichuan Provincial Water Pollution Control Service Association, we participated in drafting the “Group Standard for Credit Evaluation of Sewage Treatment Plants/Stations in Sichuan Province”, driving the Group’s high-quality development and transformation.

助力行業發展

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，協助同業管控指標。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。

產學研合作

本集團注重產學研合作發展，公司與國內3名院士領銜的頂尖專家團隊成功創建了市級專家工作站，與四川化工職業技術學院簽訂《瀘州市企業科技特派員服務協議書》，應四川省水污染治理服務協會邀請參與起草《四川省污水處理廠／站信用評價規範團體標準》，推動本集團實現高質量發展和轉型升級。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Participation in Industry Associations

參加行業協會

Association name 協會名稱	Participants (job status) 參會主體（任職情況）
China Urban Water Supply and Drainage Association 中國城鎮供水排水協會	Luzhou Xinglu Water (Group) Co., Ltd. (Member) 瀘州市興瀘水務（集團）股份有限公司（會員）
Sichuan Urban Water Supply and Drainage Association 四川省城鎮供排水協會	Luzhou Xinglu Water (Group) Co., Ltd. (Executive Director Unit) 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 瀘州市青年企業家協會	Luzhou Xinglu Water (Group) Co., Ltd. (Vice President Unit) 瀘州市興瀘水務（集團）股份有限公司（副會長單位）
Sichuan Provincial Association of Environmental Protection Industry 四川省環境保護產業協會	Luzhou Xinglu Water (Group) Co., Ltd. (Executive Director Unit) 瀘州市興瀘水務（集團）股份有限公司（常務理事單位）
Luzhou Association of Environmental Protection Industry 瀘州市環境保護產業協會	Luzhou Xinglu Water (Group) Co., Ltd. (Executive Director Unit) 瀘州市興瀘水務（集團）股份有限公司（常務理事單位）
Sichuan Quality Supervision Association 四川省質量監督協會	Luzhou Xinglu Water (Group) Co., Ltd. (Executive Director Unit) 瀘州市興瀘水務（集團）股份有限公司（常務理事單位）
All-China Environment Federation 中華環保聯合會	Luzhou Xinglu Wastewater Treatment Co., Ltd. (Director Unit) 瀘州市興瀘污水處理有限公司有限公司（理事單位）
Sichuan Drainage Management Committee 四川省排水專業管理委員會	Luzhou Xinglu Wastewater Treatment Co., Ltd. (Vice Director Unit) 瀘州市興瀘污水處理有限公司有限公司（副主任單位）
Sichuan Urban Water Supply and Drainage Association 四川省城鎮供水排水協會	Luzhou Xinglu Wastewater Treatment Co., Ltd. (Executive Director Unit) 瀘州市興瀘污水處理有限公司有限公司（常務理事單位）
Luzhou Association of Environmental Protection Industry 瀘州市環境保護產業協會	Luzhou Xinglu Wastewater Treatment Co., Ltd. (Director Unit) 瀘州市興瀘污水處理有限公司有限公司（理事單位）
Sichuan Provincial Water Pollution Control Service Association 四川省水污染防治服務協會	Luzhou Xinglu Wastewater Treatment Co., Ltd. (Vice President Unit) 瀘州市興瀘污水處理有限公司有限公司（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)

Participation in Drafting Industry Standards

參編行業標準

The Group actively engages in drafting industry standards to foster standardized growth.

公司積極參與行業標準編製，助力行業規範發展。

- At the “Conference on Enhancing the New Productive Forces of River and Lake Water Ecology and Improving the Quality and Efficiency of Sewage Treatment Plants in Sichuan Province”, organized by the Sichuan Water Pollution Control Association, Xinglu Wastewater Treatment was awarded a certificate for participating in the drafting of the group standard “Credit Evaluation Standards for Urban Domestic Sewage Treatment Enterprises in Sichuan Province”.
- 四川省水污染治理服務協會主辦的「四川省河湖生態新質生產在力提升暨污水處理廠提質增效研討會」上，與瀘污水處理公司榮獲《四川省城鎮生活污水處理企業信用評價規範》團體標準參編單位證書；
- Xinglu Wastewater Treatment participated in drafting the “Credit Evaluation Standards for Urban Domestic Wastewater Treatment Enterprises in Sichuan Province”. The Company was awarded a certificate by the Sichuan Provincial Water Pollution Control Service Association for participating in the drafting of the group standard, showcasing its expertise in setting industry standards and enhancing its authority and influence within the industry.
- 污水公司參編《四川省城鎮生活污水處理企業信用評價規範》，公司榮獲四川省水污染防治協會頒發的團體標準參編單位證書，體現了公司在行業標準制定方面的專業能力，提升了公司在行業內的權威性和影響力。

Warming the Communities with Passion in Charity

熱心公益，溫暖社會

Charity Activities

公益慈善

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. During the reporting period, employees of the Group actively participated in community and related voluntary activities to contribute to building a harmonious society:

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。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：

- Participated in the 2024 “Charity Day Donation”, actively organizing employees to donate to the Luzhou Charity Federation;
- 參加2024年「慈善一日捐」活動，積極組織員工向瀘州市慈善總會捐款；
- Participated in the “Backbone Project” for students in 2024 and donated RMB9,000 to the Luzhou Branch of Sichuan Poverty Alleviation Foundation;
- 參加2024年棟樑工程捐資助學公益活動，向四川省扶貧基金會瀘州市分會捐款9,000元；

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

- Organized visits to nursing homes to comfort lonely elderly residents and provided free haircuts as a heartwarming service;
 - Responded to initiatives like “Benevolent Luzhou, Charity in Action”, the “Chunlei Program”, and “Charity Day Donation” with active financial support;
 - Xinglu Wastewater Treatment fully leveraged the vitality of community groups, upholding the principle of prioritizing the people. It actively addressed the pressing issues faced by the community through the “I Serve the People” initiative, demonstrating the mission and responsibility of a state-owned enterprise;
 - Xinglu Wastewater Treatment’s Party branch formed six volunteer teams of Party members, participating in or organizing 25 community service activities throughout the year. Actively participated in emergency response efforts to repair damaged sewage pipes in Luxian County and Gangcheng Avenue, effectively mitigating environmental risks.
- 組織到敬老院慰問孤寡老人，開展愛心義剪暖心服務；
 - 組織響應「博愛瀘州，愛心相隨」、「春蕾計劃」、「慈善一日捐」等公益捐款；
 - 污水公司充分發揮群團活力，堅持人民至上，圍繞解決群眾急難愁盼問題切實開展「我為群眾辦實事」活動，彰顯國企使命擔當；
 - 污水公司黨總支組建的6支黨員志願服務隊，全年組織或參與公益活動25次。積極投身瀘縣、港城大道截污乾管破損應急搶險，有效化解了環保風險。

Case study: Community volunteer service of Xinglu Water Group

案例：興瀘水務集團社區志願服務

Every month, volunteers were organized to participate in the “One-hour Weekly Volunteer Service” activity in the Youyi Road Community in Naxi District. Volunteers promoted garbage classification, water conservation, and the consolidation of achievements in building civilized cities and national health cities among street vendors and pedestrians.

每月組織志願者到納溪區友誼路社區與開展「每周志願服務一小時」活動。志願者在沿街商戶和路過行人進行垃圾分類、用水以及就鞏固全国文明城市和國家衛生城市創建成果開展宣傳。



Chapter X

第十章

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Case study: Carrying out volunteer services to clean meter boxes
案例：組織志願者開展表箱清理志願服務活動



Indicator 指標名稱	Unit 單位	2022 2022年度	2023 2023年度	2024 2024年度
Number of times of organizing or participating in public welfare activities 組織或參與公益活動的次數	Times 次	38	30	28
Number of people organizing or participating in public welfare activities 組織或參與公益活動的人次	Person-time 人次	792	168	140
Duration of organizing or participating in public welfare activities 組織或參與公益活動的時長	Hours 小時	104	48	32
Amount invested in public welfare activities 公益慈善捐贈總投入	RMB10,000 萬元人民幣	5.10	8.1	5.9

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

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. Yuxiangping Village is advancing the production and sales of cured meat products through a new model. Tianshengqiao Village is continuously developing its sweet orange industry and exploring tourism projects centered around its unique caves. Santai Village is focusing on expanding its Dongniu Ranch, planting isatis roots, and oil-tea camellia cultivation. Yudong Village is starting a blueberry cultivation project. All towns and villages are actively tapping into the potential of their unique local industries, continuously exploring strategies and boosting rural revitalization.

- A water supply and irrigation station was constructed at Ma'erpo in Yuxiangping Village, solving the drinking water problem for 1,864 people across 485 households from communities 1 to 6. Currently, a reservoir is being constructed, and water sources are being introduced. Once completed, this will significantly alleviate the severe water shortages faced by villagers during the dry season.
- Santai Village proactively constructed a new 200-cubic-meter reservoir and added 3 kilometers of emergency pipelines, effectively alleviating the water supply issues faced by some farmers during the drought season. The Group mobilized human and material resources to urgently repair a large sinkhole with a diameter of 2 meters and a depth of 20 meters and address the erosion of a 15-meter retaining wall caused by rainwater.
- In 2024, prolonged heavy rains battered Yuxiangping Village, causing a landslide on the Tonggupo road section. The mountainside on the inner side of the road collapsed, leaving over 300 cubic meters of unstable rocks. This posed significant inconvenience and a threat to the safety of residents and students commuting to school. Xinglu Water Group allocated a special fund of RMB50,000 to assist with the repair work on this road section, addressing the road safety issues in the village.

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。魚香坪村通過新模式發展臘肉制品加工銷售、天生橋村持續發展甜橙產業以及開發以溶洞為特色的旅游項目，三台村持續發展東牛牧場、板藍根種植以及油茶項目，漁洞村著手發展藍莓種植項目，各鎮村都在不斷挖掘鄉村特色產業潛力，不斷謀劃提升產業的附加值，助力鄉村振興。

- 魚香坪村在馬兒坡集中修建供水提灌站一處，解決了1至6社485戶1864人的飲水問題。目前正在修建水池、引進水源，修建成功後將進一步緩解旱季村民缺水嚴重問題。
- 三台村主動新建蓄水池200立方米，新增應急管道3千米，有效緩解乾旱時節部分農戶用水難題。組織人力物力搶修直徑2米、深度20米的塌陷巨坑1處，雨水侵蝕塌陷堡坎15米。
- 2024年，魚香坪村遭遇長時間暴雨沖刷，導致銅鼓坡公路路段山體滑坡，公路內側山體巖垮塌，餘下危巖300餘方，給群眾生產生活和學生上學帶來嚴重不便和生命安全威脅。興瀘水務集團提供專項資金5萬元，幫助該路段的維修工作，解決該村道路安全問題。

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

APPENDIX

附錄

Awards and Achievements

獎項榮譽

Awardee 獲獎單位	Award 獎項
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	Won the “2024 Development Contribution Award” from Luzhou Xinglu Investment Group Co., Ltd. 獲瀘州市興瀘投資集團公司「2024年度發展貢獻獎」
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	The “Internet+ production management” system won third place in the Sichuan finals of the National “Data Elements X” Competition 「互聯網+生產管理」系統榮獲「數據要素×」全國大賽四川分賽總決賽三等獎
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	Participated in the knowledge competition on the “Regulations on Punishments for Managers of State-owned Enterprises” organized by Luzhou Xinglu Investment Group Co., Ltd. and won the second prize in the team category 參加興瀘集團《國有企業管理人員處分條例》知識競賽，獲得團體二等獎
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	Participated in the Luzhou Safety Production Emergency Science Popularization Scene Play Competition and won the “Outstanding Organization Unit” award 參加瀘州市安全生產應急科普情景劇比賽，獲「優秀組織單位」獎
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	Organized participation in the 2024 “Ankang Cup” knowledge competition held by the General Office of Sichuan Federation of Trade Unions won the “Outstanding Organization Unit” award 組織參加2024年四川省總工會辦公室「安康杯」知識競賽，榮獲「優秀組織單位」獎
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	Participated in the assessment of the 2023 industrial producer price survey conducted by the General Office of Luzhou Investigation Team of the National Bureau of Statistics and was awarded second place 參與國家統計局瀘州調查隊辦公室2023年工業生產者價格調查工作考核，被評比為二等獎

Chapter X Environmental, Social and Governance Report (Continued)

第十章 環境、社會及管治報告(續)

Awardee 獲獎單位	Award 獎項
Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司	Won the third prize as an advanced collective in information and publicity work in 2023 from Luzhou Xinglu Investment Group Co., Ltd. 獲瀘州市興瀘投資集團公司2023年度信息宣傳工作先進集體「三等獎」
Luzhou Xinglu Wastewater Treatment Co., Ltd. 瀘州市興瀘污水處理有限公司	Winner of the Outstanding Group Award in the 2023 Luzhou Labor and Skills Competition 榮獲2023年瀘州市勞動和技能競賽優秀集體
Luzhou Xinglu Wastewater Treatment Co., Ltd. 瀘州市興瀘污水處理有限公司	Excellent Unit of Urban Sewage O&M in Sichuan Province 四川省城鎮生活污水處理優秀運維企業
Luzhou Xinglu Wastewater Treatment Co., Ltd. 瀘州市興瀘污水處理有限公司	Excellent Unit of Village Sewage O&M in Sichuan Province 四川省村鎮生活污水處理優秀運維單位
Luzhou Xinglu Wastewater Treatment Co., Ltd. 瀘州市興瀘污水處理有限公司	Advanced Unit of New Productive Forces in Intelligent Water Pollution Control in Sichuan Province 四川省智慧水污染治理新質生產力先進單位
Luzhou Xinglu Wastewater Treatment Co., Ltd. 瀘州市興瀘污水處理有限公司	Advanced Unit of Sustainable Development in Water Pollution Control in Sichuan Province 四川省水污染治理可持續發展先進單位
Luzhou Xinglu Wastewater Treatment Co., Ltd. 瀘州市興瀘污水處理有限公司	Xinglu Wastewater Treatment directed a safety production emergency science popularization scene play titled "Wish You Safe", which won second place in Luzhou Safety Production Emergency Science Popularization Scene Play Competition and advanced to the provincial finals. Xinglu Water Group and Xinglu Wastewater Treatment were both recognized as "Outstanding Organizing Unit". 污水公司編導《祝你平安》安全生產應急科普情景劇，獲瀘州市安全生產應急科普情景劇比賽二等獎並進入省決賽，水務集團、污水公司分別獲「優秀組織單位」。

Chapter XI Financial Report

第十一章 財務報告

Audit Report 審計報告

To the shareholders of Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務（集團）股份有限公司全體股東：

I. AUDIT OPINION

We have audited the financial statements of Luzhou Xinglu Water (Group) Co., Ltd. (the “Company” or “Xinglu Water”), which comprise the consolidated and the Parent Company’s balance sheets as at 31 December 2024, 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 2024 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 2024 and its and the Parent Company’s consolidated results of operations and cash flows for the year 2024 in accordance with the Accounting Standards for Business Enterprises.

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 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.

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」）財務報表，包括2024年12月31日的合併及母公司資產負債表，2024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2024年12月31日的合併及母公司財務狀況以及2024年度的合併及母公司經營成果和現金流量。

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，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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Audit Report (Continued)

審計報告(續)

III. KEY AUDIT MATTERS

三、關鍵審計事項

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.

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。

1. Revenue recognition

1、收入確認事項

Key audit matters 關鍵審計事項

Audit response 審計中的應對

As shown in 37. Operating Revenue and Operating Costs of Note V to the financial statements of Xinglu Water, Xinglu Water 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 2024 was RMB1,313 million, accounting for 98.71% of the current operating revenue. Whether the recognition of operating revenue is appropriate has a significant impact on the financial statements of Xinglu Water. Therefore, we identified the recognition of the operating revenue of Xinglu Water as a key audit matter.

如興瀘水務財務報表附註五、37.營業收入、營業成本所示，興瀘水務主要從事供水、污水處理和戶表安裝工程業務，2024年度供水、污水處理和戶表安裝工程業務合計營業收入為13.13億元，佔當期營業收入的98.71%。營業收入的確認是否適當對興瀘水務財務報表將產生重大影響，因此我們將興瀘水務的營業收入確認確定為關鍵審計事項。

The following procedures were primarily performed during the process of audit on the financial statements for 2024:

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 recognized in the monthly sales report aggregated by the water volume recorded in each meter reading section in each month and different tap water;
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.

2024年度財務報表審計中，主要執行以下程序：

- 1、了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；
- 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)

審計報告(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	Audit response 審計中的應對
As stated in 11. Fixed assets and 12. Construction in progress of Note V to the financial statements of Xinglu Water, 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 2024, the aggregate carrying amount of fixed assets and construction in progress amounted to RMB3,973 million, accounting for 55.28% 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 27.62% of the fixed assets. Therefore, we identified the existence of fixed assets as a key audit matter. 如興瀘水務財務報表附註五、11.固定資產、12.在建工程所示，興瀘水務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，2024年12月31日固定資產及在建工程賬面餘額合計39.73億元，佔資產總額的55.28%，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27.62%，故我們將固定資產的存在認定作為關鍵審計事項。	The following procedures were primarily performed during the process of audit on the financial statements for 2024: 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; 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. 2024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； 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Audit Report (Continued)

審計報告(續)

IV. OTHER INFORMATION

The management of Xinglu Water (hereinafter referred to as the "Management") is responsible for other information. Other information includes information covered in the 2024 Annual Report of Xinglu Water, 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.

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.

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.

四、其他信息

興瀘水務管理層(以下簡稱「管理層」)對其他信息負責。其他信息包括興瀘水務2024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。

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。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Audit Report (Continued)

審計報告(續)

In preparing the financial statements, the management is responsible for assessing Xinglu Water'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's financial reporting process.

在編製財務報表時，管理層負責評估興瀘水務的持續經營能力，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、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的財務報告過程。

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.

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Audit Report (Continued)

審計報告(續)

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

六、註冊會計師對財務報表審計的責任(續)

(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. (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'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 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.	(2) 了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。 (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)

審計報告(續)

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

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

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

六、註冊會計師對財務報表審計的責任(續)

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(特殊普通合夥)

Certified Public Accountants in China:

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)

中國註冊會計師：

March 28, 2025
二〇二五年三月二十八日

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Consolidated Balance Sheet 合併資產負債表

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

Currency: RMB

單位：人民幣元

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Current assets:	流動資產：			
Monetary funds	貨幣資金	V.1 五、1	447,179,187.90	390,505,126.99
Transactional financial assets	交易性金融資產			
Derivative financial assets	衍生金融資產			
Notes receivable	應收票據	V.2 五、2	-	600,000.00
Accounts receivable	應收賬款	V.3 五、3	697,661,006.00	563,914,618.40
Factoring of accounts receivables	應收款項融資			
Prepayments	預付款項	V.4 五、4	32,636,317.05	40,106,310.89
Other receivables	其他應收款	V.5 五、5	71,979,301.85	126,200,806.43
Including: Interests receivable	其中：應收利息			
Dividends receivable	應收股利			
Financial assets purchased under agreements to resell	買入返售金融資產			
Inventories	存貨	V.6 五、6	69,743,103.60	74,099,540.16
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	V.7 五、7	125,071,510.27	109,097,695.78
Total current assets	流動資產合計		1,444,270,426.67	1,304,524,098.65

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)

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Non-current assets:	非流動資產：			
Disbursement 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	V.8 五、8	-	806,532.19
Long-term equity investments	長期股權投資		-	-
Investments in other equity instruments	其他權益工具投資	V.9 五、9	55,770.77	55,770.77
Other non-current financial assets	其他非流動金融資產			
Investment properties	投資性房地產	V.10 五、10	1,831,855.67	2,812,669.51
Fixed assets	固定資產	V.11 五、11	3,738,535,617.01	3,334,919,878.57
Construction in progress	在建工程	V.12 五、12	235,076,647.96	573,722,028.15
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	V.13 五、13	24,527.90	61,319.86
Intangible assets	無形資產	V.14 五、14	1,512,274,060.06	1,537,620,382.23
Development costs	開發支出			
Goodwill	商譽	V.15 五、15	28,139,173.07	28,139,173.07
Long-term prepaid expenses	長期待攤費用	V.16 五、16	161,376,735.01	184,423,582.57
Deferred tax assets	遞延所得稅資產	V.17 五、17	22,287,654.42	16,711,331.55
Other non-current assets	其他非流動資產	V.18 五、18	44,204,024.82	70,989,672.77
Total non-current assets	非流動資產合計		5,743,806,066.69	5,750,262,341.24
Total assets	資產總計		7,188,076,493.36	7,054,786,439.89

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)

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Current liabilities:	流動負債：			
Short-term borrowings	短期借款	V.19 五、19	119,373,820.47	60,057,138.89
Transactional financial liabilities	交易性金融負債			
Notes payable	應付票據			
Accounts payable	應付賬款	V.20 五、20	430,246,985.16	417,137,102.41
Advances from customers	預收款項		—	—
Contract liability	合同負債	V.21 五、21	173,439,673.53	177,211,322.86
Employee remunerations payable	應付職工薪酬	V.22 五、22	56,789,888.66	49,150,499.44
Taxes payable	應交稅費	V.23 五、23	14,337,286.66	20,764,844.44
Other payables	其他應付款	V.24 五、24	219,652,778.25	204,258,701.70
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	V.25 五、25	504,326,837.41	569,613,720.68
Other current liabilities	其他流動負債	V.26 五、26	3,059,734.30	2,468,694.87
Total Current Liabilities	流動負債合計		1,521,227,004.44	1,500,662,025.29
Non-Current Liabilities:	非流動負債：			
Long-term borrowings	長期借款	V.27 五、27	1,410,549,011.05	1,465,303,871.01
Bonds payable	應付債券		—	—
Including: Preference shares	其中：優先股			
Perpetual debts	永續債			
Lease liabilities	租賃負債		—	—
Long-term payables	長期應付款	V.28 五、28	910,843,648.36	850,843,648.36
Long-term employee remunerations payable	長期應付職工薪酬			
Estimated liabilities	預計負債	V.29 五、29	7,071,742.35	7,754,338.50
Deferred income	遞延收益	V.30 五、30	184,996,291.05	212,337,972.81
Deferred tax liabilities	遞延所得稅負債	V.17 五、17	4,905,802.10	5,251,215.29
Other non-current liabilities	其他非流動負債		—	—
Total non-current liabilities	非流動負債合計		2,518,366,494.91	2,541,491,045.97
Total liabilities	負債合計		4,039,593,499.35	4,042,153,071.26

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)

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Shareholders' equity:	股東權益：			
Share capital	股本	V.31 五、31	859,710,000.00	859,710,000.00
Other equity instruments	其他權益工具			
Including: Preference shares	其中：優先股			
Perpetual debts	永續債			
Capital reserve	資本公積	V.32 五、32	420,447,214.35	420,447,214.35
Less: Treasury shares	減：庫存股			
Other comprehensive income	其他綜合收益	V.33 五、33	-66,935.74	-66,935.74
Special reserves	專項儲備	V.34 五、34	8,837,310.54	12,276,204.77
Surplus reserves	盈餘公積	V.35 五、35	78,048,308.25	73,486,355.92
General risk provisions	一般風險準備			
Undistributed profit	未分配利潤	V.36 五、36	1,562,387,015.57	1,432,696,431.17
Total equity attributable to shareholders of the parent company	歸屬於母公司股東權益合計		2,929,362,912.97	2,798,549,270.47
Minority interests	少數股東權益		219,120,081.04	214,084,098.16
Total shareholders' equity	股東權益合計		3,148,482,994.01	3,012,633,368.63
Total liabilities and shareholders' equity	負債和股東權益總計		7,188,076,493.36	7,054,786,439.89

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Balance Sheets of Parent Company 母公司資產負債表

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 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Current assets:	流動資產：			
Monetary funds	貨幣資金		179,658,799.97	179,578,655.49
Transactional financial assets	交易性金融資產			
Derivative financial assets	衍生金融資產			
Notes receivable	應收票據			
Accounts receivable	應收賬款	XVI.1 十六、1	194,273,604.59	149,484,259.57
Factoring of accounts receivables	應收款項融資			
Prepayments	預付款項		5,320,547.47	16,665,531.49
Other receivables	其他應收款	XVI.2 十六、2	98,218,245.03	154,995,972.91
Including: Interests receivable	其中：應收利息			
Dividends receivable	應收股利			
Inventories	存貨		36,558,736.78	36,296,394.78
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		23,720,442.09	20,594,028.07
Total current assets	流動資產合計		537,750,375.93	557,614,842.31

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Balance Sheets of Parent Company (Continued)

母公司資產負債表(續)

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Non-current assets:	非流動資產：			
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		-	806,532.19
Long-term equity investments	長期股權投資	XVI.3 十六、3	983,866,910.46	990,255,037.67
Investments in other equity instruments	其他權益工具投資		55,770.77	55,770.77
Other non-current financial assets	其他非流動金融資產			
Investment properties	投資性房地產		539,103.88	844,930.34
Fixed assets	固定資產		1,665,935,360.19	1,796,931,095.64
Construction in progress	在建工程		165,358,794.43	111,763,560.15
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		902,362.08	1,052,755.80
Intangible assets	無形資產		515,055,007.19	536,024,566.42
Development costs	開發支出			
Goodwill	商譽			
Long-term prepaid expenses	長期待攤費用		148,700,583.04	169,747,293.21
Deferred tax assets	遞延所得稅資產		11,693,020.46	8,307,151.36
Other non-current assets	其他非流動資產		756,878.95	1,450,312.20
Total non-current assets	非流動資產合計		3,492,863,791.45	3,617,239,005.75
Total assets	資產總計		4,030,614,167.38	4,174,853,848.06

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Balance Sheets of Parent Company (Continued)

母公司資產負債表(續)

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Current liabilities:	流動負債：			
Short-term borrowings	短期借款		100,286,145.81	30,026,583.33
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		115,669,942.23	168,554,834.85
Advances from customers	預收款項		—	—
Contract liability	合同負債		144,020,378.89	138,399,048.92
Employee remunerations payable	應付職工薪酬		25,270,592.97	22,355,305.24
Taxes payable	應交稅費		2,646,937.50	4,289,793.57
Other payables	其他應付款		131,351,933.80	136,986,804.21
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		407,006,870.69	495,545,937.69
Other current liabilities	其他流動負債		2,418,593.58	2,131,089.04
Total Current Liabilities	流動負債合計		928,671,395.47	998,289,396.85
Non-Current Liabilities:	非流動負債：			
Long-term borrowings	長期借款		864,700,143.44	984,948,401.58
Bonds payable	應付債券		—	—
Including: Preference shares	其中：優先股			
Perpetual debts	永續債			
Lease liabilities	租賃負債		841,472.53	986,934.72
Long-term payables	長期應付款		260,500,000.00	200,500,000.00
Long-term employee remunerations payable	長期應付職工薪酬			
Estimated liabilities	預計負債		2,002,325.78	1,755,581.31
Deferred income	遞延收益		100,394,690.53	116,280,567.62
Deferred tax liabilities	遞延所得稅負債		—	—
Other non-current liabilities	其他非流動負債		—	—
Total non-current liabilities	非流動負債合計		1,228,438,632.28	1,304,471,485.23
Total liabilities	負債合計		2,157,110,027.75	2,302,760,882.08

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Balance Sheets of Parent Company (Continued)

母公司資產負債表(續)

Items	項目	NOTES 附註	31 December 2024 2024年12月31日	31 December 2023 2023年12月31日
Shareholders' equity:	股東權益：			
Share capital	股本		859,710,000.00	859,710,000.00
Other equity instruments	其他權益工具			
Including: Preference shares	其中：優先股			
Perpetual debts	永續債			
Capital reserve	資本公積		413,655,709.96	413,655,709.96
Less: Treasury shares	減：庫存股			
Other comprehensive income	其他綜合收益		-66,935.74	-66,935.74
Special reserves	專項儲備		7,090,186.77	8,313,036.42
Surplus reserves	盈餘公積		78,048,308.25	73,486,355.92
Undistributed profit	未分配利潤		515,066,870.39	516,994,799.42
Total shareholders' equity	股東權益合計		1,873,504,139.63	1,872,092,965.98
Total liabilities and shareholders' equity	負債和股東權益總計		4,030,614,167.38	4,174,853,848.06

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Consolidated Income Statement 合併利潤表

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 附註	2024 2024年度	2023 2023年度
I. Total operating revenue	一、營業總收入		1,330,266,906.09	1,286,433,526.80
Including: Operating revenue	其中：營業收入	V. 37 五、37	1,330,266,906.09	1,286,433,526.80
II. Total operating costs	二、營業總成本		1,118,733,365.05	1,075,969,659.81
Including: Operating costs	其中：營業成本	V. 37 五、37	867,449,951.07	842,100,818.50
Interest expenses	利息支出	V. 37 五、37	867,449,951.07	842,100,818.50
Taxes and surcharges	税金及附加	V. 38 五、38	33,815,074.68	34,036,604.10
Cost of sales	銷售費用	V. 39 五、39	24,226,964.08	26,083,702.54
Management expenses	管理費用	V. 40 五、40	107,360,958.39	101,925,103.92
Research and development expenses	研發費用	V. 41 五、41	-	51,245.15
Finance costs	財務費用	V. 42 五、42	85,880,416.83	71,772,185.60
Including: Interest expenses	其中：利息費用		88,937,953.75	77,484,367.34
Interest income	利息收入		3,551,006.63	6,112,699.65
More: Other income	加：其他收益	V. 43 五、43	49,215,684.44	82,008,221.16
Investment income (loss expressed with "-")	投資收益（損失以「-」號填列）	V. 44 五、44	5,157,990.81	-3,044,460.33
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		-	-
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）		-	-
Credit impairment loss (loss expressed with "-")	信用減值損失（損失以「-」號填列）	V. 45 五、45	-41,577,955.74	-24,666,922.37
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）	V. 46 五、46	1,897,894.04	3,816,698.29

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Consolidated Income Statement (Continued)
合併利潤表(續)

Items	項目	NOTES 附註	2024 2024年度	2023 2023年度
3. Operating profit (loss expressed with “-”)	三、營業利潤 (虧損以「-」號填列)		226,227,154.59	268,577,403.74
More: Non-operating revenue	加：營業外收入	V. 47		
		五、47	2,334,317.91	3,666,117.67
Less: Non-operating expense	減：營業外支出	V. 48		
		五、48	696,240.92	9,722,900.56
4. Total profit (total loss expressed with “-”)	四、利潤總額 (虧損總額以「-」號填列)		227,865,231.58	262,520,620.85
Less: Income tax expense	減：所得稅費用	V. 49		
		五、49	37,930,045.49	38,607,631.93
5. Net profit (net loss expressed with “-”)	五、淨利潤 (淨虧損以「-」號填列)		189,935,186.09	223,912,988.92
(1) Classified by continuing operation	(一) 按經營持續性分類		189,935,186.09	223,912,988.92
1. Net profit from continuing operation (net loss expressed with “-”)	1. 持續經營淨利潤 (淨虧損以「-」號填列)		189,935,186.09	223,912,988.92
2. Net profit from discontinued operations (net loss expressed with “-”)	2. 終止經營淨利潤 (淨虧損以「-」號填列)			
(2) Classified by attribution of ownership	(二) 按所有權歸屬分類		189,935,186.09	223,912,988.92
1. Net profit attributable to owners of the parent company (net loss expressed with “-”)	1. 歸屬於母公司所有者的淨利潤 (淨虧損以「-」號填列)		177,238,036.73	209,901,388.54
2. Minority profit and loss (net loss expressed with “-”)	2. 少數股東損益 (淨虧損以「-」號填列)		12,697,149.36	14,011,600.38
6. Other comprehensive income, net after tax	六、其他綜合收益的稅後淨額		-	-
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		-	-
(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		-	-
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			-
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)

Consolidated Income Statement (Continued)

合併利潤表(續)

Items	項目	NOTES 附註	2024 2024年度	2023 2023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			
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			
7. Total comprehensive income	七、綜合收益總額		189,935,186.09	223,912,988.92
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		177,238,036.73	209,901,388.54
Total comprehensive income attributable to minority shareholders	歸屬於少數股東的綜合收益總額		12,697,149.36	14,011,600.38
8. Earnings per share:	八、每股收益：			
(1) Basic earnings per share (RMB/share)	(一) 基本每股收益(元/股)		0.21	0.24
(2) Diluted earnings per share (RMB/share)	(二) 稀釋每股收益(元/股)		0.21	0.24

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Income Statement of Parent Company 母公司利潤表

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 附註	2024 2024年度	2023 2023年度
1. Operating revenue	一、營業收入	XVI.4		
		十六、4	513,675,336.44	520,167,655.15
Less: Operating costs	減：營業成本	XVI.4		
		十六、4	387,753,806.21	400,012,644.22
Taxes and surcharges	稅金及附加		15,528,522.36	15,718,628.82
Cost of sales	銷售費用		16,393,544.00	16,517,425.27
Management expenses	管理費用		54,450,470.28	51,661,779.54
Research and development expenses	研發費用		-	-
Finance costs	財務費用		54,429,433.78	37,133,873.84
Including: Interest expenses	其中：利息費用		55,940,404.03	39,141,231.74
Interest income	利息收入		1,892,189.44	2,276,540.43
More: Other income	加：其他收益		16,033,891.50	51,307,712.27
Investment income (loss expressed with "-")	投資收益（損失以「-」號填列）	XVI.5		
		十六、5	60,842,297.42	54,116,195.17
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		-	-
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）		-22,325,716.23	-12,797,948.78
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）		1,897,894.04	3,816,698.29
II. Operating profits (loss expressed with "-")	二、營業利潤（虧損以「-」號填列）		41,567,926.54	95,565,960.41
More: Non-operating revenue	加：營業外收入		1,880,734.09	3,039,611.68
Less: Non-operating expense	減：營業外支出		238,540.38	217,582.36
III. Total profits (total loss expressed with "-")	三、利潤總額（虧損總額以「-」號填列）		43,210,120.25	98,387,989.73
Less: Income tax expense	減：所得稅費用		-2,409,403.05	3,845,913.49

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)

Items	項目	NOTES 附註	2024 2024年度	2023 2023年度
IV. Net profits (net loss expressed with "-")	四、淨利潤(淨虧損以「-」號填列)		45,619,523.30	94,542,076.24
(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)		45,619,523.30	94,542,076.24
(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)			
V. Other comprehensive income, net after tax	五、其他綜合收益的稅後淨額		-	-
(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		-	-
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			-
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)

Items	項目	NOTES 附註	2024 2024年度	2023 2023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			
VI. Total comprehensive income	六、綜合收益總額		45,619,523.30	94,542,076.24

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Consolidated Cash Flow Statement 合併現金流量表

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 附註	2024 2024年度	2023 2023年度
I. Cash flows from operating activities:	一、經營活動產生的現金流量：			
Cash received from sales of goods and rendering of services	銷售商品、提供勞務收到的現金		1,183,777,467.20	1,290,317,686.04
Tax rebates received	收到的稅費返還		4,400,235.41	2,511,016.42
Cash received concerning other operating activities	收到其他與經營活動有關的現金	V.50(1) 五、50(1)	121,323,624.94	128,130,199.82
Subtotal of cash inflows from operating activities	經營活動現金流入小計		1,309,501,327.55	1,420,958,902.28
Cash paid for purchases of commodities and receipt of labor services	購買商品、接受勞務支付的現金		435,579,945.43	489,737,966.37
Cash paid to and for employees	支付給職工以及為職工支付的現金		161,366,380.86	153,105,132.60
Taxes paid	支付的各項稅費		130,581,870.60	103,854,327.19
Cash paid concerning other operating activities	支付其他與經營活動有關的現金	V.50(1) 五、50(1)	45,720,441.76	65,072,560.14
Subtotal of cash outflows from operating activities	經營活動現金流出小計		773,248,638.65	811,769,986.30
Net cash flows from operating activities	經營活動產生的現金流量淨額		536,252,688.90	609,188,915.98

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)

Items	項目	NOTES 附註	2024 2024年度	2023 2023年度
II. Cash flow from investing activities:	二、投資活動產生的現金流量：			
Cash received from recovery of investments	收回投資收到的現金		1,200,000.00	41,622,100.00
Cash received from investment income	取得投資收益收到的現金		1,700,000.00	-
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		12,750.09	3,985,506.40
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		5,611,506.80	
Cash received concerning other investing activities	收到其他與投資活動有關的現金	V.50(1) 五、50(1)	-	-
Subtotal of cash inflows from investing activities	投資活動現金流入小計		8,524,256.89	45,607,606.40
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		352,536,157.30	522,645,475.67
Cash paid for investments	投資支付的現金		-	-
Net increase in pledged loans	質押貸款淨增加額			
Net 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		-	-
Subtotal of cash outflows from investing activities	投資活動現金流出小計		352,536,157.30	522,645,475.67
Net cash flows from investing activities	投資活動產生的現金流量淨額		-344,011,900.41	-477,037,869.27

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)

Items	項目	NOTES 附註	2024 2024年度	2023 2023年度
III. Cash flows from financing activities:	三、籌資活動產生的現金流量：			
Cash received from capital contribution	吸收投資收到的現金		-	10,500,000.00
Including: Cash contribution to subsidiaries	其中：子公司吸收少數股東投資			
from minority shareholders'	收到的現金			
investment			-	10,500,000.00
Cash received from borrowings	取得借款所收到的現金		620,637,894.53	735,830,000.00
Cash received concerning other financing	收到其他與籌資活動有關的現金	V.50(2)		
activities		五、50(2)	3,150,000.00	2,650,000.00
Subtotal of cash inflows from financing activities	籌資活動現金流入小計		623,787,894.53	748,980,000.00
Cash paid for repayment of debts	償還債務所支付的現金		619,089,759.79	909,556,265.57
Cash paid for distribution of dividends, profits	分配股利、利潤或償付利息所支			
or payment of interest expenses	付的現金		140,262,862.32	160,653,463.50
Including: Dividends and profits paid to minority	其中：子公司支付給少數股東的			
shareholders by subsidiaries	股利、利潤		6,199,159.80	-
Cash paid concerning other financing activities	支付其他與籌資活動有關的現金	V.50(2)		
		五、50(2)	-	30,171,909.73
Subtotal of cash outflows from financing activities	籌資活動現金流出小計		759,352,622.11	1,100,381,638.80
Net cash flows from financing activities	籌資活動產生的現金流量淨額		-135,564,727.58	-351,401,638.80
IV. Effects of foreign exchange rate changes on cash and cash equivalents	四、匯率變動對現金及現金等價物的影響		-	
V. Net increase in cash and cash equivalents	五、現金及現金等價物淨增加額		56,676,060.91	-219,250,592.09
More: Balance of cash and cash	加：期初現金及現金等價物餘額			
equivalents at the beginning of				
the period			390,501,126.99	609,751,719.08
VI. Balance of cash and cash equivalents at the end of the period	六、期末現金及現金等價物餘額		447,177,187.90	390,501,126.99

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Cash Flow Statement of Parent Company 母公司現金流量表

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 附註	2024 2024年度	2023 2023年度
I. Cash flows from operating activities:	一、經營活動產生的現金流量：			
Cash received from sales of goods and rendering of services	銷售商品、提供勞務收到的現金		454,999,481.56	522,515,171.99
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		75,281,276.94	92,387,084.51
Subtotal of cash inflows from operating activities	經營活動現金流入小計		530,280,758.50	614,902,256.50
Cash paid for purchases of commodities and receipt of labor services	購買商品、接受勞務支付的現金		184,436,911.64	215,176,343.36
Cash paid to and for employees	支付給職工以及為職工支付的現金		68,320,646.93	67,165,337.56
Taxes paid	支付的各項稅費		37,854,807.07	40,411,774.45
Cash paid concerning other operating activities	支付其他與經營活動有關的現金		23,460,125.66	34,507,211.44
Subtotal of cash outflows from operating activities	經營活動現金流出小計		314,072,491.30	357,260,666.81
Net cash flows from operating activities	經營活動產生的現金流量淨額		216,208,267.20	257,641,589.69

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)

Items	項目	NOTES 附註	2024 2024年度	2023 2023年度
II. Cash flow from investing activities:	二、投資活動產生的現金流量：			
Cash received from recovery of investments	收回投資收到的現金		1,200,000.00	41,622,100.00
Cash received from investment income	取得投資收益收到的現金		60,448,424.63	57,160,655.50
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		11,504.09	5,954,287.96
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		8,893,934.00	
Cash received concerning other investing activities	收到其他與投資活動有關的現金		4,850,940.29	6,039,055.14
Subtotal of cash inflows from investing activities	投資活動現金流入小計		75,404,803.01	110,776,098.60
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		110,603,246.40	93,066,636.98
Cash paid for investments	投資支付的現金		3,000,000.00	29,123,997.22
Net 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		-	22,000,000.00
Subtotal of cash outflows from investing activities	投資活動現金流出小計		113,603,246.40	144,190,634.20
Net cash flows from investing activities	投資活動產生的現金流量淨額		-38,198,443.39	-33,414,535.60

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)

Items	項目	NOTES 附註	2024 2024年度	2023 2023年度
III. Cash flows from financing activities:	三、籌資活動產生的現金流量：			
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		442,500,000.00	136,480,000.00
Cash received concerning other financing activities	收到其他與籌資活動有關的現金			
Subtotal of cash inflows from financing activities	籌資活動現金流入小計		442,500,000.00	136,480,000.00
Cash paid for repayment of borrowings	償還債務支付的現金		518,385,458.14	287,853,570.86
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		99,657,610.05	111,097,503.61
Cash paid concerning other financing activities	支付其他與籌資活動有關的現金		2,386,611.14	8,965,650.50
Subtotal of cash outflows from financing activities	籌資活動現金流出小計		620,429,679.33	407,916,724.97
Net cash flows from financing activities	籌資活動產生的現金流量淨額		-177,929,679.33	-271,436,724.97
IV. Effects of foreign exchange rate changes on cash and cash equivalents	四、匯率變動對現金及現金等價物的影響		-	
V. Net increase in cash and cash equivalents	五、現金及現金等價物淨增加額		80,144.48	-47,209,670.88
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		179,578,655.49	226,788,326.37
VI. Balance of cash and cash equivalents at the end of the period	六、期末現金及現金等價物餘額		179,658,799.97	179,578,655.49

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

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)

2024 2024年度																
Equity attributable to shareholders of the parent company 歸屬於母公司股東權益																
Other equity instruments																
Items	項目	Less										Total				
		Preferred shares		Perpetual debits		Other		Treasury shares		Special reserves		Undistributed profit	Minority interests	shareholders' equity		
		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	一般風險準備					
(3) Profit distribution	(三) 利潤分配	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation of surplus reserve	1. 提取盈餘公積	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation of general risk provisions	2. 提取一般風險準備	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	3. 對股東的分配	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	4. 其他	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Transfer of shareholders' equity	(四) 股東權益結轉	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Transfer to share capital from capital reserve	1. 資本公積轉股本	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Transfer to share capital from surplus reserve	2. 盈餘公積轉股本	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves for making up losses	3. 盈餘公積彌補損失	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Charging amount of defined benefit plan carried forward to retained earnings	4. 設定受益計畫變動撥轉留存收益	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward to retained earnings	5. 其他綜合收益結轉留存收益	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	6. 其他	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(5) Special reserve	(五) 專項儲備	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriated during the current year	1. 本年提取	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Used during the current year	2. 本年使用	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	(六) 其他	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Ending balance of the current year	四、本年年末餘額	889,710,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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)

2023 2023年度 Equity attributable to shareholders of the parent company 歸屬於母公司股東權益																
Other equity instruments																
Items	項目	Share capital	Preferred shares	Perpetual debts 其他權益工具	Others	Capital reserve	Less:			Special reserves	Provision for general risks	Undistributed profit	Others	Subtotal	Minority interests	Total shareholders' equity
							Treasury shares	Other comprehensive income	Other							
		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	小計	少數股東權益	股東權益合計	
I. Ending balance of the previous year	一、上年末餘額	859,710,000.00	-	-	-	420,447,214.35	-	-66,935.74	16,772,836.13	64,032,148.30	1,275,234,730.25	-	2,636,130,013.29	204,889,717.49	2,841,019,730.78	-
More: Changes in accounting policies	加：會計政策變更	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction for error in the previous period	前期差錯更正	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business combination under common control	同一控制下企業合併	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	其他	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	二、本年年初餘額	859,710,000.00	-	-	-	420,447,214.35	-	-66,935.74	16,772,836.13	64,032,148.30	1,275,234,730.25	-	2,636,130,013.29	204,889,717.49	2,841,019,730.78	-
III. Changes in the current year (decrease expressed with "-")	三、本年變動金額(減少以「-」號填列)	-	-	-	-	-	-	-	-4,496,631.36	9,454,207.62	157,461,680.92	-	209,901,386.54	14,011,600.38	223,912,986.92	171,613,637.85
(1) Total comprehensive income	(一) 綜合收益總額	-	-	-	-	-	-	-	-	-	209,901,386.54	-	209,901,386.54	14,011,600.38	223,912,986.92	171,613,637.85
(2) Shareholders' contributions and capital reduction	(二) 股東投入和減少資本	-	-	-	-	-	-	-	-	-	-	-	-	10,500,000.00	10,500,000.00	10,500,000.00
1. Ordinary shares contributed by shareholders	1. 股東投入的普通股	-	-	-	-	-	-	-	-	-	-	-	-	10,500,000.00	10,500,000.00	10,500,000.00
2. Capital contributions by holders of other equity instruments	2. 其他權益工具持有者投入資本	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	3. 股份支付計入股東權益的金額	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	4. 其他	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Profit distribution	(三) 利潤分配	-	-	-	-	-	-	-	-	9,454,207.62	-52,439,707.62	-	-42,985,500.00	-15,080,632.44	-58,066,162.44	-58,066,162.44
1. Appropriation of surplus reserve	1. 提取盈餘公積	-	-	-	-	-	-	-	-	9,454,207.62	-9,454,207.62	-	-	-	-	-
2. Appropriation of general risk provisions	2. 提取一般風險準備	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	3. 對股東的分配	-	-	-	-	-	-	-	-	-	-42,985,500.00	-	-42,985,500.00	-15,080,632.44	-58,066,162.44	-58,066,162.44
4. Others	4. 其他	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

第十一章 財務報告(續)

合併股東權益變動表(續)

Legal representative: Zhang Qi
法定代表人：張岐

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Statement of Changes in Parent Company's Equity
母公司股東權益變動表

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

Items	項目	2024 2024年度									
		Other equity instruments									
		Share capital	Preferred shares	Perpetual debits	Less Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Others	Total shareholders' equity
		股本	優先股	其他權益工具	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	一、上年末餘額	859,710,000.00				413,655,709.96	8,313,036.42	73,466,355.92	516,994,739.42	-	1,872,092,965.98
More: Changes in accounting policies	加：會計政策變更										
Correction for error in the previous period	前期差額更正										
Others	其他										
II. Opening balance of the current year	二、本年初餘額	859,710,000.00				413,655,709.96	8,313,036.42	73,466,355.92	516,994,739.42	-	1,872,092,965.98
III. Changes in the current year (decrease expressed with "-")	三、本年增減變動金額（減少以“-”號填列）										
(1) Total comprehensive income	（一）綜合收益總額										
(2) Shareholders' contributions and capital reduction	（二）股東投入和減少資本										
1. Ordinary shares contributed by shareholders	1. 股東投入的普通股										
2. Capital contributions by holders of other equity instruments	2. 其他權益工具持有者投入資本										
3. Amount of share-based payment included in shareholders' equity	3. 股份支付计入股東權益的金額										
4. Others	4. 其他										

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)

Other equity instruments																	
2024 2024年度																	
Items	项目	Share capital			Preferred shares	Perpetual debits	Others	Capital reserve	Less: Treasury shares	Other comprehensive income		Special reserves	Surplus reserves	Undistributed profit	Others	shareholders' equity	Total
		股本	优先股	永续债	其他	资本公积	减：库存股	其他综合收益	专项储备	盈余公积	未分配利润	其他	所有者权益合计				
(3) Profit distribution	(三) 利润分配	-	-	-	-	-	-	-	-	-	-	-	4,561,932.33	-47,547,452.33	-	-	-42,985,500.00
1. Appropriation of surplus reserve	1. 提取盈余公积																
2. Distribution to shareholders	2. 对股东的分配												4,561,932.33	-4,561,932.33			-
3. Others	3. 其他													-42,985,500.00			-42,985,500.00
(4) Transfer of shareholders' equity	(四) 股东权益结转	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Transfer to share capital from capital reserve	1. 资本公积转股本																
2. Transfer to share capital from surplus reserve	2. 盈余公积转股本																
3. Surplus reserves for making up losses	3. 盈余公积补损失																
4. Changing amount of defined benefit plan carried forward to retained earnings	4. 设定受益计划变动额结转留存收益																
5. Other comprehensive income carried forward to retained earnings	5. 其他综合收益结转留存收益																
6. Others	6. 其他																
(5) Special reserve	(五) 专项储备	-	-	-	-	-	-	-	-	-	-	-1,222,949.65	-	-	-	-1,222,949.65	-
1. Appropriated during the current year	1. 本年提取																
2. Used during the current year	2. 本年使用																
6) Others	(六) 其他																
IV. Ending balance of the current year	四、本年年末余额	859,710,000.00	-	-	-	-	413,655,709.96	-	-66,935.74	7,090,186.77	-	76,043,308.25	515,066,870.39	-	-	1,873,504,139.63	

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)

Other equity instruments											
Items	項目	Share capital	Preferred shares	Perpetual debits 其他權益工具	Capital reserve	Less: Treasury shares	Other			Total	
							Others	Special reserves	Surplus reserves		Undistributed profit
		股本	優先股	永續債	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
I. Ending balance of the previous year	一 上年年末餘額	859,710,000.00	-	-	413,655,709.95	-	-69,935.74	8,070,204.47	64,032,148.30	474,892,430.80	-
Move: Changes in accounting policies	加：會計政策變更										
Correction for error in the previous period	前期差錯更正										
Others	其他										
II. Opening balance of the current year	二 本年初餘額	859,710,000.00	-	-	413,655,709.95	-	-69,935.74	8,070,204.47	64,032,148.30	474,892,430.80	-
III. Changes in the current year	三 本年增減變動金額 (減少以「-」號填列)										
(decrease expressed with "-")											
(1) Total comprehensive income	(一) 綜合收益總額	-	-	-	-	-	-	242,831.95	9,454,207.62	42,102,368.62	-
(2) Shareholders' contributions and capital reduction	(二) 股東投入和減少資本	-	-	-	-	-	-	-	-	94,542,076.24	-
1. Ordinary shares contributed by shareholders	1. 股東投入的普通股	-	-	-	-	-	-	-	-	-	-
2. Capital contributions by holders of other equity instruments	2. 其他權益工具持有者投入資本	-	-	-	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	3. 股份支付計入股東權益的金額	-	-	-	-	-	-	-	-	-	-
4. Others	4. 其他	-	-	-	-	-	-	-	-	-	-
(3) Profit distribution	(三) 利潤分配	-	-	-	-	-	-	-	9,454,207.62	-52,439,707.62	-
1. Appropriation of surplus reserve	1. 提取盈餘公積	-	-	-	-	-	-	-	9,454,207.62	-9,454,207.62	-
2. Distribution to shareholders	2. 對股東的分配	-	-	-	-	-	-	-	9,454,207.62	-42,985,500.00	-
3. Others	3. 其他	-	-	-	-	-	-	-	-	-	-

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)

2023 2023年度												
Other equity instruments												
		Share capital	Preferred shares	Perpetual debits	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Others	Total shareholders' equity
Items	項目	股本	優先股	其他權益工具 永續債	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
(四) 股東權益內部結構												
(4) Transfer of shareholders' equity		-	-	-	-	-	-	-	-	-	-	-
1. Transfer to share capital from capital reserve	1. 資本公積轉股本											
2. Transfer to share capital from surplus reserve	2. 盈餘公積轉股本											
3. Surplus reserves for making up losses	3. 盈餘公積彌補虧損											
4. Changing amount of defined benefit plan carried forward to retained earnings	4. 設定受益計劃變動額結轉留存收益											
5. Other comprehensive income carried forward to retained earnings	5. 其他綜合收益結轉留存收益											
6. Others	6. 其他											
(五) 專項儲備												
(5) Special reserve		-	-	-	-	-	-	242,831.95	-	-	-	242,831.95
1. Appropriated during the current year	1. 本年提取											
2. Used during the current year	2. 本年使用											
Others	(六) 其他											
IV. Ending balance of the current year	四、本年年末餘額	839,710,000.00	-	-	-	-	-	8,313,036.42	73,486,355.92	516,994,739.42	-	1,872,092,965.98

Legal representative: Zhang Qi
法定代表人：張歧

Chief financial officer: Ouyang Peng
主管會計工作負責人：歐陽鵬

Accounting supervisor: Li Xia
會計機構負責人：黎霞

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements 財務報表附註

I. BASIC INFORMATION OF THE COMPANY

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.

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.

一、公司基本情況

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。

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覆》(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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

I. BASIC INFORMATION OF THE COMPANY (Continued)

As of 31 December 2024, both the registered capital and paid-in capital of the Company were RMB859.71 million. The unified social credit code is 91510500204702995Y. The registered address and headquarter address is 16 Baizi Road, Luzhou City, Sichuan Province.

The Group operates in the water industry and is mainly engaged in wastewater treatment operation, tap water supply and engineering installation.

The controlling shareholder of the Company is Luzhou City Xinglu Assets Management Co., Ltd., a wholly-owned subsidiary of a wholly state-owned company incorporated in the PRC; the ultimate controller is Luzhou State-owned Assets Supervision and Administration Commission.

In accordance with the Articles of Association of the Company, the financial statements will be submitted to the general meeting for consideration.

一、公司基本情況(續)

截止2024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，統一社會信用代碼為91510500204702995Y。註冊地和總部地址均為四川省瀘州市百子路16號。

本集團屬水務行業，主要從事污水處理運營、自來水供應及工程安裝等相關業務。

本公司控股股東為興瀘資產管理有限公司，是一家在中國註冊成立的國有獨資公司全資子公司；最終控制人為瀘州市國有資產監督管理委員會。

根據本公司章程，本財務報表將提交股東大會審議。

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements of the Group have been prepared based on actual transactions and events, in accordance with the Accounting Standards for Business Enterprises and its application guide, explanation and related regulations (hereinafter referred to as "ASBEs") 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.

二、財務報表的編製基礎

1. 編製基礎

本公司財務報表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》及其應用指南、解釋及其他相關規定（以下合稱「企業會計準則」），以及香港《公司條例》和香港聯合交易所《上市規則》所要求之相關披露相關規定編製。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

2. Going-concern

The Group has evaluated its ability of going concern for the next 12 month since 31 December 2024. There is no indication of major events that may affect the ability of going concern. The financial statements have been prepared under the assumption of going concern.

III. 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 Company have prepared the financial statements in accordance with the ASBEs, which gives a true and complete view of the financial position as at 31 December 2024, trading results, cash flows and other information in 2024 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.

二、財務報表的編製基礎(續)

2. 持續經營

本集團對自2024年12月31日起12個月的持續經營能力進行了評價，未發現對持續經營能力產生重大懷疑的事項和情況。本財務報表以持續經營為基礎列報。

三、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

本公司編製的財務報表符合企業會計準則的要求，真實、準確、完整地反映了本公司及本集團於2024年12月31日的財務狀況以及2024年度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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

三、重要會計政策及會計估計(續)

3. Operating cycle

The Group adopts a 12-month period as its business cycle and the basis for liquidity classification between assets and liabilities.

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. Reporting currency

The Group uses Renminbi as the local currency of accounts.

4. 記賬本位幣

本集團以人民幣為記賬本位幣。

5. Accounting treatment for business combinations involving entities under common and not under common control

(1) *Business combination involving entities under common control*

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

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.

5. 同一控制下和非同一控制下企業合併的會計處理方法

(1) 同一控制下的企業合併

參與合併的企業在合併前後均受同一方或相同的多方最終控制且該控制並非暫時性的，為同一控制下的企業合併。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued) 財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、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 (Continued)

5. 同一控制下和非同一控制下企業合併的會計處理方法(續)

(2) *Business combination not involving entities under common control*

(2) *非同一控制下的企業合併*

A business combination not involving entities under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

參與合併的各方在合併前後不受同一方或相同的多方最終控制的，為非同一控制下的企業合併。

The acquiree's identifiable assets, liabilities and contingent liabilities obtained by the Group as the purchaser in a business combination not under common control shall be measured at fair value at the acquisition date. 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 combination cost is 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.

本集團作為購買方，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、以及合併成本進行覆核，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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

6. Criteria for judging control and basis for preparation of consolidated financial statements

The scope of consolidated financial statements of the Group is determined on the basis of control, including the Company and all subsidiaries controlled by the Company. The Group's criteria for judging control are that the Group has power over the, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use its power to affect its returns.

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.

6. 控制的判斷標準及合併財務報表的編製方法

本集團合併財務報表的合併範圍以控制為基礎予以確定，包括本公司及本公司控制的所有子公司。本集團判斷控制的標準為，本集團擁有對被投資方的權力，通過參與被投資方的相關活動而享有可變回報，並且有能力運用對被投資方的權力影響其回報金額。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

6. Criteria for judging control and basis for preparation of consolidated financial statements (Continued)

The impact of internal transactions between the Company and subsidiaries and internal transactions among subsidiaries on the consolidated financial statements is offset at the time of consolidation. 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. 控制的判斷標準及合併財務報表的編製方法(續)

本公司與子公司及子公司相互之間發生的內部交易對合併財務報表的影響於合併時抵銷。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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

6. Criteria for judging control and basis for preparation 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.

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. 控制的判斷標準及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。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

6. Criteria for judging control and basis for preparation 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. The Group disposes of its subsidiary's equity investment step by step through multiple transactions until it loses control, if it belongs to a package deal, the transaction shall be treated separately based on whether the control is lost.

7. Classification of joint arrangements and accounting treatment for joint operations

Joint arrangement of the Group includes joint operation and joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

6. 控制的判斷標準及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，在喪失控制權時一併轉入喪失控制權當期的投資損益。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，不屬於一攬子交易的，對每一項交易按照是否喪失控制權分別進行會計處理。

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。共同經營，是指合營方享有該安排相關資產且承擔該安排相關負債的合營安排。合營企業，是指合營方僅對該安排的淨資產享有權利的合營安排。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

7. Classification of joint arrangements and accounting treatment for joint operations (Continued)

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.

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.

7. 合營安排分類及共同經營會計處理方法(續)

對於共同經營項目，本集團作為共同經營中的合營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相關的收入和費用。與共同經營發生購買、銷售不構成業務的資產交易的，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。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. Foreign currency transactions

The foreign currency transactions of the Group, when initially recognised, are translated into the functional currency at the prevailing spot exchange rate on the date of exchange, i.e. the middle price of RMB exchange rate published by the People's Bank of China on that date in general and the same hereinafter. As at the balance sheet date, foreign currency monetary items are translated into functional currency 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. The foreign currency non-monetary items measured at historical cost shall still be translated at the spot exchange rate on the date of the transaction, and the amount measured by the functional currency is not changed. Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate on the date of determination of the fair value. The difference between the amounts of the functional currency before and after the translation will be treated as changes in fair value (including changes in foreign exchange rates) and recognised in profit or loss for the period. The capital invested in foreign currency by the investor shall be converted at the spot rate on the date of the transaction, and there is no translation difference between the capital invested in foreign currency and the amount of the corresponding monetary item measured by the functional currency.

三、重要會計政策及會計估計(續)

9. 外幣業務

本集團外幣交易在初始確認時，採用交易發生日的即期匯率(通常指中國人民銀行公佈的當日外匯牌價的中間價，下同)將外幣金額折算為記賬本位幣金額。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記賬本位幣，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。以歷史成本計量的外幣非貨幣性項目，仍採用交易發生日的即期匯率折算，不改變其記賬本位幣金額；以公允價值計量的外幣非貨幣性項目，採用公允價值確定日的即期匯率折算，折算後的記賬本位幣金額與原記賬本位幣金額的差額，作為公允價值變動(含匯率變動)處理，計入當期損益；收到投資者以外幣投入的資本，採用交易發生日即期匯率折算，外幣投入資本與相應的貨幣性項目的記賬本位幣金額之間不產生外幣資本折算差額。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Financial instrument

(1) *Recognition and Derecognition of Financial Instrument*

The Group recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

When the following conditions are satisfied, financial assets (or part of the financial assets or part of a group of similar financial assets) are derecognised, i.e. transferred out of the account and balance sheet: 1) the rights to receive cash flows from the financial assets expire; 2) the rights to receive cash flows from the financial assets have been transferred, or the obligation to promptly pay all of the cash flows to a third party has been assumed under a “passthrough” agreement; and substantially all of the risks and rewards of ownership of the financial assets have been transferred, or substantially all of the risks and rewards of ownership of the financial assets have not been transferred or retained but the control over such financial assets has been renounced.

A financial liability is derecognised when the obligation is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same creditor on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference shall be included in the current profit or loss.

Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

三、重要會計政策及會計估計(續)

10. 金融工具

(1) 金融工具的確認和終止確認

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。

滿足下列條件的，終止確認金融資產（或金融資產的一部分，或一組類似金融資產的一部分），即從其賬戶和資產負債表內予以轉銷：1)收取金融資產現金流量的權利屆滿；2)轉移了收取金融資產現金流量的權利，或在「過手協議」下承擔了及時將收取的現金流量全額支付給第三方的義務；並且實質上轉讓了金融資產所有權上幾乎所有的風險和報酬，或雖然實質上既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬，但放棄了對該金融資產的控制。

如果金融負債的責任已履行、撤銷或屆滿，則對金融負債進行終止確認。如果現有金融負債被同一債權人以實質上幾乎完全不同條款的另一金融負債所取代，或現有負債的條款幾乎全部被實質性修改，則此類替換或修改作為終止確認原負債和確認新負債處理，差額計入當期損益。

以常規方式買賣金融資產，按交易日會計進行確認和終止確認。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(2) *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. All affected related financial assets will be reclassified only if the Group changes its business model for managing financial assets.

In making judgments about the business model, the Group considers, among other things, the way the enterprise evaluates and reports the performance of financial assets to key management personnel, the risks affecting the performance of financial assets and the way they are managed, and the manner in which the relevant business management personnel are compensated. In evaluating whether the objective is to collect contractual cash flows, the Group is required to analyze and judge the reasons, timing, frequency, and value of sales of financial assets before their maturity dates.

In making judgments about the financial asset's contractual cash flow characteristics, and the judgements on whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, including when assessing the modification of the time value of money, the judgement on whether there is any significant difference from the benchmark cash flow and whether the fair value of the prepayment features is insignificant for financial assets with prepayment features, etc.

(2) 金融資產的分類、確認和計量

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。當且僅當本集團改變管理金融資產的業務模式時，才對所有受影響的相關金融資產進行重分類。

在判斷業務模式時，本集團考慮包括企業評價和向關鍵管理人員報告金融資產業績的方式、影響金融資產業績的風險及其管理方式以及相關業務管理人員獲得報酬的方式等。在評估是否以收取合同現金流量為目標時，本集團需要對金融資產到期日前的出售原因、時間、頻率和價值等進行分析判斷。

在判斷合同現金流量特徵時，本集團需要判斷合同現金流量是否僅為對本金和以未償付本金為基礎的利息的支付時，包含對(貨幣時間價值的修正進行評估時，需要判斷與基準現金流量相比是否具有顯著差異/對包含提前還款特徵的金融資產，需要判斷提前還款特徵的公允價值是否非常小)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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(2) *Classification, recognition and measurement of financial assets (Continued)*

(2) 金融資產的分類、確認和計量(續)

Financial assets are measured at fair value on initial recognition, but accounts receivable or notes receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group does not consider the effect of a significant financing component due within one year, are initially measured at the transaction price.

金融資產在初始確認時以公允價值計量，但是因銷售商品或提供服務等產生的應收賬款或應收票據未包含重大融資成分或不考慮不超過一年的融資成分的，按照交易價格進行初始計量。

For financial assets at fair value through profit or loss, relevant transaction costs are directly recognised in the current profit or loss, and transaction costs relating to other financial assets are included in the initial recognition amounts.

對於以公允價值計量且其變動計入當期損益的金融資產，相關交易費用直接計入當期損益，其他類別的金融資產相關交易費用計入其初始確認金額。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(2) *Classification, recognition and measurement of financial assets (Continued)*

(2) 金融資產的分類、確認和計量(續)

The subsequent measurement of financial assets depends on their classification as follows:

金融資產的後續計量取決於其分類：

① *Financial assets measured at amortised cost*

① 以攤餘成本計量的金融資產

Financial assets that meet the following conditions are classified as 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. The Group's financial assets in this category mainly include: monetary funds, accounts receivable, notes receivable, other receivables, debt investments, etc.

金融資產同時符合下列條件的，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。本集團該分類的金融資產主要包括：貨幣資金、應收賬款、應收票據、其他應收款、債權投資等。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(2) *Classification, recognition and measurement of financial assets (Continued)*

(2) 金融資產的分類、確認和計量(續)

② *Equity investments at fair value through other comprehensive income*

② 以公允價值計量且其變動計入其他綜合收益的權益工具投資

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Once this designation is made, it cannot be revoked. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognised in the current profit or loss. Subsequent changes in the fair value are included in other comprehensive income, and no provision for impairment is made. When the financial asset is derecognised, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings. The Group's financial assets in this category are investments in other equity instruments.

本集團不可撤銷地選擇將部分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。本集團僅將相關股利收入(明確作為投資成本部分收回的股利收入除外)計入當期損益，公允價值的後續變動計入其他綜合收益，不需計提減值準備。當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從其他綜合收益轉出，計入留存收益。本集團該分類的金融資產為其他權益工具投資。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(2) *Classification, recognition and measurement of financial assets (Continued)*

(2) 金融資產的分類、確認和計量(續)

③ *Financial assets at fair value through profit or loss*

③ 以公允價值計量且其變動計入當期損益的金融資產

The financial assets other than the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with net changes in fair value recognised in profit or loss unless it is part of a hedging relationship. The Group's financial assets in this category mainly include: trading financial assets.

本集團將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，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後續計量，除與套期會計有關外，所有公允價值變動計入當期損益。本集團該分類的金融資產主要包括：交易性金融資產。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(3) *Classification, recognition and measurement of financial liabilities*

In addition to the issuance of financial guarantee contracts, the loan commitment with interest rates lower than market rates and financial liabilities arising from noncompliance with the conditions for termination of recognition of the transfer of financial assets or continued involvement in the transferred financial assets, the Group classifies financial liabilities as at fair value through profit or loss and financial liabilities measured at amortised cost. For financial liabilities at fair value through profit or loss, transaction costs are directly recognised in profit or loss. For financial liabilities measured at amortised cost, transaction costs are recognised in the initial measurement.

The subsequent measurement of financial liabilities depends on their classification:

① *Financial liabilities measured at amortized cost*

Financial liabilities measured at amortized cost are subsequently measured based on the amortized cost using the actual interest rate method.

(3) *金融負債分類、確認依據和計量方法*

除了簽發的財務擔保合同、以低於市場利率貸款的貸款承諾及由於金融資產轉移不符合終止確認條件或繼續涉入被轉移金融資產所形成的金融負債以外，本集團的金融負債於初始確認時分類為：以公允價值計量且其變動計入當期損益的金融負債、以攤餘成本計量的金融負債。對於以公允價值計量且其變動計入當期損益的金融負債，相關交易費用直接計入當期損益，以攤餘成本計量的金融負債的相關交易費用計入其初始確認金額。

金融負債的後續計量取決於其分類：

① *以攤餘成本計量的金融負債*

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(3) *Classification, recognition and measurement of financial liabilities (Continued)*

(3) 金融負債分類、確認依據和計量方法(續)

② *Financial liabilities at fair value through profit or loss*

② 以公允價值計量且其變動計入當期損益的金融負債

Financial liabilities at fair value through profit or loss include transactional financial liabilities (including derivative instruments attributable to financial liabilities) and financial liabilities designated upon initial recognition as at fair value through profit or loss. Transactional financial liabilities (including derivative instruments attributable to financial liabilities) are subsequently measured at fair value. Changes in fair value of such financial liabilities are recognised in profit or loss, except for those of the financial liabilities designated as hedging instruments.

以公允價值計量且其變動計入當期損益的金融負債，包括交易性金融負債(含屬於金融負債的衍生工具)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。交易性金融負債(含屬於金融負債的衍生工具)，按照公允價值進行後續計量，除與套期會計有關外，公允價值變動計入當期損益。

Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value, with changes in fair value included in profit or loss, except for changes in fair value arising from the Group's own credit risk which are presented in other comprehensive income. If changes in fair value arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand the accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

對於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，按照公允價值進行後續計量，除由本集團自身信用風險變動引起的公允價值變動計入其他綜合收益之外，其他公允價值變動計入當期損益；如果由本集團自身信用風險變動引起的公允價值變動計入其他綜合收益會造成或擴大損益中的會計錯配，本集團將所有公允價值變動(包括自身信用風險變動的影響金額)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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(3) *Classification, recognition and measurement of financial liabilities (Continued)*

(3) 金融負債分類、確認依據和計量方法(續)

② *Financial liabilities at fair value through profit or loss (Continued)*

② 以公允價值計量且其變動計入當期損益的金融負債(續)

Only if one of the following conditions is met, financial liabilities will be designated by the Group as financial liabilities at fair value through profit or loss on initial recognition:

① it can eliminate or significantly reduce the accounting mismatch; ② the formal written document of risk management or investment strategy has stated that the portfolio of financial instruments is managed, evaluated and reported to key managers on the basis of fair value; ③ a hybrid instrument that contains one or more embedded derivatives, unless the embedded derivatives have no significant change in the cash flow of the hybrid instrument, or the embedded derivatives should obviously not be separated from the related hybrid instruments; ④ hybrid instruments containing embedded derivatives that need to be split but cannot be measured separately at the time of acquisition or subsequent balance sheet date.

只有符合以下條件之一，本集團才將金融負債在初始計量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：①能夠消除或顯著減少會計錯配；②風險管理或投資策略的正式書面文件已載明，該金融工具組合以公允價值為基礎進行管理、評價並向關鍵管理人員報告；③包含一項或多項嵌入衍生工具的混合工具，除非嵌入衍生工具對混合工具的現金流量沒有重大改變，或所嵌入的衍生工具明顯不應當從相關混合工具中分拆；④包含需要分拆但無法在取得時或後續的資產負債表日對其進行單獨計量的嵌入衍生工具的混合工具。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(3) *Classification, recognition and measurement of financial liabilities (Continued)*

(3) 金融負債分類、確認依據和計量方法(續)

② *Financial liabilities at fair value through profit or loss (Continued)*

② 以公允價值計量且其變動計入當期損益的金融負債(續)

In accordance with the above conditions, such financial liabilities designated by the Group mainly include (specify the circumstances of designation, including the nature of the designated financial liabilities, criteria and how to meet the designated criteria, refer to the financial assets section for details). If the contingent consideration recognized by the Group as an acquirer in a business combination not under common control forms a financial liability, it shall be accounted for at fair value through profit or loss.

按照上述條件，本集團指定的這類金融負債主要包括(具體描述指定的情況，包含指定的金融負債的性質、標準以及如何滿足指定標準，具體參考金融資產部分)。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。

(4) *Impairment of financial instruments*

(4) 金融工具減值

Financial assets measured at amortised cost, debt investments at fair value through other comprehensive income, contract assets, lease receivables, loan commitments and financial guarantee contracts are impaired and provisions for losses are recognised based on expected credit losses.

本集團以預期信用損失為基礎，對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債權投資、合同資產、租賃應收款、貸款承諾及財務擔保合同進行減值處理並確認損失準備。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(4) *Impairment of financial instruments (Continued)*

(4) 金融工具減值(續)

Expected credit loss is a weighted average of credit losses on financial instruments weighted at the risk of default. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). The following elements are reflected in the Group's consideration of method of measuring expected credit loss: ① an unbiased probability-weighted average amount determined by evaluating a range of possible outcomes; ② the time value of money; and ③ reasonable and reliable information about past events, current conditions and projected future economic conditions that can be obtained at the balance sheet date without unnecessary additional costs.

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。本集團考慮預期信用損失計量方法時反映如下要素：①通過評價一系列可能的結果而確定的無偏概率加權平均金額；②貨幣時間價值；③在資產負債表日無須付出不必要的額外成本或即可獲得的有關過去事項、當前狀況以及未來經濟狀況預測的合理且有依據的信息。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Financial instrument (Continued)

(4) *Impairment of financial instruments (Continued)*

The Group assesses the expected credit losses of financial instruments on an individual basis and a collective basis. When the assessment is performed on a collective basis, the Group categorizes financial instruments into different groups based on shared credit risk characteristics. The shared credit risk characteristics adopted by the Group include: type of financial instruments, credit risk ratings, geographical location of the debtor, industry of the debtor, overdue information, ageing of receivables, etc.

The Group uses the expected credit loss model to assess the impairment of financial instruments and contract assets. The Group is required to perform significant judgement and estimation and take into account all reasonable and supportable information, including forward-looking information. When making such judgements and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. The different estimates may impact the impairment assessment, and the provision for impairment may also not be representative of the actual impairment loss in the future.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

(4) 金融工具減值(續)

本集團基於單項和組合評估金融工具的預期信用損失，以組合為基礎進行評估時，本集團基於共同信用風險特徵將金融工具分為不同組別。本集團採用的共同信用風險特徵包括：金融工具類型、信用風險評級、債務人所處地理位置、債務人所處行業、逾期信息、應收款項賬齡等。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(4) Impairment of financial instruments (Continued)

(4) 金融工具減值(續)

① Impairment testing methods for receivables and contract assets

① 應收款項和合同資產的減值測試方法

For accounts receivable, bills receivable, receivables financing, contract assets, etc. that do not contain a significant financing component and are generated from ordinary operating activities, such as sales of goods and rendering of services, the Group applies a simplified measurement methodology to measure the provision for losses at an amount equal to the expected credit losses over the entire life of the asset.

對於因銷售商品、提供勞務等日常經營活動形成的不含重大融資成分的應收賬款、應收票據、應收款項融資、合同資產等應收款項，本集團運用簡化計量方法，按照相當於整個存續期內的預期信用損失金額計量損失準備。

For lease receivables, receivables and contract assets with significant financing components, the Group applies a simplified measurement methodology to measure the provision for losses at an amount equal to the expected credit losses over the entire life of the asset.

對於租賃應收款、包含重大融資成分的應收款項以及合同資產，本集團選擇運用簡化計量方法，按照相當於整個存續期內的預期信用損失金額計量損失準備。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Financial instrument (Continued)

(4) *Impairment of financial instruments (Continued)*

① *Impairment testing methods for receivables and contract assets (Continued)*

For receivables, expected credit losses are generally calculated on the basis of a portfolio of common credit risk characteristics by taking into account the elements that should be reflected in the expected credit loss measurement methodology and by reference to historical credit loss experience and preparing a reconciliation of the number of days past due on accounts receivable/aging of accounts receivable to the default loss rate, except for amounts that are individually significant and for which credit impairment has occurred, in which case the credit losses shall be determined separately. If the credit risk characteristics of a customer are significantly different from those of other customers in the portfolio, or if there is a significant change in the credit risk characteristics of the customer, for example, if the customer is in severe financial difficulty and the expected credit loss rate on receivables from this customer has significantly exceeded the expected credit loss rate for the aging and overdue ranges in which the customer is located, etc., the Group makes a provision for losses on an individual basis on the receivables from this customer.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

(4) 金融工具減值(續)

① 應收款項和合同資產的減值測試方法(續)

對於應收款項，除對單項金額重大且已發生信用減值的款項單項確定其信用損失外，通常按照共同信用風險特徵組合的基礎上，考慮預期信用損失計量方法應反映的要素，參考歷史信用損失經驗，編製應收賬款逾期天數／應收賬款賬齡與違約損失率對照表，以此為基礎計算預期信用損失。若某一客戶信用風險特徵與組合中其他客戶顯著不同，或該客戶信用風險特徵發生顯著變化，例如客戶發生嚴重財務困難，應收該客戶款項的預期信用損失率已顯著高於其所處於賬齡、逾期區間的預期信用損失率等，本集團對應收該客戶款項按照單項計提損失準備。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(4) Impairment of financial instruments (Continued)

(4) 金融工具減值(續)

① Impairment testing methods for receivables and contract assets (Continued)

① 應收款項和合同資產的減值測試方法(續)

A. Combination category and determination basis of accounts receivable (and contract assets)

A. 應收賬款(與合同資產)的組合類別及確定依據

The Group groups account receivable (and contract assets) by similarity and relevance of credit risk characteristics based on information such as aging, nature of payment, credit risk exposure, and historical payment collection. For trade receivables (and contract assets), the Group determines that aging is the main factor affecting its credit risk. Therefore, the Group assesses its expected credit losses based on the aging group.

本集團根據應收賬款(與合同資產)的賬齡、款項性質、信用風險敞口、歷史回款情況等信息為基礎，按信用風險特徵的相似性和相關性進行分組。對於應收賬款(與合同資產)，本集團判斷賬齡為其信用風險主要影響因素，因此，本集團以賬齡組合為基礎評估其預期信用損失。

The ageing of receivable by ageing groups verse ECL rates in the life period:

應收款項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 (%) 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(4) Impairment of financial instruments (Continued)

(4) 金融工具減值(續)

① Impairment testing methods for receivables and contract assets (Continued)

① 應收款項和合同資產的減值測試方法(續)

B. Combination category and determination basis of bills receivable

B. 應收票據的組合類別及確定依據

Based on the credit risk of acceptors of bills receivable as a common risk feature, the Group classifies them into different combinations and determines the accounting estimation policy for expected credit losses: a. For bank acceptance bills of acceptors' commercial banks, which are assessed by the Group as having low credit risk, no expected credit losses are recognized; b. For commercial acceptance notes, the expected loss rate is determined and loss provisions are made with reference to the Group's accounts receivable policy, which is the same as the combination classification of accounts receivable.

本集團基於應收票據的承兌人信用風險作為共同風險特徵，將其劃分為不同組合，並確定預期信用損失會計估計政策：a. 承兌人商業銀行的銀行承兌匯票，本集團評價該類款項具有較低的信用風險，不確認預期信用損失；b. 商業承兌匯票，參照本集團應收賬款政策確認預期損失率計提損失準備，與應收賬款的組合劃分相同。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Financial instrument (Continued)

(4) Impairment of financial instruments (Continued)

② Impairment testing methods for investments in debt and other investments in debt, loan commitments and financial guarantee contracts

Except for the financial assets (such as investments in debt and other investments in debt), loan commitments and financial guarantee contracts for which the simplified measurement method is adopted as mentioned above, the Group adopts the general method (three-stage method) for the provision of expected credit losses. The Group assesses whether the credit risk has increased significantly since initial recognition at each balance sheet date. If the credit risk has not increased significantly since initial recognition (stage 1), the loss allowance is measured at an amount equal to 12-month ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if the credit risk has increased significantly since initial recognition but are not credit-impaired (stage 2), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if such financial assets are credit-impaired after initial recognition (stage 3), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the amortised cost and the effective interest rate. If the credit risk of financial instruments is low at the balance sheet date, the Group assumes that the credit risk has not increased significantly since initial recognition.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

(4) 金融工具減值(續)

② 債權投資、其他債權投資、貸款承諾及財務擔保合同的減值測試方法

除上述採用簡化計量方法以外的金融資產(如債權投資、其他債權投資)、貸款承諾及財務擔保合同，本集團採用一般方法(三階段法)計提預期信用損失。在每個資產負債表日，本集團評估其信用風險自初始確認後是否已經顯著增加，如果信用風險自初始確認後未顯著增加，處於第一階段，本集團按照相當於未來12個月內預期信用損失的金額計量損失準備，並按照賬面餘額和實際利率計算利息收入；如果信用風險自初始確認後已顯著增加但尚未發生信用減值的，處於第二階段，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，並按照賬面餘額和實際利率計算利息收入；如果初始確認後發生信用減值的，處於第三階段，本集團按照相當於整個存續期內預期信用損失的金額計量損失準備，並按照攤餘成本和實際利率計算利息收入。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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(4) *Impairment of financial instruments (Continued)*

(4) 金融工具減值(續)

- ② *Impairment testing methods for investments in debt and other investments in debt, loan commitments and financial guarantee contracts (Continued)*

- ② 債權投資、其他債權投資、貸款承諾及財務擔保合同的減值測試方法(續)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Future 12-month expected credit losses are the expected credit losses that result from all possible default events on a financial instrument within the 12 months after the balance sheet date (or the expected life of the instrument, if it is less than 12 months), and are portion of lifetime expected credit losses.

整個存續期預期信用損失，是指因金融工具整個預計存續期內所有可能發生的違約事件而導致的預期信用損失。未來12個月內預期信用損失，是指因資產負債表日後12個月內(若金融工具的預計存續期少於12個月，則為預計存續期)可能發生的金融工具違約事件而導致的預期信用損失，是整個存續期預期信用損失的一部分。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(5) *Recognition and measurement of transfer of financial assets*

For a transaction involving the transfer of a financial asset, if substantially all of the risks and rewards of ownership of the financial asset has been transferred, the Group derecognizes the financial asset; if it has retained substantially all of the risks and rewards of ownership of the financial asset, the financial asset will not be derecognized; if it has neither transferred nor retained substantially all of the risks and rewards of ownership of the financial asset, but control over the financial asset has been waived, the Group would derecognize the financial asset and recognize the resulting assets and liabilities; where control over the financial asset has not been waived, the Group would recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and recognize the related liability accordingly.

(5) **金融資產轉移的確認依據和計量方法**

對於金融資產轉移交易，本集團已將金融資產所有權上幾乎所有的風險和報酬轉移給轉入方的，終止確認該金融資產；保留了金融資產所有權上幾乎所有的風險和報酬的，不終止確認該金融資產；既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬的，放棄了對該金融資產控制的，終止確認該金融資產並確認產生的資產和負債，未放棄對該金融資產控制的，按照其繼續涉入所轉移金融資產的程度確認有關金融資產，並相應確認有關負債。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Financial instrument (Continued)

(5) *Recognition and measurement of transfer of financial assets (Continued)*

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.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

(5) 金融資產轉移的確認依據和計量方法(續)

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

10. Financial instrument (Continued)

(5) Recognition and measurement of transfer of financial assets (Continued)

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.

When a continuing involvement is recognized by means of a financial guarantee over the transferred financial assets, assets resulting from the continuing involvement are recognized at the lower of the carrying amount of the financial assets and the amount of the financial guarantee. The amount of the financial guarantee is the maximum amount of consideration received that will be required to be repaid.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

(5) 金融資產轉移的確認依據和計量方法(續)

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。

通過對所轉移金融資產提供財務擔保方式繼續涉入的，按照金融資產的賬面價值和財務擔保金額兩者之中的較低者，確認繼續涉入形成的資產。財務擔保金額，是指所收到的對價中，將被要求償還的最高金額。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(6) *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).

(6) 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(6) *Classification and treatment of financial liabilities and equity instruments (Continued)*

(6) *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。

The Group classifies these financial instruments or their components into financial assets, financial liabilities or equity instruments at initial recognition according to the contractual terms of the preferred shares and perpetual shares issued and the economic substance reflected by them, as well as the definitions of financial assets, financial liabilities and equity instruments.

本集團根據所發行的優先股、永續債的合同條款及其所反映的經濟實質,結合金融資產、金融負債和權益工具的定義,在初始確認時將這些金融工具或其組成部分分類為金融資產、金融負債或權益工具。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

10. Financial instrument (Continued)

10. 金融工具(續)

(7) *Derivative financial instruments*

The Group uses derivative financial instruments, for example, to hedge exchange-rate risks, commodity price risk and interest rate risks through foreign exchange forward contracts, commodity forward contract and interest rate swaps, which are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Changes in the fair value of these derivatives are recognised in profit or loss unless it is related to hedge accounting.

(8) *Offsetting of financial assets and financial liabilities*

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.

(7) *衍生金融工具*

本集團使用衍生金融工具，例如以外匯遠期合同、商品遠期合同和利率互換，分別對匯率風險、商品價格風險和利率風險進行套期。衍生金融工具初始以衍生交易合同簽訂當日的公允價值進行計量，並以其公允價值進行後續計量。公允價值為正數的衍生金融工具確認為一項資產，公允價值為負數的確認為一項負債。

除與套期會計有關外，衍生工具公允價值變動產生的利得或損失直接計入當期損益。

(8) *金融資產和金融負債的抵銷*

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. 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.

三、重要會計政策及會計估計(續)

11. 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

12. Contract assets and contract liabilities

12. 合同資產與合同負債

(1) Contract assets

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.

For method of determination and accounting for expected credit loss of contract assets, please refer to Note III.10. Financial asset impairment above.

(2) 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.

(1) 合同資產

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。

合同資產的預期信用損失的確定方法和會計處理方法，詳見上述附註三、10.金融資產減值相關內容。

(2) 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

13. Assets relating to contract costs

13. 與合同成本有關的資產

(1) *Method of determination of amount of assets relating to contract costs*

The Group's assets relating to contract costs mainly include contract performance cost. Contract performance costs are reported separately in inventory based on their liquidity.

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 inventory, fixed assets or intangible assets 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.

(2) *Amortisation of assets relating to contract costs*

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.

(1) *與合同成本有關的資產金額的確定方法*

本集團與合同成本有關的資產主要包括合同履約成本。根據其流動性，合同履約成本分別列報在存貨中。

合同履約成本，即本集團為履行合同發生的成本，不屬於存貨、固定資產或無形資產等相關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。

(2) *與合同成本有關的資產的攤銷*

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

13. Assets relating to contract costs (Continued)

13. 與合同成本有關的資產(續)

(3) *Impairment of assets relating to contract costs*

(3) 與合同成本有關的資產的減值

The Group makes impairment provisions and recognises an impairment loss on asset to the extent that the carrying amount of an asset related to contract costs exceeds: ① The remaining amount of consideration that the corporation expects to receive in exchange for the goods to which the assets relates; less ② the estimated costs to be incurred for the exchange of the related goods.

本集團與合同成本有關的資產，其賬面價值高於下列兩項差額的，本集團將超出部分計提減值準備，並確認為資產減值損失：①企業因轉讓與該資產相關的商品預期能夠取得的剩餘對價；②為轉讓該相關商品估計將要發生的成本。

14. Long-term equity investment

14. 長期股權投資

Long-term equity investments of the Group are the investments in subsidiaries and investment in associates and investment in joint ventures.

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。

(1) *Significant influence or joint control judgement*

(1) 重大影響、共同控制的判斷

The Group's equity investments that have a significant impact on the investee are investments in associates. Significant influence is the power to participate in decision making in the financial and operating policies of the investee but is not the power to control or joint control with other parties over those policies. 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, unless there is clear evidence that the Group cannot participate in the production and operation decisions of the investee or form control over the investee.

本集團對被投資單位具有重大影響的權益性投資，即對聯營企業投資。重大影響，是指本集團對被投資方的財務和經營政策有參與決策的權力，但並不能夠控制或者與其他方一起共同控制這些政策的制定。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，除非有明確的證據表明本集團不能參與被投資單位的生產經營決策或形成對被投資單位的控制。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

14. Long-term equity investment (Continued)

14. 長期股權投資(續)

(1) Significant influence or joint control judgement (Continued)

The Group together with the other joint venture parties can jointly control over the investee and are entitled to the right of the net assets of the investee, the equity investments are investments in joint ventures. Joint control is the relevant agreed sharing of control over an arrangement, and relevant activities of such arrangement shall be decided upon the unanimous consent of the parties sharing control. The Group judges joint control on the basis that all participants or combinations of participants collectively control the arrangement, and decisions on activities related to the arrangement must be unanimously agreed upon by the participants who collectively control the arrangement.

(2) Accounting treatment method

The Group initially measures long-term equity investments acquired at the initial investment cost.

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; if the combination-date carrying value of net assets of the merged part is negative, the initial investment cost is determined at zero. For long-term equity investment acquired through business combination not under common control, cost of combination will be treated as the initial investment cost.

(1) 重大影響、共同控制的判斷(續)

本集團與其他合營方一同對被投資單位實施共同控制且對被投資單位淨資產享有權利的權益性投資，即對合營企業投資。共同控制，是指按照相關約定對某項安排所共有的控制，並且該安排的相關活動必須經過分享控制權的參與方一致同意後才能決策。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決策必須經過這些集體控制該安排的參與方一致同意。

(2) 會計處理方法

本集團按照初始投資成本對取得的長期股權投資進行初始計量。

通過同一控制下的企業合併取得的長期股權投資，以合併日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，初始投資成本按零確定。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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

14. Long-term equity investment (Continued)

14. 長期股權投資(續)

(2) Accounting treatment method (Continued)

(2) 會計處理方法(續)

In addition to long-term equity investments formed by business combination, long-term equity investments acquired by payment of cash will be treated as initial investment costs based on the actual purchase price paid and expenses, taxes and other necessary expenses directly related to the acquisition of long-term equity investments; For long-term equity investments obtained from the issuance of equity securities, the fair value of the issuance of equity securities will be treated as the investment cost.

除企業合併形成的長期股權投資外，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及與取得長期股權投資直接相關的費用、稅金及其他必要支出作為初始投資成本；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。

The Group's investments in subsidiaries are accounted for using the cost method in individual financial statements. When using the cost method, long-term equity investments are valued at the initial investment cost. 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.

本集團對子公司投資在個別財務報表中採用成本法核算。採用成本法時，長期股權投資按初始投資成本計價。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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

14. Long-term equity investment (Continued)

14. 長期股權投資(續)

(2) Accounting treatment method (Continued)

(2) 會計處理方法(續)

The Group's investments in joint ventures and associates are accounted for using the equity method. When using the equity method, if the initial investment cost of a long-term equity investment exceeds the share of the fair value of the investee's identifiable net assets at the time of investment, the carrying value of the long-term equity investment will not be adjusted; If the initial investment cost of a long-term equity investment is less than the share of the fair value of the investee's identifiable net assets, the difference will be adjusted to the carrying value of the long-term equity investment and included in the current profit and loss of the investment.

本集團對合營企業及聯營企業的投資採用權益法核算。採用權益法時，長期股權投資初始投資成本大於投資時應享有被投資單位可辨認淨資產公允價值的份額的，不調整長期股權投資賬面價值；長期股權投資初始投資成本小於投資時應享有被投資單位可辨認淨資產公允價值的份額的，差額調增長期股權投資的賬面價值，同時計入取得投資當期損益。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

14. Long-term equity investment (Continued)

(2) Accounting treatment method (Continued)

For long-term equity investment for which the subsequent measurement is accounted for under equity method, during the period when the investment is held, 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 unrealized internal transaction between associates and joint ventures that do not constitute business and calculate the proportion which is attributable to the Group (if the internal transaction losses are asset impairment losses, the full amount is recognized) according to the shareholding, and recognised after adjustment is made to the net profit of the investee. The Group recognizes the net loss incurred by the investee until the carrying value of the long-term equity investment and other long-term interests that essentially constitute the net investment in the investee are reduced to zero, except where the Group is obliged to bear additional losses.

When a long-term equity investment is disposed of, the difference between its carrying value and the actual purchase price shall be included in the current investment income.

三、重要會計政策及會計估計(續)

14. 長期股權投資(續)

(2) 會計處理方法(續)

後續計量採用權益法核算的長期股權投資，在持有投資期間，隨著被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不構成業務的交易產生的未實現內部交易損益按照應享有比例計算歸屬於本集團的部分(內部交易損失屬於資產減值損失的，全額確認)，對被投資單位的淨利潤進行調整後確認。本集團確認被投資單位發生的淨虧損，以長期股權投資的賬面價值以及其他實質上構成對被投資單位淨投資的長期權益減記至零為限，本集團負有承擔額外損失義務的除外。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

14. Long-term equity investment (Continued)

14. 長期股權投資(續)

(2) Accounting treatment method (Continued)

(2) 會計處理方法(續)

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.

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，在終止採用權益法核算時全部轉入當期投資收益。

If the remaining equity after the disposal of part of the equity is still accounted for using the equity method, the relevant other comprehensive income originally accounted for using the equity method will be treated on the same basis as the investee's direct disposal of relevant assets or liabilities and carried forward on a proportional basis. Owners' equity recognized due to changes in other owners' equity other than profit and loss, other comprehensive income and profit distribution will be carried forward to the investment income of the current period on a proportional basis.

因處置部分股權後剩餘股權仍採用權益法核算的，原權益法核算的相關其他綜合收益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，按比例結轉入當期投資收益。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

14. Long-term equity investment (Continued)

14. 長期股權投資(續)

(2) Accounting treatment method (Continued)

(2) 會計處理方法(續)

When the Group loss common control or significant influence over in the investee due to disposal of part of the equity, remaining shareholding after disposal of will be accounted for under ASBE 22 – Recognition and Measurement of Financial Instruments (Cai Kuai [2017] No.7), 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.

因處置部分股權後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(財會[2017]7號)》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。

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 (Cai Kuai [2017] No.7), 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(財會[2017]7號)》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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

14. Long-term equity investment (Continued)

(2) Accounting treatment method (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.

三、重要會計政策及會計估計(續)

14. 長期股權投資(續)

(2) 會計處理方法(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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

15. 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	Rate of residual	Annual
		(year)	value (%)	depreciation rates
		折舊年限 (年)	預計殘值率(%)	年折舊率(%)
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

16. 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.

15. 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：

16. 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

16. Fixed assets (Continued)

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:

No 序號	Category	類別	Depreciable life (year) 折舊年限 (年)	Rate of residual value (%) 預計殘值率 (%)	Annual depreciation rates (%) 年折舊率 (%)
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

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.

16. 固定資產(續)

除已提足折舊仍繼續使用的固定資產和單獨計價入賬的土地外，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：

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。

17. 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.

17. 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

17. Construction in progress (Continued)

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.

18. Borrowing costs

The Group capitalizes the borrowing costs directly attributable to the construction or production of assets that meet the capitalization conditions and includes them in the cost of the relevant assets. Other borrowing costs are included in the current profits and losses. The assets determined by the Group to qualify for capitalization include borrowing cost incurred from fixed assets, investment properties and inventories which require construction or production activities for over 1 year, and can 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.

17. 在建工程(續)

本集團作為BOT項目的被授予方，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。

18. 借款費用

本集團將發生的可直接歸屬於符合資本化條件的資產的構建或者生產的借款費用予以資本化，計入相關資產成本，其他借款費用計入當期損益。本集團確定的符合資本化條件的資產包括需要經過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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

18. Borrowing costs (Continued)

In each accounting period within the capitalization period, the Group recognizes the capitalized amount of borrowing costs in accordance with the following method: 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 determined 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.

18. 借款費用(續)

在資本化期間內的每一會計期間，本集團按照以下方法確認借款費用的資本化金額：借入專門借款的，按照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確定；佔用一般借款的，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，其中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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

19. 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.

19. 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

19. Right-of-use assets (Continued)

19. 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

19. Right-of-use assets (Continued)

19. 使用權資產(續)

(2) Subsequent measurement (Continued)

(2) 後續計量(續)

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。

20. Intangible assets

20. 無形資產

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.

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。

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.

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

20. Intangible assets (Continued)

(1) Land use rights

Land use rights are amortised on the straightline 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.

(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.

三、重要會計政策及會計估計(續)

20. 無形資產(續)

(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) 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

20. Intangible assets (Continued)

(2) Franchising (Continued)

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.

三、重要會計政策及會計估計(續)

20. 無形資產(續)

(2) 特許經營權(續)

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

20. Intangible assets (Continued)

(2) Franchising (Continued)

Most BOT wastewater treatment projects of the Group stipulate commitments for the basic water volume. 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; 2. 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.

(3) Office and other software

The Group's application software and other intangible assets are amortised on the straightline 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.

三、重要會計政策及會計估計(續)

20. 無形資產(續)

(2) 特許經營權(續)

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。

(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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

20. Intangible assets (Continued)

20. 無形資產(續)

(3) Office and other software (Continued)

(3) 辦公及其他軟件(續)

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.

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。

21. Impairment of long-term assets

21. 長期資產減值

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.

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。

(1) Impairment of non-current assets other than financial assets (except goodwill)

(1) 除金融資產之外的非流動資產減值(除商譽外)

When the Group conducts an impairment test, the recoverable amount is the higher of the fair value of the asset less costs of disposal and the present value of the estimated future cash flow expected to be derived from the cash-generating units. After impairment testing, if the asset's book value exceeds its recoverable amount, the difference is recognized as impairment loss.

本集團在進行減值測試時，按照資產的公允價值減去處置費用後的淨額與資產預計未來現金流量的現值兩者之間的較高者確定其可收回金額。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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

21. Impairment of long-term assets (Continued)

21. 長期資產減值(續)

(1) *Impairment of non-current assets other than financial assets (except goodwill) (Continued)*

(1) *除金融資產之外的非流動資產減值(除商譽外)(續)*

The Group estimates the recoverable amount on the basis of individual asset. When it is difficult to estimate the recoverable amount individually, the recoverable value of the cash generating units to which the asset belongs will be estimated. The recognition of a group of assets shall base on whether the main cash flow generated by the group of assets is independent from those generated by other assets or groups of assets.

本集團以單項資產為基礎估計其可回收金額，難以對單項資產的可回收金額進行估計的，以該資產所屬資產組為基礎確定資產組的可回收金額。資產組的認定，以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。

The net amount of fair value minus disposal costs is determined by reference to the agreement price or observable market price of similar assets in the fair trade. When estimating the present value of future cash flows, management must estimate the expected future cash flows of the asset or assets group and select the appropriate discount rate to determine the present value of future cash flows.

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

21. Impairment of long-term assets (Continued)

21. 長期資產減值(續)

(2) Goodwill impairment

(2) 商譽減值

The Group shall, as of the purchasing day, allocate on a reasonable basis the carrying value of the goodwill formed by merger of enterprises to the relevant asset groups, or if there is a difficulty in allocation, to allocate it to the relevant sets of asset groups. In testing an asset group or a set of asset groups to which goodwill has been allocated for impairment, if there is evidence of impairment in relation to goodwill, the Group shall first test the asset group or the set of asset groups excluding the amount of goodwill allocated for impairment. It shall determine and compare the recoverable amount with the related carrying amount and compare with the relevant book value, and recognise any impairment loss. After that, the Group shall test the asset group or set of asset groups including the goodwill for impairment. The carrying amount is compared to its recoverable amount. If the recoverable amount of the asset group or set of asset groups is lower than its carrying amount, an impairment loss on goodwill shall be recognised. Firstly, the impairment loss shall be allocated to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups. Then, the impairment loss shall be allocated to the other assets of the asset group or set of asset groups (excluding goodwill) on the basis of the proportion of the carrying amount of each asset in the asset group or set of asset groups.

For the methods, parameters and assumptions of goodwill impairment testing, please refer to Note V. 15.

Once the impairment loss of the above assets is recognized, it will not be reversed in subsequent accounting periods.

本集團對企業合併形成的商譽，自購買日起將其賬面價值按照合理的方法分攤至相關的資產組，難以分攤至相關的資產組的分攤至相關的資產組組合。在對包含商譽的相關資產組或者資產組組合進行減值測試時，如與商譽相關的資產組或者資產組組合存在減值跡象的，先對不包含商譽的資產組或者資產組組合進行減值測試，計算可收回金額，並與相關賬面價值相比較，確認相應的減值損失；再對包含商譽的資產組或者資產組組合進行減值測試，比較賬面價值與可收回金額，如可收回金額低於賬面價值的，減值損失金額首先抵減分攤至資產組或者資產組組合中商譽的賬面價值，再根據資產組或者資產組組合中除商譽之外的其他各項資產的賬面價值所佔比重，按比例抵減其他各項資產的賬面價值。

商譽減值測試的方法、參數與假設，詳見附註五、15。

上述資產的減值損失一經確認，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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

22. 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.

22. 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。

23. Employee compensation

Employee compensation of the Group mainly includes short-term remuneration, post-employment benefits, termination benefits and other long-term benefits.

23. 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。

(1) *Accounting treatment method for short-term compensation*

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, employee education costs, and non-monetary benefits, 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.

(1) *短期薪酬的會計處理方法*

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、非貨幣性福利等，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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

23. Employee compensation (Continued)

23. 職工薪酬(續)

(2) *Accounting treatment method for post-employment benefits*

(2) 離職後福利的會計處理方法

Post-employment benefits mainly include pension insurance premium. According to the Company's risks and obligations, they are classified as defined contribution plans and defined benefit 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.

離職後福利主要包括基本養老保險費等，按照公司承擔的風險和義務，分類為設定提存計劃、設定受益計劃。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。

① *Defined contribution plan*

① 設定提存計劃

During the accounting period when employees provide services, the Group recognizes the deposit amount payable based on the defined contribution plan as a liability and includes it in the current profit and loss or related asset costs. If the entire payable deposit amount is not expected to be paid within twelve months after the end of the annual reporting period in which the employee provides relevant services, the entire payable deposit amount will be measured as the discounted amount based on the determined discount rate.

本集團在職工為其提供服務的會計期間，將根據設定提存計劃計算的應繳存金額確認為負債，並計入當期損益或相關資產成本。預期不會在職工提供相關服務的年度報告期結束後十二個月內支付全部應繳存金額的，按確定的折現率將全部應繳存金額以折現後的金額計量應付職工薪酬。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

23. Employee compensation (Continued)

23. 職工薪酬(續)

(2) Accounting treatment method for post-employment benefits (Continued)

(2) 離職後福利的會計處理方法(續)

② Defined benefit plans

② 設定受益計劃

At the end of the reporting period, the Group recognizes the employee compensation costs generated by the defined benefit plan as the following components: A. Service costs, including current service costs, past service costs and settlement gains or losses; B. Net interest on net liabilities or net assets of defined benefit plans, including interest income on plan assets, interest expenses on defined benefit plan obligations, and interest affected by the asset caps; C. Changes resulting from re-measurement of net liabilities or net assets of defined benefit plans; Unless other accounting standards require or allow employee benefit costs to be included in asset costs, the above items A and B are included in current profits and losses; item C is included in other comprehensive income.

報告期末，本集團將設定受益計劃產生的職工薪酬成本確認為下列組成部分：A.服務成本，包括當期服務成本、過去服務成本和結算利得或損失；B.設定受益計劃淨負債或淨資產的利息淨額，包括計劃資產的利息收益、設定受益計劃義務的利息費用以及資產上限影響的利息；C.重新計量設定受益計劃淨負債或淨資產所產生的變動；除非其他會計準則要求或允許職工福利成本計入資產成本，上述A項和B項計入當期損益；C項計入其他綜合收益。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

23. Employee compensation (Continued)

23. 職工薪酬(續)

(3) *Accounting treatment method for dismissal benefits*

(3) 辭退福利的會計處理方法

The termination of the employment relationship with the employee before the expiration of the employee's employment contract, or the proposal of compensation to encourage the employee to voluntarily accept the reduction, at the date that the Group is unable to unilaterally withdraw the termination benefits provided as a result of the termination plan or the reduction proposal, or the date that the Group recognizes the costs associated with the restructuring involving the payment of termination benefits (whichever is earlier), the employee compensation liabilities arising from dismissal benefits will be recognized and included in the current profit and loss. However, if dismissal benefits are not expected to be fully paid twelve months after the end of the annual reporting period, they will be treated as other long-term employee benefits. Internal employee retirement plans will be treated on the same principles as the above-mentioned dismissal benefits. The Group will include the wages and social insurance premiums to be paid to early retirees during the period from the date the employee ceases to provide service to the normal retirement date in the current profit and loss (dismissal benefits) when the conditions for recognition of estimated liabilities are met.

Other long-term employee benefits provided by the Group to employees that meet the defined contribution plan will be accounted in accordance with the defined contribution plan; otherwise, they shall be accounted for in accordance with the defined benefit plan.

在職工勞動合同到期之前解除與職工的勞動關係，或為鼓勵職工自願接受裁減而提出給予補償的建議，在本集團不能單方面撤回因解除勞動關係計劃或裁減建議所提供的辭退福利時，和本集團確認與涉及支付辭退福利的重組相關的成
本兩者孰早日，確認辭退福利產生的職工薪酬負債，並計入當期損益。但辭退福利預期在年度報告期結束後十二個月不能完全支付的，按照其他長期職工薪酬處理。職工內部退休計劃採用與上述辭退福利相同的原則處理。本集團將自職工停止提供服務日至正常退休日的期間擬支付的內退人員工資和繳納的社會保險費等，在符合預計負債確認條件時，計入當期損益(辭退福利)。

本集團向職工提供的其他長期職工福利，符合設定提存計劃的，按照設定提存計劃進行會計處理，除此之外按照設定受益計劃進行會計處理。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

24. 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.

24. 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

24. Lease liabilities (Continued)

24. 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

24. Lease liabilities (Continued)

(2) Subsequent measurement

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.

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.

三、重要會計政策及會計估計(續)

24. 租賃負債(續)

(2) 後續計量

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。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

24. Lease liabilities (Continued)

(3) Remeasurement

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).

25. 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 estimated liabilities 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.

三、重要會計政策及會計估計(續)

24. 租賃負債(續)

(3) 重新計量

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)。

25. 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

25. Estimated liabilities (Continued)

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. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. As at the balance sheet date, the book value of the estimated liabilities is reviewed and adjusted (if any change) to reflect the current best estimate.

25. 預計負債(續)

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。

26. Recognition and measurement of revenue

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. Obtaining control over relevant goods or services means being able to direct the use of the goods or the provision of the services and obtain almost all economic benefits from them.

The revenue of the Group mainly included tap water sales revenue, wastewater service revenue, pipeline and household meter installation revenue, etc. Operating income follows the "Accounting Standards for Business Enterprises 14 – Revenue".

26. 收入確認原則和計量方法

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。取得相關商品或服務的控制權，是指能夠主導該商品的使用或該服務的提供並從中獲得幾乎全部的經濟利益。

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。營業收入執行《企業會計準則第14號—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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

26. Recognition and measurement of revenue (Continued)

26. 收入確認原則和計量方法(續)

The specific revenue recognition principles of the Group are as follows:

本集團具體的收入確認原則如下：

(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

(2) 污水處理服務收入

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

(3) 提供勞務收入

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

27. Government grants

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 nonmonetary asset, it is measured at fair value. If fair value cannot be determined reliably, it is measured at a nominal amount of RMB1.

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. If it is difficult to distinguish, the whole group will be classified as government subsidies related to income.

Government subsidies related to assets will be offset against the book value of the relevant assets or recognized as deferred income. Government subsidies related to assets recognized as deferred income will be included in current profit and loss in a reasonable and systematic manner within the useful life of the relevant assets. If the relevant assets are sold, transferred, scrapped or damaged before the end of their useful life, the undistributed balance of relevant deferred income will be transferred to the profit and loss of the current period of asset disposal.

27. 政府補助

政府補助在能夠滿足其所附的條件並且能夠收到時，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，本集團按照上述區分原則進行判斷，難以區分的，整體歸類為與收益相關的政府補助。

與資產相關的政府補助，沖減相關資產的賬面價值或確認為遞延收益，確認為遞延收益的與資產相關的政府補助，在相關資產使用壽命內按照合理、系統的方法分期計入當期損益。相關資產在使用壽命結束前被出售、轉讓、報廢或發生毀損的，將尚未分配的相關遞延收益餘額轉入資產處置當期的損益。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

27. Government grants (Continued)

Government subsidies related to income that are used to compensate for relevant costs, expenses or losses in subsequent periods are recognized as deferred income, and are included in the current profits and losses or offset related costs during the period in which the relevant costs, expenses or losses are recognized. Government subsidies related to daily activities will be included in other income or offset related costs and expenses according to the essence of economic business. Government subsidies unrelated to daily activities are included in non-operating income.

27. 政府補助(續)

與收益相關的政府補助，用於補償以後期間的相關成本費用或損失的，確認為遞延收益，並在確認相關成本費用或損失的期間計入當期損益或沖減相關成本。與日常活動相關的政府補助，按照經濟業務實質，計入其他收益或沖減相關成本費用。與日常活動無關的政府補助，計入營業外收入。

28. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are recognized based on the difference between the tax bases and the book value of assets and liabilities, as well as the difference between the tax bases of items that are not recognized as assets and liabilities but whose tax bases can be determined in accordance with tax laws and the book value (temporary differences).

28. 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之間的差額、以及未作為資產和負債確認但按照稅法規定可以確定其計稅基礎的項目的計稅基礎與其賬面價值之間的差額產生的(暫時性差異)計算確認。

The Group recognizes deferred income tax liabilities for all taxable temporary differences except in the following situations: (1) the temporary difference arising from the initial recognition of goodwill, or the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss). (2) Taxable temporary differences related to investments in subsidiaries, associates and joint ventures, where the Group is able to control the timing of reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

本集團對除以下情形外的所有應納稅暫時性差異確認遞延所得稅負債：(1)暫時性差異產生於商譽的初始確認或既不影響會計利潤也不影響應納稅所得額(或可抵扣虧損)的非企業合併的交易中產生的資產或負債的初始確認；(2)與子公司、聯營企業及合營企業投資相關的應納稅暫時性差異，本集團能夠控制暫時性差異轉回的時間且該暫時性差異在可預見的未來很可能不會轉回的。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

28. Deferred tax assets and deferred tax liabilities (Continued)

The Group recognizes deferred income tax assets for deductible temporary differences, deductible losses and tax credits to the extent that it is probable that future taxable profit will be available in the future against which the deductible temporary differences, deductible losses and tax credits can be utilized, except for the following circumstances, (1) the temporary difference arising from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss). (2) when it is probable that the deductible temporary differences arising from investments in subsidiaries, associates and joint ventures cannot meet the following conditions at the same time, temporary differences will be reversed in the foreseeable future and that the deductible taxable profit will be available in the future against which the temporary differences can be utilized.

Deferred income tax assets are recognized for all unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. Significant judgment is required to estimate the amount and timing of future taxable profit so as to determine, together with the tax planning strategies, the amount of deferred income tax assets to be recognized, thus, so there is uncertainty.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled at each balance sheet date.

28. 遞延所得稅資產和遞延所得稅負債(續)

本集團以很可能取得用來抵扣可抵扣暫時性差異、可抵扣虧損和稅款抵減的未來應納稅所得額為限，對除以下情形外產生的可抵扣暫時性差異、可抵扣虧損和稅款抵減確認遞延所得稅資產：(1)暫時性差異產生於既不影響會計利潤也不影響應納稅所得額(或可抵扣虧損)的非企業合併的交易中產生的資產或負債的初始確認；(2)與子公司、聯營企業及合營企業投資相關的可抵扣暫時性差異，不能同時滿足以下條件的：暫時性差異在可預見的未來很可能轉回、未來很可能獲得用來抵扣可抵扣暫時性差異的應納稅所得額。

本集團在很可能有足夠的應納稅所得額用以抵扣可抵扣虧損的限度內，就所有尚未利用的可抵扣虧損確認遞延所得稅資產。管理層運用大量的判斷來估計未來取得應納稅所得額的時間和金額，結合納稅籌劃策略，決定應確認的遞延所得稅資產的金額，因此存在不確定性。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

28. Deferred tax assets and deferred tax liabilities (Continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current deferred tax liabilities and the deferred taxes assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

29. Lease

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.

28. 遞延所得稅資產和遞延所得稅負債(續)

在同時滿足下列條件時，本集團將遞延所得稅資產及遞延所得稅負債以抵銷後的淨額列示：本集團擁有以淨額結算當期所得稅資產及當期遞延所得稅負債的法定權利；遞延所得稅資產和遞延所得稅負債是與同一稅收徵管部門對同一納稅主體徵收的所得稅相關或者對不同的納稅主體相關，但在未來每一具有重要性的遞延所得稅資產和遞延所得稅負債轉回的期間內，涉及的納稅主體體意圖以淨額結算當期所得稅資產及當期所得稅負債或是同時取得資產、清償債務。

29. 租賃

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，如果合同中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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

29. Lease (Continued)

29. 租賃(續)

(1) Identification of lease

(1) 租賃的識別

On the contract inception date, the Group evaluates whether the contract is a lease or contains a lease. A contract is a lease or contains a lease if one party to the contract transfers the right to control the use of one or more identified assets for a certain period in exchange for consideration.

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。

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. Each part of the lease is accounted for in accordance with the lease standards, and the non-lease part is accounted for in accordance with other applicable business accounting standards. If the contract contains both lease and non-lease parts, the Group, as the lessor, will separate the lease and non-lease parts and conduct accounting treatment separately. Each lease part will be accounted for in accordance with the lease standards, and the non-lease part will be accounted for in accordance with other applicable business accounting standards. As a lessee, the Group chooses not to separate the lease and non-lease parts, and merges each lease part and its related non-lease parts into leases respectively, and conducts accounting treatment in accordance with the lease standards; however, the contract includes embedded derivatives that should be separated, the Group does not combine them with the lease component for 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。各租賃部分分別按照租賃準則進行會計處理，非租賃部分按照其他適用的企業會計準則進行會計處理。合同中同時包含租賃和非租賃部分的，本集團作為出租人的，將租賃和非租賃部分進行分拆後分別進行會計處理，各租賃部分分別按照租賃準則進行會計處理，非租賃部分按照其他適用的企業會計準則進行會計處理。本集團作為承租人的，選擇不分拆租賃和非租賃部分，將各租賃部分及與其相關的非租賃部分分別合併為租賃，按照租賃準則進行會計處理；但是，合同中包括應分拆的嵌入衍生工具的，本集團不將其與租賃部分合併進行會計處理。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

29. Lease (Continued)

29. 租賃(續)

(1) Identification of lease (Continued)

In assessing whether it is reasonably certain that the renewal option will be exercised, the Group considers all relevant facts and circumstances relating to the economic benefits resulting from the renewal option, including anticipated changes in facts and circumstances between the commencement of the lease term and the date of exercise of the option. On the commencement date of the lease period, the Group believes that compared with the market price, the contract terms and articles are more economic, during the contract period, the Group has made or is expected to make significant improvements to the leased assets, and the leased assets are of great importance for the Group's operating and irreplaceable, the Group would reasonably certain to exercise the option to extension. Thus the lease term should include the period covered by the option to extend the lease. After the commencement of the lease term, if a major event or change occurs within the control of the Group and affects whether the Group is reasonably certain to exercise the corresponding lease renewal option, the Group will re-evaluate whether to exercise the lease renewal option and modify the lease term based on reassessment results.

(2) The Group as lessee

① Lease recognition

Except for short-term leases and leases of low-value assets, on the beginning date of the lease term, the Company recognizes the right-of-use assets and lease liabilities of the lease.

(1) 租賃的識別(續)

本集團在評估是否合理確定將行使續租選擇權時，綜合考慮與本集團行使續租選擇權帶來經濟利益的所有相關事實和情況，包括自租賃期開始日至選擇權行使日之間的事實和情況的預期變化。租賃期開始日，本集團認為，由於與市價相比，續租選擇權期間的合同條款和條件更優惠(在合同期內，本集團進行或預期將進行重大租賃資產改良，租賃資產對本集團的運營重要，且不易獲取合適的替換資產，本集團能夠合理確定將行使續租選擇權)，因此，租賃期中包含續租選擇權涵蓋的期間。租賃期開始日後，如發生本集團可控範圍內的重大事件或變化，且影響本集團是否合理確定將行使相應續租選擇權的，本集團將對是否行使續租選擇權進行重新評估，並根據重新評估結果修改租賃期。

(2) 本集團作為承租人

① 租賃確認

除了短期租賃和低價值資產租賃，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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

29. Lease (Continued)

29. 租賃(續)

(2) The Group as lessee (Continued)

(2) 本集團作為承租人(續)

① Lease recognition (Continued)

① 租賃確認(續)

Right-of-use assets refer to the Group's right as a lessee to use the leased assets during the lease term, and are initially measured at cost. The cost includes: A. The initial measurement amount of the lease liability; B. The lease payment amount paid on or before the commencement date of the lease term less the amount related to the lease incentive already enjoyed; C. The initial direct costs incurred; D. Costs expected to be incurred to demolish and remove the leased asset, rehabilitate the site where the leased asset is located, or restore the leased asset to its condition as agreed in the lease terms (except those incurred for the production of inventory). If the Group remeasures lease liabilities in accordance with the relevant provisions of the lease standards, the book value of the right-of-use assets will be adjusted accordingly.

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，按照成本進行初始計量。該成本包括：A.租賃負債的初始計量金額；B.在租賃期開始日或之前支付的租賃付款額扣除已享受的租賃激勵相關金額；C.發生的初始直接費用；D.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)。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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

29. Lease (Continued)

29. 租賃(續)

(2) The Group as lessee (Continued)

(2) 本集團作為承租人(續)

① Lease recognition (Continued)

① 租賃確認(續)

The Group depreciates right-of-use assets on a straight-line basis based on the expected consumption pattern of the economic benefits related to the right-of-use assets. If can reasonably determine that the ownership of the leased asset can be acquired at the expiration of the lease term, the leased asset shall be depreciated within its remaining useful life. If the lessee cannot reasonably determine that the ownership of the leased asset can be acquired at the expiration of the lease term, the leased asset shall be depreciated within the lease term or its remaining useful life (whichever is shorter). The depreciation amount accrued shall be included in the cost of the relevant assets or the current profits and losses according to the purpose of the right-of-use assets.

本集團根據與使用權資產有關的經濟利益的預期消耗方式以直線法對使用權資產計提折舊。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。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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

29. Lease (Continued)

29. 租賃(續)

(2) The Group as lessee (Continued)

(2) 本集團作為承租人(續)

① Lease recognition (Continued)

① 租賃確認(續)

The Group initially measures lease liabilities based on the present value of the unpaid lease payments at the commencement date of the lease term. Lease payments include: A. Fixed payments and substantive fixed payments, net of lease incentive-related amounts; B. Variable lease payments that depend on an index or ratio; C. The exercise price of the Purchase option when the Group reasonably determines that it will exercise the purchase option; D. The lease term reflects the amount required to be paid when the Group exercises the option to terminate the lease; E. The amount expected to be paid based on the residual value of the guarantee provided by the Group.

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。租賃付款額包括：A.固定付款額及實質固定付款額，扣除租賃激勵相關金額；B.取決於指數或比率的可變租賃付款額；C.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；D.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；E.根據本集團提供的擔保餘值預計應支付的款項。

When calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. If the Group cannot determine the interest rate implicit in the lease, it uses the incremental borrowing rate as the discount rate. The Group calculates the interest expense of the lease liability for each period of the lease term according to a fixed periodic interest rate, and it is included in the current profit or loss, except for those that should be capitalized.

在計算租賃付款額的現值時，本集團採用租賃內含利率作為折現率。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。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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

29. Lease (Continued)

29. 租賃(續)

(2) The Group as lessee (Continued)

(2) 本集團作為承租人(續)

① Lease recognition (Continued)

① 租賃確認(續)

After the commencement of the lease term, when the Group recognizes the interest on the lease liability, it increases the carrying amount of the lease liability; when it pays the lease payment, it reduces the carrying amount of the lease liability. When the actual fixed payment amount changes, the estimated amount payable of the guaranteed residual value changes, the index or ratio used to determine the lease payment changes, the evaluation results or actual exercise of the purchase option, lease renewal option or termination option changes, the Group remeasures the lease liability based on the present value of the changed lease payments.

在租賃期開始日後，本集團確認租賃負債的利息時，增加租賃負債的賬面金額；支付租賃付款額時，減少租賃負債的賬面金額。當實質固定付款額發生變動、擔保餘值預計的應付金額發生變化、用於確定租賃付款額的指數或比率發生變動、購買選擇權、續租選擇權或終止選擇權的評估結果或實際行權情況發生變化時，本集團按照變動後的租賃付款額的現值重新計量租賃負債。

② Short-term leases and low-value asset leases

② 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 brandnew 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

29. Lease (Continued)

(2) The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset on the lease commencement date is classified as a finance lease. Other leases other than finance lease shall be classified as operating leases.

As an operating lease lessor, the rental income from operating leases is recognized as current profit and loss on a straight-line basis in each period during the lease term, and contingent rents is included in current profit and loss when actually occur.

The initial direct expenses incurred by the Group in connection with operating leases are capitalized into the cost of the underlying assets of the lease, and are included in the current profit and loss in installments during the lease term on the same recognition basis as rental income. The variable lease payments obtained by the Group related to operating leases and not charged to the lease receipts are charged to the current profits or losses when they are actually incurred.

Where an operating lease changes, the Group accounts for it as a new lease from the effective date of the change, and deems the advanced lease receipts or lease receivables related to the lease before the change as the new lease receipts.

三、重要會計政策及會計估計(續)

29. 租賃(續)

(2) 本集團作為出租人

租賃開始日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的租賃為融資租賃，除此之外的均為經營租賃。

作為經營租賃出租人，經營租賃的租金收入在租賃期內各個期間按直線法確認為當期損益，或有租金在實際發生時計入當期損益。

本集團發生的與經營租賃有關的初始直接費用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。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。

經營租賃發生變更的，本集團自變更生效日起將其作為一項新租賃進行會計處理，與變更前租賃有關的預收或應收租賃收款額應當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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

30. Assets held for sale

The Group classified a non-current asset or disposal group as held for sale when the carrying amount of a non-current asset or disposal group will be recovered through a sale transaction rather than through continuing use.

A non-current asset or disposal group is classified as held for sale when all the following criteria are met: ① According to the customary practices of selling such asset or disposal group in similar transactions, the non-current asset or disposal group must be available for immediate sale; ② Its sale is highly probable, that is, the Group has made a resolution on a sale plan and has obtained a firm purchase commitment. The sale is to be completed within one year. The relevant regulations require approval from relevant authorities or regulatory authorities before sales can be made. For non-current assets and disposal groups (other than financial assets and deferred tax assets) held by the Group, if the book value is higher than the net amount after the fair value minus the selling expenses, the book value is reduced to the net amount after the fair value minus the selling expenses. The amount of the write-down is recognized as the loss on disposal of assets and included in the current profit and loss. At the same time, provision for impairment of assets held for sale is made.

30. 持有待售

本集團主要通過出售而非持續使用一項非流動資產或處置組收回其賬面價值的，將其劃分為持有待售類別。

本集團將同時符合下列條件的非流動資產或處置組劃分為持有待售：①根據類似交易中出售此類資產或處置組的慣例，在當前狀況下即可立即出售；②出售極可能發生，即已經就一項出售計劃作出決議且獲得確定的購買承諾，預計出售將在一年內完成。有關規定要求相關權力機構或者監管部門批准後方可出售的需要獲得相關批准。本集團持有的非流動資產或處置組賬面價值高於公允價值減去出售費用後的淨額的，將賬面價值減記至公允價值減去出售費用後的淨額，減記的金額確認為資產減值損失，計入當期損益，同時計提持有待售資產減值準備。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

30. Assets held for sale (Continued)

When there is loss of control over a subsidiary due to disposal of investments in the subsidiary, and the proposed disposal of investment in the subsidiary satisfies classification criteria of held-for-sale category, the investments in subsidiaries are classified as held-for-sale category as a whole in the company's separate financial statement, and all assets and liabilities of subsidiaries are classified as held-for-sale category in the consolidated financial statements regardless that part of the equity investments are remained after the sale.

Non-current assets classified as held-for-sale or disposal groups are not depreciated or amortized, interest and other costs of liabilities of disposal group classified as held for sale continue to be recognized.

When non-current assets or disposal groups held for sale are derecognised, the unrecognized gains or losses will be included in the current profits and losses.

31. Discontinued operations

Discontinued operation refers to a component of the Group which meets one of the following requirements and can be distinguish 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.

30. 持有待售(續)

本集團因出售對子公司的投資等原因導致喪失對子公司控制權的，無論出售後本集團是否保留部分權益性投資，在擬出售的對子公司投資滿足持有待售類別劃分條件時，在母公司個別財務報表中將對子公司投資整體劃分為持有待售類別，在合併財務報表中將子公司所有資產和負債劃分為持有待售類別。

持有待售的非流動資產或處置組中的非流動資產不計提折舊或攤銷，持有待售的處置組中負債的利息和其他費用繼續予以確認。

終止確認持有待售的非流動資產或處置組時，將尚未確認的利得或損失計入當期損益。

31. 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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

31. Discontinued operations (Continued)

In the income statement, the Group added the items “net profit from continuing operations” and “net profit from discontinued operations” under the “net profit” item in the income statement to reflect the profits and losses related to continuing operations and the profits and losses related to discontinued operations in the net amount after tax. The profits and losses related to discontinued operations should be reported as profits and losses from discontinued operations. The reported profits and losses from discontinued operations include the entire reporting period, not just the reporting period after the discontinued operation.

31. 終止經營(續)

在利潤表的中，本集團在利潤表「淨利潤」項下增設「持續經營淨利潤」和「終止經營淨利潤」項目，以稅後淨額分別反映持續經營相關損益和終止經營相關損益。終止經營的相關損益應當作為終止經營損益列報，列報的終止經營損益包含整個報告期間，而不僅包含認定為終止經營後的報告期間。

32. Measurement of fair value

The Group invests in trading financial assets, other noncurrent financial assets, derivative financial instruments and other equity instruments at fair value on each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: the Level 1 input is the unadjusted quotation of the same assets or liabilities that can be obtained on the measurement date in the active market; The Level 2 input is the direct or indirect observable input value of related assets or liabilities other than the Level 1 input; the Level 3 input is the unobservable input of related assets or liabilities.

32. 公允價值的計量

本集團於每個資產負債表日以公允價值交易性金融資產、其他非流動金融資產、衍生金融工具和其他權益工具投資。公允價值，是指市場參與者在計量日發生的有序交易中，出售一項資產所能收到或者轉移一項負債所需支付的價格。

在財務報表中以公允價值計量或披露的資產和負債，根據對公允價值計量整體而言具有重要意義的最低層次輸入值，確定所屬的公允價值層次：第一層次輸入值，在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，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，相關資產或負債的不可觀察輸入值。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

32. Measurement of fair value (Continued)

For assets and liabilities measured at fair value that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels of measurement at fair value by reassessing categorisation as at balance sheet date.

32. 公允價值的計量(續)

每個資產負債表日，本集團對在財務報表中確認的持續以公允價值計量的資產和負債進行重新評估，以確定是否在公允價值計量層次之間發生轉換。

33. 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.

The inter-segment transfer price is determined with reference to the market price. Expenses, other than those which is unable to be allocated reasonably, are allocated among segments on the basis of revenue proportion.

33. 分部信息

本集團根據內部組織架構、管理規定及內部匯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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

34. Safety production costs

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.

35. Changes in critical accounting policies and accounting estimates

The Group had no changes in critical accounting policies and accounting estimates during the period.

34. 安全生產費

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。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。

35. 重要會計政策和會計估計變更

本集團本期無重要的會計政策和會計估計變更事項。

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

36. Critical accounting judgments and key sources of estimation uncertainty

36. 主要會計判斷及估計不確定性的主要來源

- (1) The application of the Group's accounting policies described in Note III 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.

- (1) 本集團在運用本附註三、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) 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:

- (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) *Impairment of financial instruments and contract assets*

1) *金融工具和合同資產減值*

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.

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

36. Critical accounting judgments and key sources of estimation uncertainty (Continued)

(2) (Continued)

2) *Impairment of non-current assets other than financial assets*

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.

三、重要會計政策及會計估計(續)

36. 主要會計判斷及估計不確定性的主要來源(續)

(2) (續)

2) 除金融資產之外的非流動資產減值

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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

36. Critical accounting judgments and key sources of estimation uncertainty (Continued)

36. 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)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

36. Critical accounting judgments and key sources of estimation uncertainty (Continued)

(2) (Continued)

4) *Goodwill impairment*

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).

三、重要會計政策及會計估計(續)

36. 主要會計判斷及估計不確定性的主要來源(續)

(2) (續)

4) 商譽減值

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)

IV. TAXATION 四、稅項

1. Main types and rates of taxes 1. 主要稅種及稅率

Type of taxes 稅種	Tax basis 計稅依據	Tax rate 稅率
Value-added tax 增值稅	Taxable value added 應納稅增值額	13%, 9%, 6%, 5%, 3% 13%、9%、6%、5%、3%
City maintenance and construction tax 城市維護建設稅	Flow-through tax payable 應納流轉稅額	5%, 7% 5%、7%
Educational surcharges 教育費附加	Flow-through tax payable 應納流轉稅額	3% 3%
Local educational surcharges 地方教育費附加	Flow-through tax payable 應納流轉稅額	2% 2%
Enterprise income tax 企業所得稅	Taxable income 應納稅所得額	15%, 20% 15%、20%
Real estate tax 房產稅	Based on 70% of the original value of fixed assets for own use 按照自用固定資產原值的70% Based on rental income for fixed assets leased out 租出固定資產按照租金收入	1.2% 1.2% 12% 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)

IV. TAXATION (Continued)

四、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 納稅主體名稱	Income tax rate 所得稅稅率
Luzhou Xinglu Water (Group) Co., Ltd. (hereinafter referred to as "Water Headquarters") 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 (hereinafter referred to as "Lu County Branch") 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. (hereinafter referred to as "Hejiang Water") 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") 瀘州市南郊水業有限公司(以下簡稱「南郊水業」)	see 3.③ 詳見3.③
Luzhou Xinglu Water (Group) Beijiao Water Co., Ltd. (hereinafter referred to as "Beijiao Water") 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. (hereinafter referred to as "Sitong Engineering") 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. (hereinafter referred to as "Xinglu Wastewater") 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. (hereinafter referred to as "Xinghe Water Governance") 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. (hereinafter referred to as "Weiyuan Water") 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. (hereinafter referred to as "Weiyuan Installation") 威遠城市供排水安裝工程有限公司(以下簡稱「威遠安裝」)	see 3.③ 詳見3.③
Luzhou Fanxing Environmental Development Co., Ltd. (hereinafter referred to as "Fanxing Environmental") 瀘州市繁星環保發展有限公司(以下簡稱「繁星環保」)	see 3. ①②③ 詳見3.①②③

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

IV. TAXATION (Continued)

四、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 納稅主體名稱	Income tax rate 所得稅稅率
Dechang Xinglu Water Co., Ltd. (hereinafter referred to as "Dechang Water") 德昌縣興瀘水務有限公司(以下簡稱「德昌水務」)	15% 15%
Chengdu Qingbaijiang Xinglu Water Co., Ltd. (hereinafter referred to as "Qingbaijiang Water") 成都市青白江興瀘水務有限公司(以下簡稱「青白江水務」)	see 3. ①②③ 詳見3.①②③
Leshan Xinglu Water Xingjia Environmental Protection Technology Co., Ltd. (hereinafter referred to as "Xingjia Environmental") 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」)	see 3.③ 詳見3.③
Leibo Xinglu Water Co., Ltd. (hereinafter referred to as "Leibo Water") 雷波縣興瀘水務有限公司(以下簡稱「雷波水務」)	see 3.③ 詳見3.③
Luzhou Xinglu Zhihui Water Science and Technology Co., Ltd. (hereinafter referred to as "Zhihui Technology") 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」)	see 3.③ 詳見3.③
Luzhou Sitong Water Supply and Drainage Engineering Design Co., Ltd. (hereinafter referred to as "Sitong Design") 瀘州市四通給排水工程設計有限公司(以下簡稱「四通設計」)	see 3.③ 詳見3.③
Luzhou Xinglu Water (Group) Xingxu Water Co., Ltd. (hereinafter referred to as "Xingxu Water") 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」)	see 3.③ 詳見3.③
Xuyong Yongxing Water Governance Co., Ltd. (hereinafter referred to as "Yongxing Water Governance") 敘永縣永星水環境治理有限公司(以下簡稱「永星水環境」)	see 3.③ 詳見3.③
Luzhou Xinggang Environmental Protection Technology Co., Ltd. (hereinafter referred to as "Xinggang Environmental") 瀘州市興港環保科技有限公司(以下簡稱「興港環保」)	see 3.③ 詳見3.③
Leshan Jingyan Xinglu Wastewater Treatment Co., Ltd. (hereinafter referred to as "Jingyan Wastewater") 樂山井研興瀘污水處理有限公司(以下簡稱「井研污水」)	15% 15%
Luzhou Xinglu Water Quality Testing Co., Ltd. (hereinafter referred to as "Water Quality Testing") 瀘州市興瀘水質檢測有限公司(以下簡稱「水質檢測」)	see 3.③ 詳見3.③

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued) 財務報表附註(續)

IV. TAXATION (Continued)

3. Tax preferences

(1) Enterprise income tax

- 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.

四、稅項(續)

3. 稅收優惠

(1) 企業所得稅

- 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)

IV. TAXATION (Continued)

四、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)

- 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.

- 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)

IV. TAXATION (Continued)

四、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)

② (Continued)

② (續)

According to Article 34 of the Enterprise Income Tax Law, the investment amount of enterprises for the purchasing of special equipment for environmental protection, energy and water conservation and work safety may be offset against tax according to a proportion. According to Article 100 of the Regulation on the Implementation of the Enterprise Income Tax Law, where an enterprise purchases and actually uses special equipment for environmental protection, energy and water conservation and work safety stipulated in the Catalogue of Enterprise Income Tax Preferences for Special Equipment for Environmental Protection, the Catalogue of Enterprise Income Tax Incentives for Special Equipment for Energy and Water Conservation, and the Catalogue of Enterprise Income Tax Incentives for Special Equipment for Work Safety, 10% of the investment amount in such special equipment may be offset against its tax payable for the current year; where the tax payable is insufficient for the credit, the excess may be carried forward for credit in the following five taxable years.

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.

根據《企業所得稅法》第三十四條，企業購置用於環境保護、節能節水、安全生產等專用設備的投資額，可以按一定比例實行稅額抵免。根據《企業所得稅法》實施條例第一百條，企業購置並實際使用《環境保護專用設備企業所得稅優惠目錄》、《節能節水專用設備企業所得稅優惠目錄》和《安全生產專用設備企業所得稅優惠目錄》規定的環境保護、節能節水、安全生產等專用設備的，該專用設備的投資額的10%可以從企業當年的應納稅額中抵免；當年不足抵免的，可以在以後5個納稅年度結轉抵免。

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

IV. TAXATION (Continued)

四、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)

② (Continued)

② (續)

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.

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。

Name of taxpayer 納稅主體名稱	50% tax reduction period 減半徵收期
Fanxing Environmental (Gulin Project) 繁星環保（古蘭項目）	2022 – 2024 2022年－2024年
Qingbaijiang Water 青白江水務	2023 – 2025 2023年－2025年

③ According to the Notice of the Ministry of Finance and the State Taxation Administration on the Preferential Income Tax Policies for Micro and Small Enterprises and Individual Business ([2023] No. 12), the policy that small and low-profit enterprises shall pay the taxable income at a reduced rate of 25% and the enterprise income tax shall be paid at the tax rate of 20% will continue to be implemented until 31 December 2027.

③ 根據《財政部稅務總局關於小微企業和個體工商戶所得稅優惠政策的公告》（2023年第12號），對小型微利企業減按25%計算應納稅所得額，按20%的稅率繳納企業所得稅政策，延續執行至2027年12月31日。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

IV. TAXATION (Continued)

3. Tax preferences (Continued)

(2) Value-added tax

- 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 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.

四、稅項(續)

3. 稅收優惠(續)

(2) 增值稅

- 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，可享受增值稅即徵即退政策。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徵即退政策，退稅率70%。
- ② 根據《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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS

五、合併財務報表主要項目註釋

For the following disclosed financial statement data, unless otherwise noted, “Opening Balance” refers to the balance as at 1 January 2024; and “Closing Balance” refers to the balance as at 31 December 2024. “Current Year” refers to the period from 1 January to 31 December 2024; “Last Year” refers to the period from 1 January to 31 December 2023, 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2024年1月1日，「年末」系指2024年12月31日，「本年」系指2024年1月1日至12月31日，「上年」系指2023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 年末餘額	Opening balance 年初餘額
Cash on hand	庫存現金	153.67	3,591.92
Bank deposits	銀行存款	447,177,034.23	390,497,535.07
Other monetary capitals	其他貨幣資金	2,000.00	4,000.00
Total	合計	447,179,187.90	390,505,126.99
Including: Total deposits overseas	其中：存放在境外的款項總額	1,565,737.34	1,527,866.43
Deposits with finance companies	存放於財務公司款項		

Note 1: The deposit of RMB57.9184 million in the Group's dedicated bank account was obtained as a special financing, of which RMB56.6881 million should be used exclusively for Luzhou City Urban Area Household Meter Renovation Project, and RMB RMB1.2368 million 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5,791.84萬元存款為專項融資獲得資金，其中5,668.81萬元需專項用於瀘州市主城區自來水戶表改造工程，123.68萬元需專項用於瀘州市江陽區全域供水項目。

Note 2: For details of the use of restricted monetary funds, see “Note V. 52. Assets with limited ownership or use rights”.

註2、使用受到限制的貨幣資金詳見「附註五、52.所有權或使用權受到限制的資產」。

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

2. Bills receivable

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Bank acceptance notes	銀行承兌匯票		600,000.00
Total	合計		600,000.00

2. 應收票據

3. Accounts receivable

(1) Accounts receivable as shown by provision for bad debts

Category	類別	Book balance 賬面餘額		Provision for bad debts 壞賬準備		Book value 賬面價值
		Amount 金額	Proportion (%) 比例(%)	Amount 金額	Provision proportion (%) 計提比例(%)	
Separate provision for bad debts	按單項計提壞賬準備	3,200,361.34	0.40	3,200,361.34	100.00	0.00
Provision for bad debts on a group basis	按組合計提壞賬準備	801,533,576.91	99.60	103,872,570.91	12.96	697,661,006.00
Total	合計	804,733,938.25	100.00	107,072,932.25		697,661,006.00

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 五、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	Provision 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	3,200,363.28	0.50	3,200,363.28	100.00	
Provision for bad debts on a group basis	按組合計提壞賬準備	631,977,093.30	99.50	68,062,474.90	10.77	563,914,618.40
Total	合計	635,177,456.58	100.00	71,262,838.18		563,914,618.40

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

年初餘額

Provision for bad debts

壞賬準備

Provision

proportion (%)

Book value

Category

類別

Amount

Proportion (%)

Amount

proportion (%)

Book value

Category

類別

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

3,200,363.28

0.50

3,200,363.28

100.00

Provision for bad debts on a group basis

按組合計提壞賬準備

631,977,093.30

99.50

68,062,474.90

10.77

563,914,618.40

Total

合計

635,177,456.58

100.00

71,262,838.18

563,914,618.40

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、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	Closing balance 年末餘額			Reason for provision 計提理由
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Provision proportion (%) 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	Not expected to be recovered 預計無法收回
Sichuan Weiyuan Construction Group Co., Ltd.	四川省威遠建業集團有限公司	627,668.00	627,668.00	100.00	Not expected to be recovered 預計無法收回
Lu County Youhao Real Estate Co., Ltd.	瀘縣友豪置業有限公司	2,196,600.00	2,196,600.00	100.00	Not expected to be recovered 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	Not expected to be recovered 預計無法收回
Others petty in aggregate	其他零星匯總	50,758.94	50,758.94	100.00	Not expected to be recovered 預計無法收回
Total	合計	3,200,361.34	3,200,361.34		

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 五、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

		Closing balance 年末餘額		
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Provision proportion (%) 計提比例(%)
Ageing	賬齡			
Within 1 year (inclusive)	1年以內 (含1年)	510,430,767.42	25,521,538.40	5.00
1-2	1-2年	142,394,973.56	14,239,497.35	10.00
2-3	2-3年	65,024,838.08	13,004,967.63	20.00
3-4	3-4年	56,740,760.60	28,370,380.31	50.00
4-5	4-5年	21,030,250.12	16,824,200.09	80.00
Over 5 years	5年以上	5,911,987.13	5,911,987.13	100.00
Total	合計	801,533,576.91	103,872,570.91	

(Continued)

(續表)

		Opening balance 年初餘額		
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Provision proportion (%) 計提比例(%)
Ageing	賬齡			
Within 1 year (inclusive)	1年以內 (含1年)	399,142,343.72	19,957,117.18	5.00
1-2	1-2年	127,155,675.74	12,715,567.57	10.00
2-3	2-3年	67,774,285.27	13,554,857.05	20.00
3-4	3-4年	31,506,416.35	15,753,208.18	50.00
4-5	4-5年	1,583,236.50	1,266,589.20	80.00
Over 5 years	5年以上	4,815,135.72	4,815,135.72	100.00
Total	合計	631,977,093.30	68,062,474.90	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

3. Accounts receivable (Continued)

3. 應收賬款(續)

(2) The aging analysis of accounts receivable based on the transaction date is as follows

(2) 根據交易日期的應收賬款賬齡分析如下

Ageing	賬齡	Closing balance 年末餘額	Opening balance 年初餘額
Within 1 year (inclusive)	1年以內(含1年)	510,430,767.42	399,142,343.72
1-2	1-2年	142,400,626.72	127,161,328.90
2-3	2-3年	65,024,838.08	69,070,632.11
3-4	3-4年	58,037,107.44	32,401,016.35
4-5	4-5年	21,924,850.12	1,583,236.50
Over 5 years	5年以上	6,915,748.47	5,818,899.00
Total	合計	804,733,938.25	635,177,456.58

(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	Changes during the current year 本年變動金額				Closing balance 年末餘額
		Opening balance 年初餘額	Provision 計提	Recoveries or reversals 收回或轉回	Write off or charge off 轉銷或核銷	
Provision for bad debts	壞賬準備	71,262,838.18	35,810,094.07			107,072,932.25

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、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 5 accounts receivable by debtor as at the end of the year amounted to RMB335,515,992.44, accounting for 41.69% of the closing balance of accounts receivable. A provision for bad debts of RMB38,225,092.63 in total was made as at the end of the year.

4. Prepayments

(1) *Ageing of prepayment*

Items	項目	Closing balance		Opening balance	
		年末餘額		年初餘額	
		Amount	Proportion (%)	Amount	Proportion (%)
		金額	比例(%)	金額	比例(%)
Within 1 year (inclusive)	1年以內(含1年)	9,053,143.76	27.74	18,293,059.03	45.61
1-2	1-2年	14,171,491.68	43.42	13,230,987.03	32.99
2-3	2-3年	1,121,878.99	3.44	1,901,559.50	4.74
Over 3 years	3年以上	8,289,802.62	25.40	6,680,705.33	16.66
Total	合計	32,636,317.05	100.00	40,106,310.89	100.00

(2) *Prepayment of top 5 closing balances by prepaid items*

The total top 5 prepayment by prepaid items as at the end of the year amounted to RMB23,696,825.87, accounting for 72.60% of the closing balance of prepayment.

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335,515,992.44元，佔應收賬款年末餘額合計數的比例41.69%，相應計提的壞賬準備年末餘額匯總金額38,225,092.63元。

4. 預付款項

(1) *預付款項賬齡*

(2) *按預付對象歸集的年末餘額前五名的預付款情況*

本年按預付對象歸集的年末餘額前五名預付款項匯總金額23,696,825.87元，佔預付款項年末餘額合計數的72.60%。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、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 年末餘額	Opening balance 年初餘額
Interest receivable	應收利息		
Dividends receivable	應收股利		
Other receivables	其他應收款	71,979,301.85	126,200,806.43
Total	合計	71,979,301.85	126,200,806.43

5.1 Other receivables

5.1 其他應收款

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Other accounts	其他收賬款	105,245,884.31	153,699,527.22
Less: Provision for bad debts	減：壞賬準備	33,266,582.46	27,498,720.79
Total	合計	71,979,301.85	126,200,806.43

(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 年末餘額	Opening balance 年初餘額
Financial subsidy	財政補貼款項	84,602,883.30	130,678,484.21
Deposits, collateral	押金、保證金	1,617,252.02	2,110,777.10
Payments withheld	代扣代繳款	907,442.12	999,588.76
Others	其他	18,118,306.87	19,910,677.15
Total	合計	105,245,884.31	153,699,527.22

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)
五、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

Provision for bad debts	壞賬準備	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)	
Balance as at 1 January 2024	2024年1月1日餘額	2,457,277.15	20,282,110.88	4,759,332.76	27,498,720.79
Book balance of other receivables as at 1 January 2024 in the current period	2024年1月1日其他應收款賬面餘額 在本期				
- Transferred to stage 2	- 轉入第二階段				
- Transferred to stage 3	- 轉入第三階段				
- Reversed to stage 2	- 轉回第二階段				
- Reversed to stage 1	- 轉回第一階段				
Provision in the current year	本年計提		10,074,100.82		10,074,100.82
Reversal in the current year	本年轉回	2,341,074.17		1,965,164.98	4,306,239.15
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 2024	2024年12月31日餘額	116,202.98	30,356,211.70	2,794,167.78	33,266,582.46

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、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 年末餘額	Opening balance 年初餘額
Within 1 year (inclusive)	1年以內(含1年)	2,324,059.41	49,145,542.78
1-2	1-2年	46,302,769.08	1,838,103.52
2-3	2-3年	871,033.81	96,424,856.25
3-4	3-4年	50,618,003.90	1,373,414.16
4-5	4-5年	303,407.60	158,277.75
Over 5 years	5年以上	4,826,610.51	4,759,332.76
Total	合計	105,245,884.31	153,699,527.22

(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 年初餘額	Provision 計提	Changes during the current year 本年變動金額			Closing balance 年末餘額
				Recoveries or reversals 收回或轉回	Write off or charge off 轉銷或核銷	Others 其他	
Provision for bad debts	壞賬準備	27,498,720.79	10,074,100.82	4,306,239.15			33,266,582.46

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 五、合併財務報表主要項目註釋(續)

5. Other receivables (Continued)

5.1 Other receivables (Continued)

(5) Other receivables of top 5 closing balances by debtor

The total top 5 other receivables by debtor as at the end of the year amounted to RMB96,718,028.57, accounting for 91.89% of the closing balance of other receivables. A provision for bad debts of RMB29,310,591.66 in total was made as at the end of the year.

5. 其他應收款(續)

5.1 其他應收款(續)

(5) 按欠款方歸集的年末餘額前五名的其他應收款情況

本年按欠款方歸集的年末餘額前五名其他應收款匯總金額為96,718,028.57元，佔其他應收款年末餘額合計數的比例為91.89%，相應計提的壞賬準備年末餘額匯總金額為29,310,591.66元。

6. Inventories

6. 存貨

		Closing balance			Opening balance		
		年末餘額			年初餘額		
		Provision for declines in value of inventories/ provision for impairment of			Provision for declines in value of inventories/provision for impairment of contract		
		Book balance	contract performance costs	Book value	Book balance	performance costs	Book value
		存貨跌價準備／			存貨跌價準備／		
Items	項目	賬面餘額	合同履約成本減值準備	賬面價值	賬面餘額	合同履約成本減值準備	賬面價值
Raw materials	原材料	35,724,162.82		35,724,162.82	37,716,905.66		37,716,905.66
Low value consumables	低值易耗品	1,372,029.05		1,372,029.05	1,141,575.02		1,141,575.02
Finished goods	庫存商品				788,169.84		788,169.84
Contract performance costs	合同履約成本	32,646,911.73		32,646,911.73	34,452,889.64		34,452,889.64
Total	合計	69,743,103.60		69,743,103.60	74,099,540.16		74,099,540.16

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

7. Other current assets

7. 其他流動資產

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Input tax to be deducted	待抵扣進項稅額	87,727,836.23	85,973,349.73
Prepayments of enterprise income tax	預繳企業所得稅	37,042,573.65	23,086,704.05
Prepayments of other taxes and fees	預繳其他稅費	301,100.39	37,642.00
Total	合計	125,071,510.27	109,097,695.78

8. Long-term receivables

8. 長期應收款

Items	項目	Closing balance 年末餘額		Opening balance 年初餘額	
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Book balance 賬面餘額	Provision for bad debts 壞賬準備
Finance lease payments	融資租賃款			806,532.19	806,532.19
Including: Unrealized finance income	其中：未實現融資收益			12,077.98	12,077.98
Total	合計			806,532.19	806,532.19

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

9. Investments in other equity instruments

9. 其他權益工具投資

(1) Investments in other equity instruments

(1) 其他權益工具投資情況

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Sichuan Tianhua Chemical Group Co., Ltd. (formerly Sichuan Tianhua Co., Ltd.)	四川天華化工集團股份有限公司 (原四川天華股份有限公司)	21,252.07	21,252.07
Liangshan Prefecture Xingyuande Environmental Co., Ltd.	涼山州興園德環保有限公司	34,518.70	34,518.70
Total	合計	55,770.77	55,770.77

(2) Investments in equity instruments not for trading for the current year

(2) 本年非交易性權益工具投資

Item	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
		本年確認的 股利收入	累計利得	累計損失	其他綜合收益 轉入留存收益的金額	指定為以公允價值 計量且其變動 計入其他綜合 收益的原因	其他綜合收益轉入 留存收益的原因
Sichuan Tianhua Chemical Group Co., Ltd. (formerly Sichuan Tianhua Co., Ltd.)	四川天華化工集團股份有限公司(原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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

10. Properties held for investment

10. 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 房屋、建築物	Total 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	1,528,890.72	1,528,890.72
II. Accumulative depreciation and accumulative amortisation	二、累計折舊和累計攤銷		
1. Opening balance	1. 年初餘額	4,004,972.16	4,004,972.16
2. Increase for the current year	2. 本年增加金額		
(1) Provision or amortization	(1) 計提或攤銷		
3. Decrease for the current year	3. 本年減少金額	2,721,193.37	2,721,193.37
4. Closing balance	4. 年末餘額	130,322.78	130,322.78
III. Provision for impairment	三、減值準備	130,322.78	130,322.78
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	678,399.66	678,399.66
4. Closing balance	4. 年末餘額	2,173,116.49	2,173,116.49
IV. Book value	四、賬面價值		
1. Closing book value	1. 年末賬面價值		
2. Opening book value	2. 年初賬面價值	1,831,855.67	1,831,855.67
		2,812,669.51	2,812,669.51

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

10. Properties held for investment (Continued)

10. 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

Item 項目	Book value 賬面價值	Reason for not completing certificate of ownership 未辦妥產權證書原因
Facade of old street 老街門面	1,114,861.22	In-kind capital contribution, without property rights transferred 實物出資劃入，產權尚未完成過戶

11. Fixed assets

11. 固定資產

Items	項目	Closing book value 年末賬面價值	Opening book value 年初賬面價值
Fixed assets	固定資產	3,738,095,565.53	3,334,471,455.72
Disposal of fixed assets	固定資產清理	440,051.48	448,422.85
Total	合計	3,738,535,617.01	3,334,919,878.57

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第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)
五、合併財務報表主要項目註釋(續)

11. Fixed assets (Continued)
11. 固定資產(續)

11.1 Fixed assets
11.1 固定資產

(1) Particulars of fixed assets
(1) 固定資產情況

Items	項目	Office facilities 辦公設備	Building and structures 房屋構築物	Pipeline assets 管網資產	General equipment 通用設備	Transport equipment 運輸設備	Special equipment 專用設備	Total 合計
I. Original book value	一、賬面原值							
1. Opening balance	1. 年初餘額	13,529,882.41	2,049,510,795.44	1,599,698,791.95	84,871,483.02	17,133,075.11	1,147,363,298.55	4,912,107,326.48
2. Increase for the current year	2. 本年增加金額							
(1) Acquisition	(1) 購置	461,155.24	364,486.94		540,220.09	572,753.47	52,395,004.21	682,715,859.19
(2) Transfer to construction in progress	(2) 在建工程轉入			29,757,853.95				
(3) Fixed asset class adjustments	(3) 固定資產類別調整						42,957,095.93	666,060,880.25
(4) Others	(4) 其他	3,129,899.68	2,148,555.24					3,129,899.68
3. Decrease for the current year	3. 本年減少金額							
(1) Disposal or retirement	(1) 處置或報廢	57,063.00	196,972.62	138,646.16	3,522,776.48	335,813.38	531,189.35	4,782,460.99
(2) Fixed asset class adjustments	(2) 固定資產類別調整							
(3) Others	(3) 其他				3,129,899.68			3,129,899.68
4. Closing balance	4. 年末餘額	17,063,874.33	2,645,172,795.37	1,629,317,999.74	81,888,926.63	17,370,015.20	1,199,227,113.41	5,590,040,724.68

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)
五、合併財務報表主要項目註釋(續)

11. Fixed assets (Continued)
11. 固定資產(續)

11.1 Fixed assets (Continued)
11.1 固定資產(續)

(1) Particulars of fixed assets
(1) 固定資產情況(續)

Items	項目	Office facilities 辦公設備	Building and structures 房屋構築物	Pipeline assets 管網資產	General equipment 通用設備	Transport equipment 運輸設備	Special equipment 專用設備	Total 合計
II. Accumulative depreciation 二、累計折舊								
depreciation								
1. Opening balance	1. 年初餘額	10,795,393.73	408,992,532.67	525,005,297.26	69,820,360.91	14,567,462.38	543,640,592.43	1,572,821,639.38
2. Increase for the current year	2. 本年增加金額							
(1) Provision	(1) 計提	3,697,711.80	65,412,616.25	71,725,849.50	5,352,839.36	527,299.00	131,158,242.62	277,874,558.53
(2) Fixed asset class adjustments	(2) 固定資產類別調整	1,042,818.89	65,412,616.25	71,725,849.50	5,352,839.36	527,299.00	131,158,242.62	275,219,665.62
3. Decrease for the current year	3. 本年減少金額							
(1) Disposal or retirement	(1) 處置或報廢	2,654,892.91						2,654,892.91
(2) Fixed asset class adjustments	(2) 固定資產類別調整	54,780.48	51,815.85		3,032,054.64	248,400.09	178,219.08	3,565,270.14
(3) Others	(3) 其他	54,780.48	51,815.85		377,161.73	248,400.09	38,089.08	770,247.23
4. Closing balance	4. 年末餘額				2,654,892.91			2,654,892.91
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. Opening book value	2. 年初賬面價值							

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

11. Fixed assets (Continued)

11. 固定資產(續)

11.1 Fixed assets (Continued)

11.1 固定資產(續)

(2) Fixed asset without ownership certificate

(2) 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
Naxi Project (Phase III)	納溪三期	69,432,857.71	Undergoing 辦理中
Chengnan Project (Phase II)	城南二期	50,402,044.59	Undergoing 辦理中
Chengdong Project (Phase II)	城東二期	623,942,122.73	Undergoing 辦理中

(3) Details of the Group's fixed assets for pledge or mortgage are disclosed in "Note V. 52. Assets with limited ownership or use rights".

(3) 本集團用於抵押、質押的固定資產情況詳見「附註五、52.所有權或使用權受到限制的資產」之披露。

(4) Others

(4) 其他

Depreciation expense of fixed assets for the Group's infrastructure projects such as wastewater treatment, the depreciation amount of which for the current period was RMB89,544,424.12, compared with the depreciation amount of RMB85,330,967.44 for the previous period.

本集團污水處理等基礎設施項目的固定資產折舊費用，本期折舊金額89,544,424.12元，上期折舊金額85,330,967.44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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)
五、合併財務報表主要項目註釋(續)

11. Fixed assets (Continued)
11. 固定資產(續)

11.2 Disposal of fixed assets
11.2 固定資產清理

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Retirement of equipment	設備報廢	440,051.48	448,422.85

12. Construction in progress
12. 在建工程

(1) Particulars of constructions in progress
(1) 在建工程情況

Items	項目	Closing balance 年末餘額		Opening balance 年初餘額	
		Book balance 賬面餘額	Provision for impairment 減值準備	Book balance 賬面餘額	Provision for impairment 減值準備
Water Plant Technical Improvement Project	水廠技改項目工程	8,460,641.84		403,259,514.12	
Water Supply Pipe Network Project	供水管網工程	160,800,592.35		117,735,108.12	
New Sewage Treatment Plant Project	新建污水處理廠工程	55,838,916.16		43,362,121.93	
Other projects	其他項目	9,976,497.61		9,365,283.98	
Total	合計	235,076,647.96		573,722,028.15	

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

12. Construction in progress (Continued)

12. 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 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少		Closing balance 年末餘額
				Transferred to fixed assets 轉入固定資產	Transferred to intangible assets 轉入無形資產	
Chengdong Project (Phase II)	城東二期工程	396,165,487.57	275,698,359.52	671,863,847.09		
Medium and high-pressure water pipeline from Hexi Pump Station to Naxi District	河西加壓站至納溪城區 中高壓輸水管道	53,806,972.43	11,471,006.17			65,277,978.60
New Hedong Pump Station	新河東加壓站	21,478,860.18	22,595,765.67			44,074,625.85
Shidong Wastewater Treatment Plant	石洞污水處理廠	36,587,460.34	5,584,917.14			42,172,377.48
Gulin Wastewater Plant	古蘭污水廠	6,400,582.13	7,265,946.55			13,666,528.68
Total	合計	514,439,362.65	322,615,995.05	671,863,847.09		165,191,510.61

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

12. Construction in progress (Continued)

12. 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	Proportion of accumulative engineering investment in the estimate (%)	Engineering Progress	Accumulative amount of capitalization of interest	Including: Amount of interest in the current year	Interest capitalization rate for the current year (%)	Source of funds
		預算數	工程累計投入佔預算比例(%)	工程進度	利息資本化累計金額	其中：本年利息資本化金額	本年利息資本化率(%)	資金來源
Chengdong Project (Phase II)	城東二期工程	952,301,100.00	70.55	Completed 已完工	34,636,551.91	11,210,829.41	3.26-3.95	Self-financing +loans 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道	79,044,893.86	82.58	In progress 在建中				Self-financing 自籌
New Hedong Pump Station	新河東加壓站	44,694,742.97	98.61	Completed 已完工				Self-financing 自籌
Shidong Wastewater Treatment Plant	石洞污水處理廠	150,000,000.00	28.11	In progress 在建中	617,673.51	617,673.51	6.50	Self-financing 自籌
Gulin Wastewater Plant	古蘭污水廠	20,819,500.00	65.64	In progress 在建中				Self-financing 自籌
Total	合計				35,254,225.42	11,828,502.92		

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

13. Right-of-use assets

13. 使用權資產

Items	項目	Building and structures 房屋建築物	Total 合計
I. Original book value	一、賬面原值		
1. Opening balance	1. 年初餘額	1,878,072.71	1,878,072.71
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	1,878,072.71	1,878,072.71
II. Accumulative depreciation	二、累計折舊		
1. Opening balance	1. 年初餘額	1,816,752.85	1,816,752.85
2. Increase for the current year	2. 本年增加金額	36,791.96	36,791.96
(1) Provision	(1) 計提	36,791.96	36,791.96
3. Decrease for the current year	3. 本年減少金額		
4. Closing balance	4. 年末餘額	1,853,544.81	1,853,544.81
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	24,527.90	24,527.90
2. Opening book value	2. 年初賬面價值	61,319.86	61,319.86

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

14. Intangible assets

14. 無形資產

(1) Particulars of intangible assets

(1) 無形資產明細

			Office and other			
		Land use rights	Franchising	software	Total	
Items	項目	土地使用權	特許經營權	辦公及其他軟件	合計	
I.	Original book value	一、賬面原值				
1.	Opening balance	1. 年初餘額	548,770,891.99	1,325,280,316.54	21,067,588.40	1,895,118,796.93
2.	Increase for the	2. 本年增加金額				
	current year		30,290,259.43	7,322,114.09	706,093.07	38,318,466.59
(1)	Acquisition	(1) 購置		385,764.76	706,093.07	1,091,857.83
(2)	Transfer to	(2) 在建工程轉入				
	construction					
	in progress		30,290,259.43	6,936,349.33		37,226,608.76
3.	Decrease for the	3. 本年減少金額				
	current year					
4.	Closing balance	4. 年末餘額	579,061,151.42	1,332,602,430.63	21,773,681.47	1,933,437,263.52
II.	Accumulative amortisation	二、累計攤銷				
1.	Opening balance	1. 年初餘額	95,652,976.01	251,395,915.48	10,449,523.21	357,498,414.70
2.	Increase for the	2. 本年增加金額				
	current year		14,099,290.54	47,302,029.75	2,263,468.47	63,664,788.76
(1)	Provision	(1) 計提	14,099,290.54	47,302,029.75	2,263,468.47	63,664,788.76
3.	Decrease for the	3. 本年減少金額				
	current year					
4.	Closing balance	4. 年末餘額	109,752,266.55	298,697,945.23	12,712,991.68	421,163,203.46
III.	Provision for impairment	三、減值準備				
1.	Opening balance	1. 年初餘額				
2.	Increase for the	2. 本年增加金額				
	current year					
3.	Decrease for the	3. 本年減少金額				
	current year					
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	469,308,884.87	1,033,904,485.40	9,060,689.79	1,512,274,060.06
2.	Opening book value	2. 年初賬面價值	453,117,915.98	1,073,884,401.06	10,618,065.19	1,537,620,382.23

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

14. Intangible assets (Continued)

14. 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 項目公司	Project name 項目名稱	Original value 原值	Net value 淨值
Water Headquarters 水務本部	Franchising project of water supply to the entire Jiangyang District of Luzhou 瀘州市江陽區全域供水特許經營權項目	417,155,760.06	332,872,802.04
Fanxing Environmental 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 瀘州市古蔺縣、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	333,346,079.79	277,621,588.98
Weiyuan Water 威遠水務	Weiyuan County Liangfeng Water Plant 威遠縣糧豐水廠	256,841,890.77	128,100,227.49
Qingbaijiang Water 青白江水務	European Industrial City Wastewater Treatment Plant (Phase I) 歐洲產業城污水處理廠一期	142,874,400.00	123,348,232.00
Dechang Water 德昌水務	Dechang County Industrial Concentration Area Sewage Treatment Plant and Pipeline Network Construction Project 德昌縣工業集中區污水處理廠及管網建設項目	82,384,300.01	76,961,634.93
Jingyan Wastewater 井研污水	Franchising project of urban domestic sewage integrated in Jingyan County 井研縣城鎮生活污水一體化特許經營項目	100,000,000.00	94,999,999.96
Total	合計	1,332,602,430.63	1,033,904,485.40

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 五、合併財務報表主要項目註釋(續)

14. Intangible assets (Continued) 14. 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 項目公司	Name of asset 資產名稱	Book value 賬面價值	Reason for not completing certificate of ownership 未辦妥產權證書原因
Leibo Water 雷波水務	Qinglong Street Dormitory 青龍街宿舍	547,251.36	To be handled in accordance with procedures after government approval 待政府批覆後按程序辦理
(4) Details of the Group's intangible assets for pledge or mortgage are disclosed in "Note V. 52. Assets with limited ownership or use rights".			(4) 本集團用於抵押、質押的無形資產情況詳見「附註五、52.所有權或使用權受到限制的資產」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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

15. Goodwill

15. 商譽

Name of invested entity	被投資單位名稱	Opening balance	Increase for the current year		Decrease for the current year		Closing balance
			Formed by enterprise merger	Other increase	Disposal	Other decreases	
		年初餘額	企業合併形成	其他增加	處置	其他減少	年末餘額
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
Total	合計	28,139,173.07					28,139,173.07

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.

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

16. Long-term deferred expenses

16. 長期待攤費用

Items	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Amortization for the current year 本年攤銷	Other decrease for the current year 本年其他減少	Closing balance 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)	168,262,702.79		23,461,360.20		144,801,342.59
Old Urban Area Household Meter Renovation	老城區戶表改造	9,080,527.75		1,147,940.68		7,932,587.07
Others in aggregate	其他匯總	7,080,352.03	6,079,351.87	4,516,898.55		8,642,805.35
Total	合計	184,423,582.57	6,079,351.87	29,126,199.43		161,376,735.01

17. Deferred tax assets and deferred tax liabilities

17. 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 年末餘額		Opening balance 年初餘額	
		Deductible temporary differences 可抵扣暫時性差異	Deferred income tax assets 遞延所得稅資產	Deductible temporary differences 可抵扣暫時性差異	Deferred income tax assets 遞延所得稅資產
Provision for bad debts	壞賬準備	140,339,514.71	20,492,946.16	98,761,558.97	14,814,233.87
Provision for asset impairment	資產減值準備	4,814,231.38	722,134.71	4,814,231.38	722,134.71
Estimated liabilities	預計負債	7,071,742.35	1,060,761.36	7,754,338.50	1,163,150.78
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
Total	合計	152,304,236.37	22,287,654.42	111,408,876.78	16,711,331.55

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

17. Deferred tax assets and deferred tax liabilities (Continued)

17. 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

Item	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	32,705,347.39	4,905,802.10	35,008,101.96	5,251,215.29

(3) Breakdown of unrecognized deferred tax assets

(3) 未確認遞延所得稅資產明細

Item	項目	Closing balance	Opening balance
		年末餘額	年初餘額
Deductible losses	可抵扣虧損	64,969,789.74	16,447,774.75

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 五、合併財務報表主要項目註釋(續)

17. Deferred tax assets and deferred tax liabilities (Continued) 17. 遞延所得稅資產和遞延所得稅負債(續)

(4) The deductible tax losses for unrecognized deferred tax assets will expire in following timeframe (4) 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 年末金額	Opening balance 年初金額	Remark 備註
2026	2026			
2027	2027	1,090,615.16	1,090,615.16	
2028	2028	13,499,671.98	15,357,159.59	
2029	2029	22,440,276.48		
Total	合計	37,030,563.62	16,447,774.75	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

18. Other non-current assets

18. 其他非流動資產

Items	項目	Closing balance 年末餘額		Opening balance 年初餘額	
		Book balance 賬面餘額	Provision for impairment 減值準備	Book value 賬面價值	Book balance 賬面餘額
Prepaid construction and equipment costs	預付工程、設備款	1,964,966.34		1,964,966.34	28,771,714.93
Leshan City Shizhong District PPP Project*1	樂山市市中區PPP項目*1	22,736,191.07		22,736,191.07	22,736,256.07
Hejiang Zhangwan Project*2	合江張灣項目*2	18,730,320.09		18,730,320.09	19,481,701.77
Litang Ganzhi Wastewater Treatment PPP Project *3	理塘甘孜污水處理PPP項目*3	772,547.32		772,547.32	
Total	合計	44,204,024.82		44,204,024.82	70,989,672.77

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 UrbanRural Development Bureau on 28 October 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 noncurrent assets.

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。

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

18. Other non-current assets (Continued)

18. 其他非流動資產(續)

Note 3: On 5 November 2024, the People's Government of Litang County issued the [2024] No. 189 document of Lifu Letter, agreeing to the Reply of the Housing and Urban-Rural Construction Bureau of Litang County on the Termination of the Contract of Litang County Wastewater Treatment (PPP) Project in Ganzi Prefecture, Sichuan Province, and the settlement of the project has not yet been carried out between the Company and the Housing and Urban-Rural Construction Bureau of Litang County, therefore, the Company has presented this portion of the assets as other non-current assets.

註3：2024年11月5日，理塘縣人民政府發佈了理府函[2024]189號文件，同意《理塘縣住房和城鄉建設局關於終止四川省甘孜州理塘縣污水處理(PPP)項目合同》的批覆，本公司與理塘縣住房和城鄉建設局尚未進行項目的結算，故本公司將該部分資產按其他非流動資產列報。

19. Short-term borrowings

19. 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 年末餘額	Opening balance 年初餘額
Credit borrowings	信用借款	119,070,000.00	60,000,000.00
Interest payable on borrowings	借款應付利息	303,820.47	57,138.89
Total	合計	119,373,820.47	60,057,138.89

Note: The Group's borrowing rates for the above borrowings at the end of the year ranged from 2.5125% to 3.65% per annum (2.9% to 3.7% at the beginning of the year).

註：本集團上述借款的年末借款年利率為2.5125%至3.65%（年初為2.9%至3.7%）。

(2) Outstanding short-term borrowings due as at the end of the period: None.

(2) 已逾期未償還的短期借款：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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

20. Accounts payable

20. 應付賬款

(1) The ageing 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賬款(包括關連方應付賬款)賬齡分析如下

Ageing	賬齡	Closing balance 年末餘額	Opening balance 年初餘額
Within 1 year (inclusive)	1年以內(含1年)	257,575,416.22	194,383,692.56
1-2	1-2年	38,584,208.71	59,473,819.45
2-3	2-3年	35,677,166.45	88,220,475.58
3-4	3-4年	62,199,470.86	1,445,440.98
4-5	4-5年	234,191.22	67,016,851.34
Over 5 years	5年以上	35,976,531.70	6,596,822.50
Total	合計	430,246,985.16	417,137,102.41

(2) Significant accounts payable aged over 1 year

(2) 賬齡超過1年的重要應付賬款

Name of entity	單位名稱	Closing balance 年末餘額	Of which: over 1 year 其中: 1年以上	Reason for being not settled or carried forward 未償還或結轉的原因
China MCC5 Group Corp. Ltd.	中國五冶集團有限公司	169,050,468.46	3,096,499.04	Unsettled project payment 未結算工程款
Luzhou Xiangyun Sihai Construction Engineering Co., Ltd.	瀘州祥雲四海建設工程有限公司	20,021,344.80	20,021,344.80	Unsettled project payment 未結算工程款
Sichuan Haokang Construction Engineering Co., Ltd.	四川浩康建設工程有限公司	14,791,324.82	14,791,324.82	Unsettled project payment 未結算工程款
Sichuan Zhongrong Investment Construction Industry Co., Ltd.	四川中蓉投資實業有限公司	12,814,227.28	12,814,227.28	Unsettled project payment 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	10,546,297.54	10,546,297.54	Unsettled project payment 未結算工程款
Total	合計	227,223,662.90	61,269,693.48	

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

21. Contract liabilities

21. 合同負債

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Water Supply Project	供水項目	96,302,240.40	84,202,924.29
Engineering Construction Project	工程建設項目	75,547,620.45	92,175,893.51
Others	其他	1,589,812.68	832,505.06
Total	合計	173,439,673.53	177,211,322.86

The Group's contractual liabilities as at 31 December 2023 are recognised as revenue in the year ending 31 December 2024 and the contractual liabilities as at 31 December 2024 will be recognised as revenue in the next one to two years.

本集團於2023年12月31日的合同負債於2024年12月31日止年度確認為收入，2024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% (2023: 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%（2023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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

22. Employee compensation payable

22. 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 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
Short-term compensations	短期薪酬	48,469,660.30	154,963,786.07	147,314,697.75	56,118,748.62
Post-employment benefits – defined contribution plans	離職後福利－設定提存計劃	680,839.14	16,893,313.90	16,903,013.00	671,140.04
Termination benefits	辭退福利				
Other benefits due within 1 year	一年內到期的其他福利				
Total	合計	49,150,499.44	171,857,099.97	164,217,710.75	56,789,888.66

(2) Short-term compensations

(2) 短期薪酬

Items	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
Salaries, bonuses, allowances, and subsidies	工資、獎金、津貼和補貼	47,407,516.32	121,086,997.14	113,248,705.13	55,245,808.33
Employee benefits	職工福利費		8,698,815.61	8,698,815.61	
Social insurance	社會保險費	27,240.23	8,758,678.73	8,759,151.18	26,767.78
Including: Medical insurance	其中：醫療保險費	26,286.91	7,991,210.82	7,991,210.82	26,286.91
Work-related injury insurance	工傷保險費	416.95	606,502.23	606,919.18	
Other insurances	其他保險	536.37	160,965.68	161,021.18	480.87
Housing provident funds	住房公積金	63,846.92	12,118,307.52	12,118,307.52	63,846.92
Labour union funds and employee education funds	工會經費和職工教育經費	971,056.83	4,300,987.07	4,489,718.31	782,325.59
Total	合計	48,469,660.30	154,963,786.07	147,314,697.75	56,118,748.62

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

22. Employee compensation payable (Continued)

22. 應付職工薪酬(續)

(3) Defined contribution plans

(3) 設定提存計劃

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 abovementioned 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:

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 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
Basic pension insurance	基本養老保險	663,410.95	16,308,282.96	16,317,631.12	654,062.79
Unemployment insurance	失業保險費	17,428.19	585,030.94	585,381.88	17,077.25
Total	合計	680,839.14	16,893,313.90	16,903,013.00	671,140.04

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

23. Tax payable

23. 應交稅費

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Enterprise income tax	企業所得稅	8,121,784.91	13,739,811.56
Value-added tax	增值稅	1,294,298.40	1,198,658.57
Water resource tax	水資源稅	4,179,201.23	5,364,802.91
City maintenance and construction tax	城市維護建設稅	84,296.55	132,193.35
Educational surcharges	教育費附加	47,274.74	89,626.05
Local educational surcharges	地方教育費附加	29,736.88	58,705.70
Individual income tax	個人所得稅	506,227.86	74,328.76
Other taxes	其他稅金	74,466.09	106,717.54
Total	合計	14,337,286.66	20,764,844.44

24. Other payables

24. 其他應付款

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interests payable	應付利息		
Dividends payable	應付股利		
Other payables	其他應付款	219,652,778.25	204,258,701.70
Total	合計	219,652,778.25	204,258,701.70

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued) 五、合併財務報表主要項目註釋(續)

24. Other payables (Continued) 24. 其他應付款(續)

24.1 Other payables 24.1 其他應付款

(1) Other payables by nature (1) 其他應付款按款項性質分類

		Closing balance	Opening balance
		年末餘額	年初餘額
Nature of the amount	款項性質		
Deposits, collateral	押金、保證金	90,370,018.06	95,293,938.03
Amounts paid from or to governmental institutions	政府機構往來款	77,410,375.05	71,070,318.84
Amounts collected or paid on behalf of others	代收代付款項	31,725,375.27	22,684,883.19
Consideration for land acquisition	土地收購款	1,903,387.45	1,903,387.45
Others	其他	18,243,622.42	13,306,174.19
Total	合計	219,652,778.25	204,258,701.70

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

24. Other payables (Continued)

24. 其他應付款(續)

24.1 Other payables (Continued)

24.1 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 年末餘額	Including: over 1 year 其中：1年以上	Reason for being not settled or carried forward 未償還或結轉的原因
Hep Jiang County Comprehensive Administration and Law Enforcement Bureau	合江縣綜合行政執法局	57,743,486.71	51,403,430.50	Collection of funds from the government earmarked for special projects 代收政府專項撥付資金
Hejiang County Finance Bureau	合江財政局	17,990,000.00	17,990,000.00	Collection of funds from the government earmarked for special projects 代收政府專項撥付資金
Zhongqi Construction Group Huamao Co., Ltd.	中七建工集團華貿有限公司	7,921,495.32	7,921,495.32	Deposits, collateral 押金、保證金
China MCC5 Group Corp. Ltd.	中國五冶集團有限公司	6,717,745.31	6,717,745.31	Deposits, collateral 押金、保證金
Leibo County Water Supply Company	雷波縣自來水公司	5,962,102.69	5,962,102.69	Amounts collected or paid on behalf of others 代收代付款項
Total	合計	96,334,830.03	89,994,773.82	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

25. Non-current liabilities due within one year

25. 一年內到期的非流動負債

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Long-term borrowings due within one year	一年內到期的長期借款	485,569,101.15	443,969,133.07
Bonds payable due within one year	一年內到期的應付債券		106,968,844.33
Long-term payables due within one year	一年內到期的長期應付款		801,123.32
Lease liabilities due within one year	一年內到期的租賃負債		43,304.54
Special government bonds due within one year	一年內到期的政府專項債券	18,757,736.26	17,831,315.42
Total	合計	504,326,837.41	569,613,720.68

26. Other current liabilities

26. 其他流動負債

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Output value-added tax to be recognised	待轉銷項稅額	3,059,734.30	2,468,694.87

27. Long-term borrowings

27. 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 年末餘額	Opening balance 年初餘額
Pledge borrowing	質押借款	230,276,446.86	188,500,519.87
Guarantee borrowing	保證借款	597,130,026.21	622,670,390.00
Credit borrowing	信用借款	583,142,537.98	654,132,961.14
Total	合計	1,410,549,011.05	1,465,303,871.01

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

27. Long-term borrowings (Continued)

27. 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 年末餘額	Opening balance 年初餘額
Within 1 year	一年以內	483,726,094.82	427,743,156.26
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	250,526,152.96	476,199,956.26
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	635,116,341.65	437,689,874.78
Over 5 years after balance sheet date	資產負債表日後超過五年	524,906,516.44	551,414,039.97
Less: Borrowings due within one year under current liabilities	減：流動負債項下所示一年內到期的借款	483,726,094.82	427,743,156.26
Net long-term borrowings	長期借款淨額	1,410,549,011.05	1,465,303,871.01

Note 1: The interest rate range for the Group's longterm borrowings at the end of the year was 1.2% to 5.53% (1.2% to 5.53% 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5.53%（年初為1.2%至5.53%）。

Note 2: For details of the Group's mortgage and pledge borrowings at the end of the year, please refer to Note V. 52.

註2：本集團年末抵押、質押借款信息詳見附註五、52。

28. Long-term payables

28. 長期應付款

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Long-term payables	長期應付款	910,500,000.00	850,500,000.00
Specific payables	專項應付款	343,648.36	343,648.36
Total	合計	910,843,648.36	850,843,648.36

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

28. Long-term payables (Continued)

28. 長期應付款(續)

28.1 Long-term payables

28.1 長期應付款

Nature of the amount	款項性質	Closing balance 年末餘額	Opening balance 年初餘額
Payments for finance leases under sale and leaseback	售後回租的融資租賃款		828,635.30
Special government bonds	政府專項債	910,000,000.00	850,000,000.00
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		27,511.98
Including: Payments for finance leases under sale and leaseback	其中：售後回租的融資租賃款		27,511.98
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		801,123.32
Including: Payments for finance leases under sale and leaseback	其中：售後回租的融資租賃款		801,123.32
Total	合計	910,500,000.00	850,500,000.00

28.2 Special payables

28.2 專項應付款

Items	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額	Reason for formation 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 尚未明確資金款項性質
Total	合計	343,648.36			343,648.36	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

29. Estimated liabilities

29. 預計負債

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額	Reason for formation 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	7,071,742.35	7,754,338.50	Note

Note: 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 out lay for equipment replacement expenditure over the concession period.

註： 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。

30. Deferred income

30. 遞延收益

(1) Classification of deferred revenue

(1) 遞延收益分類

Item	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
Government grants	政府補助	212,337,972.81		27,341,681.76	184,996,291.05

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)
五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)
30. 遞延收益(續)

(2) Government grant projects
(2) 政府補助項目

Government grant project	Opening balance	New granted amount for the current year	Amount included to non-operating revenue in the current year	Amount included to other revenue in the current year	Amount of writedown 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	本年計入其他收益金額	本年沖減成本費用金額	其他變動	年末餘額	與資產相關/與收益相關	備註
Grant for the Luzhou City "One Household, One Meter" Renovation Project (Phase I)	97,934,830.81			13,655,031.36			84,279,799.45	Related to assets	Note 1
瀘州市主城區「一戶一表」改造工程(一期)補助								與資產相關	註1
Government grants for upgrading and expanding the capacity of Yaerdang	21,290,453.12			3,883,040.04			17,407,413.08	Related to assets	Note 2
鴨兒凼提升擴容政府補助								與資產相關	註2
Construction fund grant for Erdaoxi Wastewater Treatment Plant	18,407,801.19			1,875,153.36			16,532,647.83	Related to assets	Note 3
二道溪污水處理廠建設資金補助								與資產相關	註3
Construction fund grant for Erdaoxi Project (Phase III)	18,051,810.28			1,290,063.24			16,761,747.04	Related to assets	Note 4
二道溪二期項目建設資金補助								與資產相關	註4
Grants for external pipeline networks of Yaerdang Wastewater Treatment Plant	10,780,829.38			1,376,276.04			9,404,553.34	Related to assets	Note 5
鴨兒凼污水處理廠廠外管網補助								與資產相關	註5
Construction fund grant for Erdaoxi Project (Phase II)	8,427,976.43			1,850,370.72			6,577,605.71	Related to assets	Note 6
二道溪二期項目建設資金補助								與資產相關	註6
Central fund grant for Naxi Project (Phase III)	462,499.97			50,000.04			412,499.93	Related to assets	Note 7
納溪三期中央資金補助								與資產相關	註7
Grant for the internal technological transformation of Yaerdang Wastewater Treatment Plant	8,344,830.22			475,325.16			7,869,505.06	Related to assets	Note 8
鴨兒凼污水處理廠廠內技改補助								與資產相關	註8
Construction costs of transformation of pipeline networks of urban water supply	8,392,748.41			1,264,664.97			7,128,083.44	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	4,302,988.40			391,180.76			3,911,807.64	Related to assets	Note 10
沙灣水池拆遷重建補償款								與資產相關	註10
Grand for the construction of water supply facilities in poor counties and counties with severe water shortage	3,200,000.00			400,000.00			2,800,000.00	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

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 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 included to other revenue in the current year	Amount of writedown 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	本年計入其他收益金額	本年沖減成本費用金額	其他變動	年末餘額	與資產相關/與收益相關	備註
Land grant for Qiancao Water Plant	2,450,000.00			175,000.00			2,275,000.00	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	1,093,312.94			91,109.39			1,002,203.55	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)	9,047,891.66			564,466.68			8,483,424.98	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
Total	212,337,972.81			27,341,681.76			184,996,291.05		

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覆》(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%；

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 遞延收益(續)

(2) Government grant projects (Continued)

(2) 政府補助項目(續)

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 by installment;

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凼提升擴容補助款4,200萬元，本公司按照該項目資產預計使用期限攤銷，將政府補助款分期轉至其他收益；

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 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；

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 RMB27.5255 million 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;

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干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干管技改工程專項補助款2,752.55萬元，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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 遞延收益(續)

(2) Government grant projects (Continued)

(2) 政府補助項目(續)

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;

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；

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、瀘州市城市管理局行政執法局《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覆，本公司於2021年11月19日收到瀘州市城市管理局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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 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干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覆》(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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 遞延收益(續)

(2) Government grant projects (Continued)

(2) 政府補助項目(續)

Note 10: 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, and 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, 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：根據2013年2月22日江南水業與瀘州市江陽區沙茜片區徵地拆遷指揮部簽訂的《城市房屋拆遷貨幣補償協議書》、2013年3月8日與瀘州市土地統徵和整理中心簽訂的《自來水管道搬遷協議》、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；

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；

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 遞延收益(續)

(2) Government grant projects (Continued)

(2) 政府補助項目(續)

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徵地補助款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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

30. Deferred income (Continued)

30. 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" (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 been completed and were amortised over the estimated useful life of the project assets, and the government grants were 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)，該工程已完工，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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

31. Share capital

31. 股本

Items	項目	Opening balance 年初餘額	Issue of new shares 發行新股	Change in the current year (+/-) 本年變動增減(+、-)			Subtotal 小計	Closing balance 年末餘額
				Bonus issue 送股	Conversion from reserve 公積金轉股	Others 其他		
Total number of shares	股份總數	859,710,000.00						859,710,000.00

32. Capital reserve

32. 資本公積

Items	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
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
Total	合計	420,447,214.35			420,447,214.35

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

33. Other comprehensive income

33. 其他綜合收益

		Amount incurred in the current year							
		本年發生額							
		Less: Reserved							
		Less: Profit and revenue							
		loss transferred transferred in							
		in the current the current							
		period to other period to other							
		Incurred before comprehensive comprehensive							Attributable
		income tax income included income included							to the parent
Opening	for the current	in the previous	in the previous	Less: Income	company	Shareholders			
balance	year	period	period	tax expense	after tax	after tax			
		減：前期計入其							
		減：前期計入其							
		本年所得稅前							稅後歸屬於
		他綜合收益當期							稅後歸屬於
		他綜合收益當期							少數股東
Items	項目	年初餘額	發生額	轉入損益	轉入留存收益	減：所得稅費用	母公司	年末餘額	
I. Other comprehensive income that cannot be subsequently reclassified into profit or loss	一、以後不能重分類進損益的其他綜合收益								
Including: Changes in re-measurement of defined benefit plans	其中：重新計量設定受益計劃變動額								
Other comprehensive income that cannot be transferred to profit or loss under equity method	權益法下不能轉損益的其他綜合收益								
Changes in fair value of other equity instruments investment	其他權益工具投資公允價值變動	-66,935.74						-66,935.74	
Changes in fair value of the enterprise's own credit risk	企業自身信用風險公允價值變動								
Others	其他								
II. Other comprehensive income that will be subsequently reclassified into profit or loss	二、以後將重分類進損益的其他綜合收益								
Total other comprehensive income	其他綜合收益合計	-66,935.74						-66,935.74	

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

34. Special reserve

34. 專項儲備

Item	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
Safe production fee	安全生產經費	12,276,204.77	7,715.96	3,446,610.19	8,837,310.54

35. Surplus reserve

35. 盈餘公積

Items	項目	Opening balance 年初餘額	Increase for the current year 本年增加	Decrease for the current year 本年減少	Closing balance 年末餘額
Statutory surplus reserve	法定盈餘公積	73,327,126.03	4,561,952.33		77,889,078.36
Discretionary surplus reserve	任意盈餘公積	148,392.19			148,392.19
Others	其他	10,837.70			10,837.70
Total	合計	73,486,355.92	4,561,952.33		78,048,308.25

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

36. Undistributed profits

36. 未分配利潤

Items	項目	The current year 本年	The previous Year 上年
Closing balance of the previous year	上年年末金額	1,432,696,431.17	1,275,234,750.25
Add: Adjustment to undistributed profits at the beginning of the year	加：年初未分配利潤調整數		
Opening balance of the current year	本年年初金額	1,432,696,431.17	1,275,234,750.25
Add: 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	177,238,036.73	209,901,388.54
Transfer from other comprehensive income	其他綜合收益轉入		
Less: Appropriation of statutory surplus reserve	減：提取法定盈餘公積	4,561,952.33	9,454,207.62
Dividends payable on ordinary shares*	應付普通股股利*	42,985,500.00	42,985,500.00
Closing amount of the current year	本年年末金額	1,562,387,015.57	1,432,696,431.17

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

36. Undistributed profits (Continued)

The profit distribution plan of 2022 was considered and approved at the 2022 annual general meeting convened on 9 June 2023, pursuant to which a cash dividend of RMB0.05 (tax inclusive) per share was distributed to all shareholder in July 2023, 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.

The profit distribution plan of 2023 was considered and approved at the 2023 annual general meeting convened on 28 June 2024, pursuant to which a cash dividend of RMB0.05 (tax inclusive) per share was distributed to all shareholder in July 2024, 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.

36. 未分配利潤(續)

2022年度利潤分配已經2023年6月9日召開的2022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2023年7月分派實施。

2023年度利潤分配已經2024年6月28日召開的2023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2024年7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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

37. Operating revenue and operating cost

37. 營業收入、營業成本

(1) Particulars of operating revenue and operating costs

(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	
		本年發生額		上年發生額	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Principal operations	主營業務	1,313,028,070.00	854,938,120.22	1,248,797,026.94	806,735,605.72
Other operations	其他業務	17,238,836.09	12,511,830.85	37,636,499.86	35,365,212.78
Total	合計	1,330,266,906.09	867,449,951.07	1,286,433,526.80	842,100,818.50

(2) Particulars of revenue from contracts

(2) 合同產生的收入的情況

Categories of contract		Incurring revenue amount for the current year 本年收入發生額
Classification by type of goods	按商品類型分類	1,330,266,906.09
Including: Water supply business	其中：供水業務	414,130,863.82
Wastewater treatment business	污水處理業務	660,047,044.43
Engineering business	工程業務	238,850,161.75
Others	其他	17,238,836.09
Classification by business area	按經營地區分類	1,330,266,906.09
Including: Inside Sichuan Province	其中：四川省內	1,330,266,906.09
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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

37. Operating revenue and operating cost (Continued)

37. 營業收入、營業成本(續)

(3) Information related to the performance of contractual obligations

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.

(3) 與履約義務相關的信息

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受自來水時確認，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，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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

37. Operating revenue and operating cost (Continued)

37. 營業收入、營業成本(續)

(3) Information related to the performance of contractual obligations (Continued)

Revenues from waste water 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.

(3) 與履約義務相關的信息(續)

污水處理營運服務收入在污水處理時點確認，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，相關應收款的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中的較高者扣除屬於保證最低污水處理量的數額，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。污水處理運營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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

37. Operating revenue and operating cost (Continued)

37. 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. Before the implementation of network connection of tap water, customers are unable to obtain and consume the economic benefits brought by the Company's performance while fulfilling the contract of Xinglu Water; it is also impossible to control the goods or services under construction during the performance process, so the revenue is recognized at the point of completion and acceptance. 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，在未實現自來水入網通水前，客戶無法在與瀘水務履約的同時即取得並消耗公司履約所帶來的經濟利益；也無法控制履約過程中在建的商品或服務，因此於完工並通過竣工驗收時點確認收入。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，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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

37. Operating revenue and operating cost (Continued)

37. 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 2024, the total transaction price allocated by the Group to the remaining performance obligations (unsatisfied or partially unsatisfied) of the installation services amounted to RMB22,606,800 (2023: RMB74,360,900) (including tax), which will be recognised as revenue in the next one to two years.

截至2024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)的交易價格總額為2,260.68萬元(2023年為7,436.09萬元)(含稅)，將於未來一到兩年內確認為收入。

38. Taxes and surcharges

38. 稅金及附加

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Water resource tax	水資源稅	16,510,933.36	17,604,605.98
City maintenance and construction tax	城市維護建設稅	1,526,128.85	1,935,210.54
Educational surcharges	教育費附加	719,368.89	917,440.15
Local educational surcharges	地方教育費附加	479,579.41	611,164.64
Real estate tax	房產稅	6,082,139.26	4,804,760.08
Land use tax	土地使用稅	7,695,408.82	7,450,053.42
Stamp tax	印花稅	380,796.94	444,808.89
Others	其他	420,719.15	268,560.40
Total	合計	33,815,074.68	34,036,604.10

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

39. Cost of sales

39. 銷售費用

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Employee compensation	職工薪酬	16,121,456.02	17,555,032.94
Labor costs	勞務費用	4,750,104.42	4,065,134.26
Depreciation and amortisation	折舊及攤銷	234,411.43	305,348.26
Office expenses	辦公費	1,597,662.63	1,857,600.20
Others	其他	1,523,329.58	2,300,586.88
Total	合計	24,226,964.08	26,083,702.54

40. Management expenses

40. 管理費用

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Employee compensation	職工薪酬	80,602,114.13	75,021,513.48
Labor costs	勞務費用	2,975,601.43	3,067,799.52
Business entertainment expenses	業務招待費	1,334,149.24	1,181,026.57
Travel expenses	差旅費	753,678.52	694,571.00
Office expenses	辦公費	2,548,349.13	2,859,959.42
Promotion costs	宣傳費	871,016.80	487,157.48
Depreciation and amortisation	折舊及攤銷	5,239,456.99	4,633,663.37
Intermediary organ fees	中介機構費	6,028,345.31	5,285,328.36
<i>Of which: Audit fees for listed companies</i>	<i>其中：上市公司審計費</i>	2,380,000.00	2,460,000.00
Others	其他	7,008,246.84	8,694,084.72
Total	合計	107,360,958.39	101,925,103.92

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

41. Research and development expenses

41. 研發費用

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Employee compensation	職工薪酬		4,635.00
Material fee	材料費		21,784.78
Others	其他		24,825.37
Total	合計		51,245.15

42. Finance costs

42. 財務費用

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Interest expenses	利息費用	88,937,953.75	77,484,367.34
Less: Interest incomes	減：利息收入	3,551,006.63	6,112,699.65
Add: Foreign exchange losses	加：匯兌損失	222,755.80	99,358.39
Add: Other expenses	加：其他支出	270,713.91	301,159.52
Total	合計	85,880,416.83	71,772,185.60

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

43. Other revenue

43. 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 incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Tax deduction	稅費減免	3,413,558.45	2,834,914.42
Government grants transferred from deferred income	遞延收益轉入的政府補助	27,341,681.76	27,524,925.36
Others government grants related to general activities	其他與日常活動相關的 政府補貼	18,460,444.23	51,648,381.38
Total	合計	49,215,684.44	82,008,221.16

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

43. Other revenue (Continued)

43. 其他收益(續)

(2) Breakdown of government grants

(2) 政府補助明細

Items	項目	In the current year 本年	In the previous year 上年	Sources and basis 來源和依據	Related to assets/ related to revenue 與資產相關/ 收益相關
Total direct included amount	直接計入合計	21,874,002.68	54,483,295.80		
Including:	其中：				
Tax reduction	稅費減免	3,413,558.45	2,834,914.42		Related to revenue 與收益相關
Grant for decrease in household installation charges	戶表安裝收費下降補助款		33,980,582.54		Related to revenue 與收益相關
Incremental grant for sludge disposal cost	污泥處置增量成本補助款	17,622,800.00	15,883,500.00	Note 1 註1	Related to revenue 與收益相關
Other petty grants	其他零星補助	837,644.23	1,784,298.84		Related to revenue 與收益相關
Transfer from deferred income	遞延收益轉入	27,341,681.76	27,524,925.36		
Including:	其中：				
Compensation for the occupation and relocation of certain water supply assets in Zhangwan Industrial Park	張灣工業園區部分給水管資產佔用搬遷補償	91,109.39	91,109.39		Related to revenue 與收益相關
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 revenue 與收益相關
Grants for external pipeline networks of Yaerdang Wastewater 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 revenue 與收益相關
Grant for the internal technological transformation of Yaerdang Wastewater Treatment Plant	鴨兒凼污水處理廠廠內技改補助	475,325.16	475,325.16		Related to revenue 與收益相關
Government grants for upgrading and expanding the capacity of Yaerdang	鴨兒凼提升擴容政府補助	3,883,040.04	3,883,040.04		Related to revenue 與收益相關
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	1,875,153.36		Related to revenue 與收益相關

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

43. Other revenue (Continued)

43. 其他收益(續)

(2) Breakdown of government grants (Continued)

(2) 政府補助明細(續)

Items	項目	In the current year 本年	In the previous year 上年	Sources and basis 來源和依據	Related to assets/ related to revenue 與資產相關/ 與收益相關
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 revenue 與收益相關
Central fund grant for Naxi Project (Phase III)	納溪三期中央資金補助	564,466.68	564,466.68		Related to revenue 與收益相關
Subsidy for Urban Water Supply Network Project	城市供水管網工程補助	1,264,664.97	1,284,664.93		Related to revenue 與收益相關
Jiangnan Shawan land compensation	江南沙灣土地補償	391,180.76	391,180.76		Related to revenue 與收益相關
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	13,655,031.36	13,830,775.01		Related to revenue 與收益相關
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 revenue 與收益相關
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 revenue 與收益相關
Special subsidy funds for the preliminary work of the Chengnan Project (Phase II)	城南二期項目前期工作 專項補助資金	50,000.04	37,500.03		Related to revenue 與收益相關
Total	合計	49,215,684.44	82,008,221.16		

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)

V. NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS OF
MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

43. Other revenue (Continued)

43. 其他收益(續)

(2) Breakdown of government grants
(Continued)

(2) 政府補助明細(續)

Note 1: Pursuant to the Reply Opinion on the Application of Xinglu Wastewater Treatment Company for Wastewater Treatment Operating Funds (L.S.C.C [2021] No. 104) issued by Luzhou Municipal Finance Bureau and the letter received by Luzhou Municipal People's Government Office, it was approved that the incremental disposal cost to be received by Xinglu Wastewater for the current period was RMB27,112,000, and 65% of the approved amount was allocated, being RMB17,622,800.

註1：根據瀘州市財政局《關於興瀘污水公司申請污水處理運營資金回覆意見》（瀘市財城[2021]104號）、瀘州市人民政府辦公室收文處理箋，核定興瀘污水本期應收到的處置增量成本為2,711.20萬元，並按該核定金額的65%予以補貼，即1,762.28萬元。

44. Income from investment

44. 投資收益

		Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Items	項目		
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		
Investment income from disposal of long-term equity investments	處置長期股權投資產生的投資 收益	5,157,990.81	-3,044,460.33
Total	合計	5,157,990.81	-3,044,460.33

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

45. Impairment loss on credit

45. 信用減值損失

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Loss of bad debts of accounts receivable	應收賬款壞賬損失	-35,810,094.07	-22,769,520.09
Loss of bad debts of other receivables	其他應收款壞賬損失	-5,767,861.67	-1,897,402.28
Total	合計	-41,577,955.74	-24,666,922.37

46. Gains on disposal of assets

46. 資產處置收益

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Gains on disposal of fixed assets	固定資產處置收益	1,897,894.04	3,816,698.29

47. Non-operating revenue

47. 營業外收入

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Gain from the damage and retirement of on-current assets	非流動資產毀損報廢利得	2,371.08	1,392.66
Penalty income	罰款收入	76,940.74	15,832.31
Default compensation income	違約賠償收入	2,179,410.79	3,462,983.14
Others	其他	75,595.30	185,909.56
Total	合計	2,334,317.91	3,666,117.67

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

48. Non-operating expense

48. 營業外支出

Items	項目	Amount incurred in the current year 本年金額	Amount incurred in the previous year 上年金額
Loss on damage and retirement of non-current assets	非流動資產毀損報廢損失	51,644.77	8,528,215.46
Public donation expenses	公益性捐贈支出	63,000.00	93,920.96
Fines and other compensation expenses	罰款及其他賠償支出	99,623.80	202,764.00
Overdue fine	滯納金	208,853.02	501,344.72
Others	其他	273,119.33	396,655.42
Total	合計	696,240.92	9,722,900.56

49. Income tax expense

49. 所得稅費用

(1) Income tax expense

(1) 所得稅費用

Items	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Current income tax expense calculated in accordance with the Tax Law and related regulations	按稅法及相關規定計算的當期所得稅費用	43,851,781.55	40,629,917.85
Deferred income tax expense	遞延所得稅費用	-5,921,736.06	-2,022,285.92
Total	合計	37,930,045.49	38,607,631.93

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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

49. Income tax expense (Continued)

49. 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 本年發生額
Total consolidated profits for the current year	本年合併利潤總額	227,865,231.58
Income tax expense calculated at statutory/ applicable tax rates	按法定／適用稅率計算的所得稅費用	34,179,784.74
Effect of application of different tax rate to subsidiaries	子公司適用不同稅率的影響	-240,891.64
Adjustment to income tax in previous period	調整以前期間所得稅的影響	-1,498,045.30
Effect of non-taxable income	非應稅收入的影響	-9,126,344.61
Effect of non-deductible cost, expense and loss	不可抵扣的成本、費用和損失的影響	8,766,883.20
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	-67,770.74
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	5,414,558.88
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	501,870.96
Others	其他	
Income tax expense	所得稅費用	37,930,045.49

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

50. Items of cash flow statement

50. 現金流量表項目

(1) Cash related to operating activities

(1) 與經營活動有關的現金

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 incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Funds received in relation to government grants	收到政府相關款項	73,847,226.05	89,295,140.46
Provisional receipts and advances	暫收與代墊款項	13,837,912.64	11,744,818.65
Collateral	保證金	26,879,478.34	18,546,854.14
Bank interest income	銀行利息收入	3,279,065.58	5,736,760.94
Others	其他	3,479,942.33	2,806,625.63
Total	合計	121,323,624.94	128,130,199.82

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 incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Collateral	保證金	14,847,160.02	20,017,558.18
Advances	代墊款	316,876.60	10,367,308.14
Brokerage fee	中介費	5,233,616.07	3,153,912.55
Property management fee	物管費	3,925,952.00	5,758,334.80
Office expenses	辦公費	1,978,809.26	2,255,804.46
Telecommunication fees	通訊費	1,370,683.19	2,126,550.39
Others	其他	18,047,344.62	21,293,733.23
Total	合計	45,720,441.76	64,973,201.75

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

50. Items of cash flow statement (Continued)

50. 現金流量表項目(續)

(2) Cash related to financing activities

(2) 與籌資活動有關的現金

① Other cash receipt related to financing activities

① 收到的其他與籌資活動有關的現金

Item	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Loans received from a minority shareholder	收到少數股東借款	3,150,000.00	2,650,000.00
Total	合計	3,150,000.00	2,650,000.00

② Other cash payments related to financing activities

② 支付的其他與籌資活動有關的現金

Item	項目	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Payment of special accounts payable to Luzhou Municipal Finance Bureau	付瀘州市財政局專項應付款		30,171,909.73
Total	合計		30,171,909.73

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

51. Supplementary information to cash flows statement

51. 現金流量表補充資料

Items	項目	Amount incurred in the current year 本年年額	Amount incurred in the previous year 上年金額
1. Reconciliation of net profit to cash flows from operating activities:	1. 將淨利潤調節為經營活動現金流量：		
Net profit	淨利潤	189,935,186.09	223,912,988.92
More: Impairment losses on assets	加：資產減值損失		
Impairment loss on credit	信用減值損失	41,577,955.74	24,666,922.37
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	275,349,988.40	270,357,013.82
Depreciation of right-of-use assets	使用權資產折舊	36,791.96	129,738.50
Amortization of intangible assets	無形資產攤銷	63,664,788.76	60,455,665.09
Amortization of long-term prepaid expenses	長期待攤費用攤銷	29,126,199.43	28,045,661.28
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）	-1,897,894.04	-3,816,698.29
Loss on retirement of fixed assets (gain denoted in "-")	固定資產報廢損失（收益以「-」填列）	49,273.69	8,526,822.80
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）	88,937,953.75	77,484,367.34
Investment loss (gain denoted in "-")	投資損失（收益以「-」填列）	-5,157,990.81	3,044,460.33
Decrease in deferred tax assets (increase denoted in "-")	遞延所得稅資產的減少（增加以「-」填列）	-5,576,322.87	-1,689,391.94

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

51. Supplementary information to cash flows statement (Continued)

51. 現金流量表補充資料(續)

Items	項目	Amount incurred in the current year 本年金額	Amount incurred in the previous year 上年金額
Increase in deferred tax liabilities (decrease denoted in "-")	遞延所得稅負債的增加 (減少以「-」填列)	-345,413.19	-332,893.98
Decrease in inventories (increase denoted in "-")	存貨的減少 (增加以「-」填列)	4,356,436.56	15,379,109.18
Decrease in operating receivables (increase denoted in "-")	經營性應收項目的減少 (增加以「-」填列)	-109,220,334.82	-70,513,647.47
Increase in operating payables (decrease denoted in "-")	經營性應付項目的增加 (減少以「-」填列)	-34,583,929.75	-26,461,201.97
Others	其他		
Net cash flows from operating activities	經營活動產生的現金流量淨額	536,252,688.90	609,188,915.98
2. Net movement in cash and cash equivalents:	2. 現金及現金等價物淨變動情況：		
Closing balance of cash	現金的年末餘額	447,177,187.90	390,501,126.99
Less: Opening balance of cash	減：現金的年初餘額	390,501,126.99	609,751,719.08
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	56,676,060.91	-219,250,592.09

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

51. Supplementary information to cash flows statement (Continued)

51. 現金流量表補充資料(續)

(3) Net cash received from disposals of subsidiaries during the year

(3) 本年收到的處置子公司的現金淨額

Items	項目	Amount 金額
Cash or cash equivalents received during the year from disposals of subsidiaries during the year	本年處置子公司於本年收到的現金或現金等價物	8,893,934.00
Less: Cash and cash equivalents held by the subsidiaries at the date of loss of control	減：喪失控制權日子公司持有的現金及現金等價物	3,282,427.20
Net cash received from disposals of subsidiaries	處置子公司收到的現金淨額	5,611,506.80

(4) Cash and cash equivalents

(4) 現金和現金等價物

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Cash	現金	447,177,187.90	390,501,126.99
Including: Cash on hand	其中：庫存現金	153.67	3,591.92
Bank deposits that are readily available for payment	可隨時用於支付的銀行存款	447,177,034.23	390,497,535.07
Other monetary capitals that are readily available for payment	可隨時用於支付的其他貨幣資金		
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投資		
Closing balance of cash and cash equivalents	年末現金和現金等價物餘額	447,177,187.90	390,501,126.99

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

52. Assets with limited ownership or use rights

52. 所有權或使用權受到限制的資產

Items 項目	Closing book value 年末賬面價值	Reason for limitation 受限原因
Monetary funds 貨幣資金	2,000.00	ETC collateral, business freezes ETC保證金、業務凍結
Intangible Assets 無形資產	808,327,490.32	Loans pledged with the right to charge water and wastewater treatment fees --Note (1)/(3)/(4) 以自來水收費權及污水處理費收費權質押貸款－註(1)/(3)/(4)
Long-term equity investment in the parent company 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) 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)
Total 合計	925,329,490.32	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

52. Assets with limited ownership or use rights (Continued)

52. 所有權或使用權受到限制的資產(續)

- (1) On 25 April 2018, the Company and Luzhou Rural Commercial Bank Co., Ltd. executed a loan contract in the amount of RMB207 million, which was used for the construction of water supply infrastructure in Jiangyang District, Luzhou City. 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.
- (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 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.
- (3) 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. Qingbaijiang Water uses the income receivable from the "European Industrial City Wastewater Treatment Plant Project PPP" of Xinglu Water as a pledge guarantee for the next 15 years.

- (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20,700萬元借款合同，用於瀘州市江陽區城鎮供水基礎設施建設。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。
- (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7,000萬元併購借款合同，用於歸還前期用自有營運資金支付的併購交易款。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。
- (3) 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訂金額為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，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)

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF MAJOR ITEMS (Continued)

五、合併財務報表主要項目註釋(續)

52. Assets with limited ownership or use rights (Continued)

52. 所有權或使用權受到限制的資產(續)

- (4) On 19 February 2021, Weiyuan Water borrowed RMB35 million from Sichuan Weiyuan Rural Commercial Bank Co., Ltd. with a term of three years. Weiyuan Water has acquired the right to charge water fees and real estate until 30 June 2035 as pledge and mortgage guarantee for the loan.

- (4) 威遠水務公司於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3,500萬元，借款期限三年，威遠水務以至2035年6月30日自來水收費權和房地產作為貸款的質押、抵押擔保。

53. Monetary items in foreign currencies

53. 外幣貨幣性項目

Items	項目	Closing balance of foreign currency 年末外幣餘額	Translation rate 折算匯率	Closing balance translated to RMB 年末折算人民幣餘額
Monetary funds	貨幣資金			
Including: HKD	其中：港幣	1,392,728.64	0.92604	1,289,722.43

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

VI. CHANGE IN SCOPE OF CONSOLIDATION

六、合併範圍的變化

(1) Disposal of subsidiaries

(1) 處置子公司

						The difference between the disposal price and the share of the net assets of the subsidiary at the consolidated financial statement level corresponding to the disposal of the investment
						處置價款與處置投資對應的合併財務報表層面享有該子公司淨資產份額的差額
Name of subsidiary	Disposal price at the point of loss of control	Disposal ratio at the point of loss of control	Disposal method at the point of loss of control	Point of loss of control	Basis for determining the point of loss of control	
子公司名稱	喪失控制權時點的處置價款	喪失控制權時點的處置比例	喪失控制權時點的處置方式	喪失控制權的時點	喪失控制權時點的判斷依據	
Luzhou Xinglu Water (Group) Crystal Trading Co., Ltd.					Industrial and commercial changes	
瀘州市興瀘水務(集團)水晶商貿有限公司	9,782,000.00	100%	Sale	16 August 2024	工商變更	5,157,990.81
			出售	2024-8-16		

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)

VII. INTERESTS IN OTHER ENTITIES

七、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	Name of principal business place	Place of registration	Category of legal person	Registered capital (RMB10,000)	Nature of business	Shareholding ratio (%)	Method for acquisition
子公司名稱	主要經營地	註冊地	法人類別	註冊資本(萬元)	業務性質	持股比例(%)	取得方式
						Direct 直接	Indirect 間接
Hejiang Water	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	11,693.95	Water supply	79.83	Business combination not under common control
合江水業	四川瀘州	四川瀘州	有限責任公司		供水		非同一控制下企業合併
Nanjiao Water	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	976.60	Water supply	99.53	Business combination not under common control
南郊水業	四川瀘州	四川瀘州	有限責任公司		供水		非同一控制下企業合併
Beijiao Water	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	4,390.94	Water supply	98.41	Business combination not under common control
北郊水業	四川瀘州	四川瀘州	有限責任公司		供水		非同一控制下企業合併
Sitong Engineering	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	501.00	Construction work	100.00	Business combination not under common control
四通工程	四川瀘州	四川瀘州	有限責任公司		工程施工		非同一控制下企業合併
Zhihui Technology	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	500.00	R&D and sales of software		35.00 Establishment
智慧科技	四川瀘州	四川瀘州	有限責任公司		軟件研發銷售		設立
Sitong Design	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	50.00	Technology services	99.82	Business combination not under common control
四通設計	四川瀘州	四川瀘州	有限責任公司		技術服務		非同一控制下企業合併
Weiyuan Water	Neijiang, Sichuan	Neijiang, Sichuan	Limited liability company	1,760.00	Water supply	60.00	Business combination not under common control
威遠水務	四川內江	四川內江	有限責任公司		供水		非同一控制下企業合併
Weiyuan Installation	Neijiang, Sichuan	Neijiang, Sichuan	Limited liability company	500.00	Installation of pipelines	60.00	Business combination not under common control
威遠安裝	四川內江	四川內江	有限責任公司		管道安裝		非同一控制下企業合併
Xingxu Water	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	1,000.00	Water supply	60.00	Establishment
興敘水業	四川瀘州	四川瀘州	有限責任公司		供水		設立
Xinglu Wastewater	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	26,840.82	Wastewater treatment	98.00	Transfer
興瀘污水	四川瀘州	四川瀘州	有限責任公司		污水處理		劃撥
Xinghe Water Governance	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	6,000.00	Wastewater treatment		51.00 Establishment
興合水環境	四川瀘州	四川瀘州	有限責任公司		污水處理		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)

VII. INTERESTS IN OTHER ENTITIES
(Continued) 七、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 子公司名稱	Name of principal business place 主要經營地	Place of registration 註冊地	Category of legal person 法人類別	Registered capital (RMB10,000) 註冊資本(萬元)	Nature of business 業務性質	Shareholding ratio (%) 持股比例(%)	Method for acquisition 取得方式
						Direct 直接	Indirect 間接
Fanxing Environmental	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	11,994.64	Wastewater treatment	92.50	Business combination not under common control
繁星環保	四川瀘州	四川瀘州	有限責任公司		污水處理		非同一控制下企業合併
Yongxing Water Governance	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	1,000.00	Wastewater treatment	55.00	Establishment
永星水環境	四川瀘州	四川瀘州	有限責任公司		污水處理		設立
Xingjia Environmental	Leshan, Sichuan	Leshan, Sichuan	Limited liability company	3,840.41	Wastewater treatment	95.00	Establishment
興嘉環保	四川樂山	四川樂山	有限責任公司		污水處理		設立
Leibo Water	Liangshan, Sichuan	Liangshan, Sichuan	Limited liability company	6,000.00	Water supply	50.98	Establishment
雷波水務	四川涼山	四川涼山	有限責任公司		供水		設立
Dechang Water	Liangshan, Sichuan	Liangshan, Sichuan	Limited liability company	1,773.91	Water supply	88.00	Establishment
德昌水務	四川涼山	四川涼山	有限責任公司		供水		設立
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
Xinggang Environmental	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	3,000.00	Wastewater treatment	65.00	Establishment
興港環保	四川瀘州	四川瀘州	有限責任公司		污水處理		設立
Jingyan Wastewater	Leshan, Sichuan	Leshan, Sichuan	Limited liability company	3,000.00	Wastewater treatment	100.00	Establishment
井研污水	四川樂山	四川樂山	有限責任公司		污水處理		設立
Water Quality Testing 水質檢測	Luzhou, Sichuan	Luzhou, Sichuan	Limited liability company	300.00	Others	100.00	Establishment
	四川瀘州	四川瀘州	有限責任公司		其他		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)

VII. INTERESTS IN OTHER ENTITIES (Continued)

七、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)

* On 22 January 2020, Sitong Engineering, a whollyowned subsidiary of Xinglu Water, established Zhihui Technology together with Jiangyang Huakong Habitat Water Supply Technology Service Co., Ltd. ("Jiangyang Huakong"), Suzhou Huakong Qingyuan System Technology Co., Ltd. ("Suzhou Huakong") and Fuzhou Beikong Zerun Holding Investment Partnership (Limited Partnership) ("Fuzhou Beikong"). 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. Sitong Engineering entered into a unified action agreement with Suzhou Huakong (which holds 25% equity interest in Zhihui Technology) and Fuzhou Beikong (which holds 10% equity interest in Zhihui Technology). 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，興瀘水務的全資子公司四通工程與江陽華控人居供水技術服務有限公司(以下簡稱「江陽華控」)、蘇州華控清源系統科技股份有限公司(以下簡稱「蘇州華控」)和福州北控澤潤控股投資合夥企業(有限合夥)(以下簡稱「福州北控」)共同成立智慧科技。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35.00%股權；四通工程與蘇州華控(持股智慧科技25%股權)和福州北控(持股智慧科技10%股權)簽訂一致行動協議書，能夠實現對智慧科技的控制，並自2020年將其納入合併範圍。

(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 (%)	Profits and losses attributed to minority shareholders in the current period	Dividends declared to minority shareholders during the current period	Balance of minority interests at the end of the period
		少數股東持股比例(%)	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	期末少數股東權益餘額
Xinglu Wastewater	興瀘污水	2.00	3,513,891.04	1,000,000.00	25,642,524.02
Xinghe Water Governance	興合水環境	49.00	952,097.68		48,552,420.32
Fanxing Environmental	繁星環保	7.50	989,401.89		15,200,695.08
Zhihui Technology	智慧科技	65.00	-124,224.03		3,931,301.36
Hejiang Water	合江水業	20.17	-3,443,594.53		41,680,631.67
Xingxu Water	興敘水業	40.00	148,869.51		5,273,126.71
Weiyuan Water	威遠水務	40.00	12,149,019.33	4,000,000.00	53,875,779.60
Leibo Water	雷波水務	49.00	-1,389,656.75		17,202,466.83

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)

VII. INTERESTS IN OTHER ENTITIES 七、在其他主體中的權益(續)
(Continued)

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	Current assets 流動資產	Non-current assets 非流動資產	Closing balance 年末餘額		Non-current liabilities 非流動負債	Total liabilities 負債合計
				Total assets 資產合計	Current liabilities 流動負債		
Xinglu Wastewater	興瀘污水	741,652,400.17	1,926,233,210.24	2,667,885,610.41	403,025,574.82	946,591,817.72	1,349,617,392.54
Xinghe Water Governance	興合水環境	83,539,787.07	134,656,498.65	218,196,285.72	82,217,187.15		82,217,187.15
Fanxing Environmental	繁星環保	169,694,455.62	281,882,505.63	451,576,961.25	255,559,635.67	14,260,417.45	269,820,053.12
Zhihui Technology	智慧科技	9,656,599.69	294,702.40	9,951,302.09	3,903,146.17		3,903,146.17
Hejiang Water	合江水業	21,899,883.68	422,060,144.13	443,960,027.81	97,002,016.96	140,692,203.55	237,694,220.51
Xingxu Water	興敘水業	4,143,730.40	13,766,584.19	17,910,314.59	4,727,497.83		4,727,497.83
Weiyuan Water	威遠水務	64,732,196.31	116,586,491.20	181,318,687.51	38,965,566.30		38,965,566.30
Leibo Water	雷波水務	21,883,200.69	27,757,710.77	49,640,911.46	14,661,455.74		14,661,455.74

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)

VII. INTERESTS IN OTHER ENTITIES (Continued)

七、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	Opening balance		Total assets	Current liabilities	Non-current liabilities	Total liabilities
		Current assets	Non-current assets				
		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	617,186,516.09	1,769,272,109.44	2,386,458,625.53	247,027,154.31	945,039,041.81	1,192,066,196.12
Xinghe Water Governance	興合水環境	71,061,026.49	140,073,027.58	211,134,054.07	77,896,938.61		77,896,938.61
Fanxing Environmental	繁星環保	127,349,690.50	288,703,501.43	416,053,191.93	228,456,116.09	18,922,447.43	247,378,563.52
Zhihui Technology	智慧科技	11,811,447.42	743,589.86	12,555,037.28	6,315,767.46		6,315,767.46
Hejiang Water	合江水業	30,269,538.86	433,330,939.35	463,600,478.21	83,821,819.42	156,283,312.94	240,105,132.36
Xingxu Water	興敘水業	2,412,809.39	14,420,509.65	16,833,319.04	3,989,150.27		3,989,150.27
Weiyuan Water	威遠水務	73,351,535.23	123,084,573.18	196,436,108.41	74,289,068.53		74,289,068.53
Leibo Water	雷波水務	22,425,827.08	26,732,251.71	49,158,078.79	11,330,323.48		11,330,323.48

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)

VII. INTERESTS IN OTHER ENTITIES (Continued) 七、在其他主體中的權益(續)

1. Interests in subsidiaries (Continued)

(3) Key financial information of significant non-wholly owned subsidiaries (Continued)

(Continued)

1. 在子公司中的權益(續)

(3) 重要非全資子公司的主要財務信息(續)

(續表)

		Amount incurred in the current year			
		本年發生額			
		Operating income	Net profit	Total	Cash flows from
				comprehensive income	operating activities
Name of subsidiary	子公司名稱	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	495,063,408.95	175,694,552.13	175,694,552.13	252,558,323.41
Xinghe Water	興合水環境				
Governance		37,377,845.31	2,741,983.11	2,741,983.11	21,021,378.44
Fanxing Environmental	繁星環保	104,760,828.05	13,192,025.22	13,192,025.22	7,181,074.58
Zhihui Technology	智慧科技	2,510,246.32	-191,113.90	-191,113.90	85,410.98
Hejiang Water	合江水業	45,449,042.18	-17,072,853.41	-17,072,853.41	23,570,376.58
Xingxu Water	興敘水業	5,234,502.87	372,173.77	372,173.77	1,797,582.40
Weiyuan Water	威遠水務	83,791,071.83	30,372,548.33	30,372,548.33	15,566,016.09
Leibo Water	雷波水務	7,551,160.66	-2,836,034.19	-2,836,034.19	1,682,387.42

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

VII. INTERESTS IN OTHER ENTITIES (Continued)

七、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	Operating income 經營收入	Net profit 淨利潤	Amount incurred in the previous year 上年發生額	
				Total comprehensive income 綜合收益總額	Cash flows from operating activities 經營活動現金流量
Xinglu Wastewater	興瀘污水	478,824,707.88	155,381,948.68	155,381,948.68	278,439,684.30
Xinghe Water	興合水環境				
Governance		42,442,366.72	6,100,601.65	6,100,601.65	25,590,856.28
Fanxing Environmental	繁星環保	86,428,278.21	14,174,680.60	14,174,680.60	17,203,801.23
Zhihui Technology	智慧科技	6,672,354.70	-312,907.05	-312,907.05	242,039.19
Hejiang Water	合江水業	45,634,587.92	-10,871,524.17	-10,871,524.17	16,201,759.73
Xingxu Water	興敘水業	2,738,646.66	-1,789,379.82	-1,789,379.82	-1,348,639.42
Weiyuan Water	威遠水務	81,105,170.41	29,816,859.16	29,816,859.16	31,466,622.93
Leibo Water	雷波水務	7,623,610.19	-3,299,695.48	-3,299,695.48	-582,928.36

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

VIII. GOVERNMENT GRANTS

For details, see Note V. 30. Deferred income to these Financial Statements and Note V. 43. Other income to these Financial Statements.

八、政府補助

詳見本財務報表附註五、30.遞延收益與本財務報表附註五、43.其他收益所述。

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 V, 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.

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五、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. 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.

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)

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 "V.19. Short-term borrowings", "V.25. Non-current liabilities due within one year", "V.27. Long-term borrowings" and "V.28. 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「五、19.短期借款」、「五、25.一年內到期的非流動負債」、「五、27.長期借款」、「五、28.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)

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.

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

1. Objective and policies of risk management (Continued)

(2) 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.

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)

(2) 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。

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)

IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

1. Objective and policies of risk management (Continued)

(3) 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)

(3) 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)

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)

(3) Liquidity risk (Continued)

(3) 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 一年以內	1 to 2 years 一到二年	2 to 5 years 二到五年	More than 5 years 五年以上	Total 合計
Financial liabilities	金融負債					
Short-term borrowings	短期借款	119,373,820.47				119,373,820.47
Accounts payable	應付賬款	430,246,985.16				430,246,985.16
Other payables	其他應付款	219,652,778.25				219,652,778.25
Employee compensation payable	應付職工薪酬	56,789,888.66				56,789,888.66
Non-current liabilities due within one year	一年內到期的非流動負債	504,326,837.41				504,326,837.41
Long-term borrowings	長期借款		305,544,997.68	709,612,921.76	576,986,291.22	1,592,144,210.66
Long-term payables	長期應付款		161,543,899.98	81,377,402.64	1,103,289,903.59	1,346,211,206.21

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)

IX. RISKS RELATING TO FINANCIAL INSTRUMENTS (Continued)

九、與金融工具相關風險(續)

2. Capital Management (Continued)

2. 資本管理(續)

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 2024.

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。2024年度資本管理目標、政策或程序未發生變化。

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:

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：

Items	項目	2024 2024年度	2023 2023年度
Short-term borrowings	短期借款	119,373,820.47	60,057,138.89
Accounts payable	應付賬款	430,246,985.16	417,137,102.41
Contract liability	合同負債	173,439,673.53	177,211,322.86
Employee compensation payable	應付職工薪酬	56,789,888.66	49,150,499.44
Taxes payable	應交稅費	14,337,286.66	20,764,844.44
Other payables	其他應付款	219,652,778.25	204,258,701.70
Non-current liabilities due within one year	一年內到期的非流動負債	504,326,837.41	569,613,720.68
Other current liabilities	其他流動負債	3,059,734.30	2,468,694.87
Long-term borrowings	長期借款	1,410,549,011.05	1,465,303,871.01
Long-term payables	長期應付款	910,843,648.36	850,843,648.36
Less: Cash at bank and on hand	減：貨幣資金	447,179,187.90	390,505,126.99
Net liabilities	淨負債	3,395,440,475.95	3,426,304,417.67
Shareholders' equity	股東權益	3,148,482,994.01	3,012,633,368.63
Capital and net liabilities	資本和淨負債	6,543,923,469.96	6,438,937,786.30
Leverage ratio	槓桿比率	51.89%	53.21%

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)

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

		Fair value as at the end of the year			
		年末公允價值			
		Level 1 fair value	Level 2 fair value	Level 3 fair value	Total
		measurement	measurement	measurement	
		第一層次	第二層次	第三層次	
Items	項目	公允價值計量	公允價值計量	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			55,770.77	55,770.77
Total assets measured at fair value on a recurring basis	持續以公允價值計量的資產總額			55,770.77	55,770.77

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 measures on and no on a recurring basis: Insignificance.

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：不重要。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

X. DISCLOSURE OF FAIR VALUE (Continued)

十、公允價值的披露(續)

5. Recurring level 3 fair value measurements, reconciliation between opening and closing book values and sensitivity analysis of unobservable parameters: None.

6. 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.

7. Valuation technical changes that occurred during the period and the reasons for the changes: None.
5. 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。

6. 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。

7. 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

十一、關聯方及關聯交易

(1) Relationship with related parties

(一)關聯方關係

1. Particulars of the Company's parent company

1. 本公司的母公司情況

Name of the parent company	Place of registration	Nature of business	Registered capital	The parent company's ratio of shareholding in the Company (%)	The parent company's percentage of voting rights in the Company (%)
母公司名稱	註冊地	業務性質	註冊資本	母公司對本公司的持股比例(%)	母公司對本公司的表決權比例(%)
Luzhou City Xinglu Assets Management Co., Ltd.	Luzhou City, Sichuan Province	Investment and assets management	RMB1,031,500,000	59.52	59.52
瀘州市興瀘資產管理有限公司	四川省瀘州市	投資與資產管理	人民幣103,150萬元		
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)

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. Particulars of the Company's subsidiaries

2. 本公司的子公司情況

For details of the subsidiaries, see “Note VII. 1.(1) Composition of enterprise group”.

子公司情況詳見本附註「七、1.(1)企業集團的構成」相關內容。

3. Other related parties

3. 其他關聯方情況

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 Investment Group Co., Ltd.
瀘州市興瀘投資集團有限公司

Controlled by the same ultimate controller
受同一最終控制方控制

Xuyong County Luxu Property Management Co., Ltd.

Controlled by the same ultimate controller

敘永縣瀘敘物業管理有限公司

受同一最終控制方控制

Luzhou Xinglu Property Management Co., Ltd.
瀘州興瀘物業管理有限公司

Controlled by the same ultimate controller
受同一最終控制方控制

Luzhou Xinglu Jutai Construction Company Limited
Jiangyang Branch

Controlled by the same ultimate controller

瀘州興瀘居泰建設有限公司江陽分公司

受同一最終控制方控制

Luzhou Xinglu Jutai Construction Company Limited
瀘州興瀘居泰建設有限公司

Controlled by the same ultimate controller
受同一最終控制方控制

Luzhou Xinglu Environmental Organic Treatment Co., Ltd.

Controlled by the same ultimate controller

瀘州興瀘環境有機處理有限公司

受同一最終控制方控制

Luzhou Xinglu Environmental Logistics Co., Ltd.
瀘州興瀘環境物流有限公司

Controlled by the same ultimate controller
受同一最終控制方控制

Luzhou Xinglu Environment Technology Co., Ltd.
瀘州興瀘環境科技有限公司

Controlled by the same ultimate controller
受同一最終控制方控制

Luzhou Xuyong County Luxu Urban Management Service Co., Ltd.

Controlled by the same ultimate controller

瀘州市敘永瀘敘城市管理服務有限公司

受同一最終控制方控制

Luzhou Xinglu Industrial Development Co., Ltd.
瀘州市興瀘實業發展有限公司

Controlled by the same ultimate controller
受同一最終控制方控制

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)

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)

3. Other related parties (Continued)

3. 其他關聯方情況(續)

Name of other related parties 其他關聯方名稱	Relationship with the Company 與本公司關係
Luzhou Xinglu Financing Guarantee Group Co., Ltd. 瀘州市興瀘融資擔保集團有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Xinglu Environmental Protection Development Co., Ltd. 瀘州市興瀘環保發展有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Cultural and Tourism Development Investment Group Co., Ltd. 瀘州市文化旅遊發展投資集團有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Tianyi Bus Development Co., Ltd. 瀘州市天益巴士發展有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Communications Investment Group Co., Ltd. 瀘州市交通投資集團有限責任公司	Controlled by the same ultimate controller 受同一最終控制方控制
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 ultimate controller 受同一最終控制方控制
Luzhou Public Transportation Group Co., Ltd. 瀘州市公共交通集團有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Naxi Xingran Gas Co., Ltd. 瀘州納溪興燃燃氣有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
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 ultimate controller 受同一最終控制方控制
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 ultimate controller 受同一最終控制方控制
Luzhou China Resources Xinglu Gas Co., Ltd. 瀘州華潤興瀘燃氣有限公司	Controlled by the same ultimate controller 受同一最終控制方控制

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)

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)

3. Other related parties (Continued)

3. 其他關聯方情況(續)

Name of other related parties 其他關聯方名稱	Relationship with the Company 與本公司關係
Luzhou Aviation Development Investment Group Co., Ltd. 瀘州航空發展投資集團有限責任公司	Controlled by the same ultimate controller 受同一最終控制方控制
Hejiang Xingyan Natural Gas Co., Ltd. 合江縣星焰天然氣有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Xinglu Environment Group Co., Ltd. 瀘州市興瀘環境集團股份有限公司	Controlled by the same ultimate controller 受同一最終控制方控制
Luzhou Lingang Industrial Construction Co., Ltd. 瀘州臨港產業建設有限公司	Materially influenced by the same ultimate controller 受同一最終控制方重大影響
Luzhou Lingang Investments Group Co., Ltd. 瀘州臨港投資集團有限公司	Materially influenced by the same ultimate controller 受同一最終控制方重大影響
Luzhou Lingang Industrial Development Co., Ltd. 瀘州臨港產業開發有限公司	Materially influenced by the same ultimate controller 受同一最終控制方重大影響
Luzhou Aviation Development Investment Group Co., Ltd. 瀘州航空發展投資集團有限公司	Materially influenced by the same ultimate controller 受同一最終控制方重大影響
Luzhou Laojiao Co., Ltd.	Controlled by the third largest shareholder of the Company
瀘州老窖股份有限公司	受本公司第三大股東控制
Sichuan Tianhua Co., Ltd. 四川天華股份有限公司	Other related parties 其他關聯方
Luzhou Zhiyuan Real Estate Development Co., Ltd. 瀘州致遠房地產開發有限公司	Other related parties 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)

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 關聯方	Content of related party transaction 關聯交易內容	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Luzhou Xinglu Environmental Protection Development Co., Ltd. 瀘州市興瀘環保發展有限公司	sludge disposal fees 污泥處置費	10,969,919.48	
Luzhou Xinglu Property Management Co., Ltd. 瀘州興瀘物業管理有限公司	Property fees and others 物業費及其他	4,259,144.42	4,093,929.58
Luzhou City Xinglu Assets Management Co., Ltd. 瀘州市興瀘資產管理有限公司	Rental service 租賃服務	597,960.00	597,960.00
Luzhou Xinglu Environment Technology Co., Ltd. 瀘州興瀘環境科技有限公司	Expenses for the safe transfer and disposal of hazardous waste 危險廢物安全轉移處置費用	251,041.41	86,113.08
Luzhou Xinglu Industrial Development Co., Ltd. 瀘州市興瀘實業發展有限公司	Software development and maintenance fees 軟件開發維護費		66,890.00
Luzhou Naxi Xingran Gas Co., Ltd. 瀘州納溪興燃燃氣有限公司	Gas bills 燃氣費		10,414.93
Luzhou China Resources Xinglu Gas Co., Ltd. 瀘州華潤興瀘燃氣有限公司	Gas bills 燃氣費	11,243.31	
Total	合計	16,089,308.62	4,855,307.59

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)

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 關聯方	Content of related party transaction 關聯交易內容	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Luzhou Zhiyuan Real Estate Development Co., Ltd	Household installation and others	3,675,590.30	
瀘州致遠房地產開發有限公司	戶表安裝及其他		
Luzhou Communications Investment Group Co., Ltd.	Household installation and others	276.11	7,858.41
瀘州市交通投資集團有限責任公司	戶表安裝及其他		
Luzhou City Xinglu Investment Group Co., Ltd.	Household installation and others	15,392.93	57,586.77
瀘州市興瀘投資集團有限公司	戶表安裝及其他		
Luzhou Jiangnan New District Construction and Investment Co., Ltd.	Household installation and others	5,522.12	5,522.12
瀘州市江南新區建設投資有限責任公司	戶表安裝及其他		
Luzhou Lingang Investments Group Co., Ltd.	Household installation and others	3,152,774.20	943.40
瀘州臨港投資集團有限公司	戶表安裝及其他		
Luzhou Xinglu Environment Group Co., Ltd.	Household installation and others		1,529.20
瀘州市興瀘環境集團股份有限公司	戶表安裝及其他		
Luzhou Cultural and Tourism Development Investment Group Co., Ltd.	Household installation and others	2,516.90	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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 關聯方	Content of related party transaction 關聯交易內容	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
瀘州市文化旅遊發展投資集團有限公司 Luzhou Public Transportation Group Co., Ltd.	戶表安裝及其他 Household installation and others	33,749.02	
瀘州市公共交通集團有限公司 Luzhou Laojiao Co., Ltd.	戶表安裝及其他 Household installation and others	11,290.08	
瀘州老窖股份有限公司 Luzhou Xuyong County Luxu Urban Management Service Co., Ltd.	戶表安裝及其他 Household installation and others	743.36	
瀘州市敘永瀘敘城市管理服務有限公司 Luzhou Xinglu Environmental Logistics Co., Ltd.	戶表安裝及其他 Household installation and others		189,230.00
瀘州興瀘環境物流有限公司 Luzhou Xinglu Property Management Co., Ltd.	戶表安裝及其他 Household installation and others	5,076.12	1,575.48
瀘州興瀘物業管理有限公司	戶表安裝及其他		
Total	合計	6,902,931.14	264,245.38

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)

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 擔保方	Guarantee 被擔保方	Guaranteed balance (RMB10,000) 擔保餘額（萬元）
The Company and its subsidiaries 本公司及子公司	Subsidiaries 子公司	23,001.64
Subsidiaries 子公司	The Company 本公司	43,229.94

(2) As guarantee

(2) 作為被擔保方

Name of guarantor 擔保方名稱	Guaranteed amount 擔保金額	Start date 擔保起始日	Guarantee expiration date 擔保到期日	Guaranteed or not already fulfilled 擔保是否已經履行完畢
Luzhou Xinglu Financing Guarantee Group Co., Ltd. 瀘州市興瀘融資擔保集團有限公司	18,000,000.00	2019-1-18	2027-1-17	No 否
Luzhou Xinglu Financing Guarantee Group Co., Ltd. 瀘州市興瀘融資擔保集團有限公司	65,979,000.00	2016-6-22	2031-6-20	No 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)

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)

Note 1: 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 loan has a fixed interest rate of 7% per annum, and during the term of the loan, the interest rate was adjusted from 7% to 5.5% on 28 July 2022, the interest rate was reduced to 4.9% on 27 December 2023 and the interest rate was adjusted downward to 4.5% on 20 December 2024. 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 2024 was RMB18,000,000.00.

註1：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，2022年7月28日利率由7%調整降至5.5%，2023年12月27日利率降至4.9%，2024年12月20日下調至4.5%，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2024年12月31日，該長期借款餘額為18,000,000.00元。

Note 2: On 22 June 2016, Luzhou Xinglu Water (Group) Co., Ltd. and China Agriculture Development Key Construction Fund Co., Ltd. (中國農發重點建設基金有限公司) (administrator: China Agriculture Development Bank Sichuan Branch (中國農業發展銀行四川省分行)) executed a loan agreement of China Agriculture Development Key Construction Fund in the amount of RMB66 million, which was used for the construction of the project of "construction project of urban water supply infrastructure in Jiang Yang District, Luzhou City". The loan has a fixed interest rate of 1.2% per annum, and the interest rate remains unchanged during the term of the loan. The term of the loan is 180 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 2024 was RMB65,979,000.00.

註2：瀘州市興瀘水務(集團)股份有限公司於2016年6月22日和中國農發重點建設基金有限公司(管理人為：中國農業發展銀行四川省分行)簽立金額為人民幣6600萬元的中國農發重點建設基金借款協議，本借款用於「瀘州市江陽區城鎮供水基礎設施建設項目」項目建設。該借款利率為固定利率，年息1.2%，在借款期限內，此利率保持不變，借款期限為180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2024年12月31日，該長期借款餘額為65,979,000.00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)

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)

3. Related party leases

3. 關聯租賃情況

Related party 關聯方	Content of related party transaction 關聯交易內容	Amount incurred in the current year 本年發生額	Amount incurred in the previous year 上年發生額
Luzhou City Xinglu Assets Management Co., Ltd. 瀘州市興瀘資產管理有限公司	Housing lease 房屋租賃	597,960.00	607,404.00

4. Directors, Supervisors and employee compensation

4. 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 姓名	Position 職務	Salary and allowance 薪金及津貼	Social insurance, housing fund and pensions 社會保險、住房基金 及退休金	Enterprise annuity 企業年金	Bonus 獎金	Dividend payment 支付股利	Total 合計	Remark 備註
Zhang Qi 張岐	Executive Director (chairman of the Board) 執行董事(董事長)	197,110.45	103,833.40	-	138,000.00	-	438,943.85	
Chen Qinan 陳棋楠	Executive Director 執行董事	200,787.30	103,833.40	-	24,735.00	-	329,355.70	
Xu Guanghua 徐光華	Executive Director (employee Director) 執行董事(職工董事)	172,374.40	103,833.40	-	84,000.00	-	360,207.80	
Xu Fei 徐飛	Non-executive Directors 非執行董事	-	-	-	-	-	-	Not receive the remuneration from the Company 未在公司取薪

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

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. Directors, Supervisors and employee compensation (Continued) 4. 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
Zhang Guanghui	Non-executive Directors	-	-	-	-	-	-	Not receive the remuneration from the Company
張光惠	非執行董事							未在公司取薪
Hu Fufen	Non-executive Directors	-	-	-	-	-	-	Not receive the remuneration from the Company
胡芬芬	非執行董事							未在公司取薪
Ma Hua	Independent Non-executive Directors	84,000.00	-	-	-	-	84,000.00	
馬樺	獨立非執行董事							
Fu Ji	Independent Non-executive Directors	84,000.00	-	-	-	-	84,000.00	
傅驥	獨立非執行董事							
Liang Youguo	Independent Non-executive Directors	84,000.00	-	-	-	-	84,000.00	
梁有國	獨立非執行董事							
Yang Zhenqiu	Shareholder representative supervisor (chairman of the Board of Supervisors)	-	-	-	-	-	-	Not receive the remuneration from the Company
楊震球	股東代表監事(監事會主席)							未在公司取薪
Lai Bingyou	Shareholder representative Supervisor	-	-	-	-	-	-	Not receive the remuneration from the Company
賴柄有	股東代表監事							未在公司取薪

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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. Directors, Supervisors and employee compensation (Continued)

4. 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 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
Xiang Min	Employee representative supervisor	112,510.89	103,833.40	-	115,229.73	-	331,574.02	
向敏	職工代表監事							
Luo Chaoping	Employee representative supervisor	139,958.39	79,580.68	-	113,680.74	-	333,219.81	
羅超平	職工代表監事							
Tang Nanyou	Employee representative supervisor	137,035.82	103,833.40	-	105,720.22	-	346,589.44	
唐南友	職工代表監事							
Gu Ming'an	External Supervisor	50,400.00	-	-	-	-	50,400.00	
辜明安	外部監事							
Xiong Hua	External Supervisor	50,400.00	-	-	-	-	50,400.00	
熊華	外部監事							
Total	合計	1,312,577.25	598,747.68		581,365.69		2,492,690.62	

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

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. Directors, Supervisors and employee compensation (Continued)

4. 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 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
Zhang Qi	Executive Director, chairman of the Board	202,786.67	94,853.77	-	139,620.00	-	437,260.44	
張岐	執行董事、董事長							
Chen Qinan	Executive Director, general manager	35,289.38	15,766.92	-	-	-	51,056.30	New appointment with salary starting from November 2023
陳棋楠	執行董事、總經理							新任命，薪酬自2023年11月起
Liao Xingyue	Executive Director, general manager	174,964.52	79,086.85	-	121,620.00	-	375,671.37	Transferred, salary until October 2023
廖星樅	執行董事、總經理							已調離，薪酬截至2023年10月
Huang Mei	Executive Director (employee representative Director)	45,762.42	22,959.13	-	116,886.00	-	185,607.55	Transferred, salary until March 2023
黃梅	執行董事（職工代表董事）							已調離，薪酬截至2023年3月
Xu Guanghua	Executive Director (employee representative Director)	134,354.88	70,945.62	-	-	-	205,300.50	New appointment with salary starting from April 2023
徐光華	執行董事（職工代表董事）							新任命，薪酬自2023年4月起
Chen Bing	Non-executive Directors	-	-	-	-	-	-	Not receive the remuneration from the Company
陳兵	非執行董事							未在公司領薪
Yu Long	Non-executive Directors	-	-	-	-	-	-	Not receive the remuneration from the Company
喻龍	非執行董事							未在公司領薪
Hu Fenfen	Non-executive Directors	-	-	-	-	-	-	Not receive the remuneration from the Company
胡芬芬	非執行董事							未在公司領薪
Ma Hua	Independent Non-executive Directors	84,000.00	-	-	-	-	84,000.00	
馬樺	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)

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. Directors, Supervisors and employee compensation (Continued)

4. 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 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
Fu Ji	Independent Non-executive Directors	84,000.00	-	-	-	-	84,000.00	
傅驥	獨立非執行董事							
Liang Youguo	Independent Non-executive Directors	84,000.00	-	-	-	-	84,000.00	
梁有國	獨立非執行董事							
Yang Zhengqiu	Shareholder representative supervisor (chairman of the Board of Supervisors)	-	-	-	-	-	-	Not receive the remuneration from the Company
楊震球	股東代表監事(監事會主席)							未在公司領薪
Lai Bingyou	Shareholder representative Supervisor	-	-	-	-	-	-	Not receive the remuneration from the Company
賴炳有	股東代表監事							未在公司領薪
Xiang Min	Employee supervisor	142,541.57	91,160.93	-	93,473.61	-	327,176.11	
向敏	職工監事							
Luo Chaoping	Employee supervisor	140,816.73	94,853.77	-	14,770.24	-	250,440.74	
羅超平	職工監事							
Tang Nanyou	Employee supervisor	152,342.56	94,853.77	-	86,003.44	-	333,199.77	
唐南友	職工監事							
Gu Ming'an	External Supervisor	50,400.00	-	-	-	-	50,400.00	
辜明安	外部監事							
Xiong Hua	External Supervisor	50,400.00	-	-	-	-	50,400.00	
熊華	外部監事							
Total	合計	1,381,658.73	564,480.76		572,373.29		2,518,512.78	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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. Directors, Supervisors and employee compensation (Continued)				4. 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 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	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)	197,110.45	103,833.40		138,000.00		438,943.85
張歧	執行董事(董事長)						
Chen Yongzhong	Secretary to the Board	171,174.40	103,833.40		122,970.00		397,977.80
陳永忠	董事會秘書						
Yang Xudong	Deputy general manager	169,974.40	103,833.40		118,560.00		392,367.80
楊旭東	副總經理						
Ouyang Peng	Chief financial officer	172,374.40	103,833.40		101,010.00		377,217.80
歐陽鵬	財務總監						
Xu Guanghua	Executive Director (employee Director)	172,374.40	103,833.40		84,000.00		360,207.80
徐光華	執行董事(職工董事)						
Total	合計	883,008.05	519,167.00		564,540.00		1,966,715.05

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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. Directors, Supervisors and employee compensation (Continued)

4. 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 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	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	202,786.67	94,853.77	-	139,620.00	-	437,260.44
張歧	執行董事、董事長						
Liao Xingyue	Executive Director, general manager	174,964.52	79,086.85	-	121,620.00	-	375,671.37
廖星樾	執行董事、總經理						
Chen Yongzhong	Secretary to the Board	179,465.31	94,853.77	-	138,936.00	-	413,255.08
陳永忠	董事會秘書						
Chen Xuejie	Deputy general manager	160,192.57	86,970.31	-	123,546.00	-	370,708.88
陳學傑	副總經理						
Ouyang Peng	Chief financial officer	178,265.31	94,853.77	-	62,886.00	-	336,005.08
歐陽鵬	財務總監						
Total	合計	895,674.38	450,618.47		586,608.00		1,932,900.85

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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. Directors, Supervisors and employee compensation (Continued)

4. 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 本年發生額	Amount incurred in the previous year 上年發生額
Salary and allowance	薪金及津貼	2,173,841.63	2,244,325.44
Social insurance, housing fund and related pension costs	社會保險、住房基金及相關退休金成本	1,117,914.68	1,011,274.75
Bonus	獎金	977,635.69	1,030,209.09
Total	合計	4,269,392.00	4,285,809.28

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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)關聯方應收應付餘額

1. Receivables

1. 應收項目

Project name 項目名稱	Related party 關聯方	Closing balance 年末餘額		Opening balance 年初餘額	
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Book balance 賬面餘額	Provision for bad debts 壞賬準備
Prepayments 預付款項	Luzhou China Resources Xinglu Gas Co., Ltd. 瀘州華潤興瀘燃氣有限公司	4,147.32			
Total of prepayments 預付款項合計		4,147.32			
Accounts receivable 應收賬款	Luzhou Lingang Investments Group Co., Ltd. 瀘州臨港投資集團有限公司	1,805,408.00	90,270.40	1,806,408.00	180,590.80
Accounts receivable 應收賬款	Luzhou City Xinglu Investment Group Co., Ltd. 瀘州市興瀘投資集團有限公司	888,066.00	44,403.30	7,524.00	376.20
Accounts receivable 應收賬款	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	52,750.43	26,375.22	52,750.43	10,550.09
Accounts receivable 應收賬款	Luzhou Xinglu Environmental Logistics Co., Ltd. 瀘州興瀘環境物流有限公司	6,184.82	618.48	6,184.82	309.24
Accounts receivable 應收賬款	Luzhou Xinglu Environmental Organic Treatment Co., Ltd. 瀘州興瀘環境有機處理有限公司	5,607.65	560.76	186,921.62	9,346.08
Accounts receivable 應收賬款	Hejiang Xingyan Natural Gas Co., Ltd. 合江縣星焰天然氣有限公司	2,000.00	100.00		
Accounts receivable 應收賬款	Luzhou Xinglu Environmental Technology Co., Ltd. 瀘州興瀘環境科技有限公司			34,584.75	3,458.48

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)

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)關聯方應收應付餘額(續)

1. Receivables (Continued)

1. 應收項目(續)

Project name 項目名稱	Related party 關聯方	Closing balance 年末餘額		Opening balance 年初餘額	
		Book balance 賬面餘額	Provision for bad debts 壞賬準備	Book balance 賬面餘額	Provision for bad debts 壞賬準備
Accounts receivable 應收賬款	Luzhou Lingang Industrial Development Co., Ltd. 瀘州臨港產業開發有限公司			377,350.80	37,735.08
Total of accounts receivable 應收賬款合計		2,760,016.90	162,328.16	2,471,724.42	242,365.97
Other receivables 其他應收款	Luzhou City Xinglu Investment Group Co., Ltd. 瀘州市興瀘投資集團有限公司	102,000.00	10,200.00	102,000.00	5,100.00
Other receivables 其他應收款	Luzhou Jiaotou Group Car Station Construction Co., Ltd. 瀘州交投集團汽車站點建設有限公司			1,705.00	85.25
Total of other receivables 其他應收款合計		102,000.00	10,200.00	103,705.00	5,185.25

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)

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)關聯方應收應付餘額(續)

2. Projects payable

2. 應付項目

Project name 項目名稱	Related party 關聯方	Closing book balance 年末賬面餘額	Opening book balance 年初賬面餘額
Accounts payable 應付賬款	Luzhou Xinglu Property Management Co., Ltd. 瀘州興瀘物業管理有限公司	195,000.04	44,150.00
Accounts payable 應付賬款	Luzhou Xinglu Environmental Technology Co., Ltd. 瀘州興瀘環境科技有限公司	15,459.86	91,279.87
Accounts payable 應付賬款	Luzhou Xuyong County Luxu Urban Management Service Co., Ltd. 瀘州市叙永瀘敘城市管理服務有限公司	2,921.21	
Accounts payable 應付賬款	Luzhou China Resources Xinglu Gas Co., Ltd. 瀘州華潤興瀘燃氣有限公司	1,900.00	
Accounts payable 應付賬款	Luzhou City Xinglu Assets Management Co., Ltd. 瀘州市興瀘資產管理有限公司		149,490.00
Accounts payable 應付賬款	Luzhou Xinglu Environmental Protection Development Co., Ltd. 瀘州市興瀘環保發展有限公司	2,781,907.98	
Total accounts payable 應付賬款合計		2,997,189.09	284,919.87

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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)關聯方應收應付餘額(續)

2. Projects payable (Continued)

2. 應付項目(續)

Project name 項目名稱	Related party 關聯方	Closing book balance 年末賬面餘額	Opening book balance 年初賬面餘額
Contract liabilities 合同負債	Luzhou Xinglu Environmental Technology Co., Ltd. 瀘州興瀘環境科技有限公司	39,269.59	39,269.59
Contract liabilities 合同負債	Luzhou Jiaotou Group Asset Operating Management Co., Ltd. 瀘州交投集團資產經營管理有限公司	4,970.02	4,970.02
Contract liabilities 合同負債	Luzhou Naxi Xingran Gas Co., Ltd. 瀘州納溪興燃燃氣有限公司	576.08	576.08
Contract liabilities 合同負債	Luzhou Aviation Development Investment Group Co., Ltd. 瀘州航空發展投資集團有限公司	9,433.96	9,433.96
Contract liabilities 合同負債	Luzhou Public Transportation Group Co., Ltd. 瀘州市公共交通集團有限公司	564.46	564.46
Total contractual liabilities 合同負債合計		54,814.11	54,814.11

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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)關聯方應收應付餘額(續)

2. Projects payable (Continued)

2. 應付項目(續)

Project name 項目名稱	Related party 關聯方	Closing book balance 年末賬面餘額	Opening book balance 年初賬面餘額
Other payables 其他應付款	Luzhou Xinglu Property Management Co., Ltd. 瀘州興瀘物業管理有限公司	1,586,051.88	592,959.66
Other payables 其他應付款	Luzhou Xinglu Environmental Protection Development Co., Ltd. 瀘州市興瀘環保發展有限公司	1,000,000.00	
Other payables 其他應付款	Luzhou Lingang Investments Group Co., Ltd. 瀘州臨港投資集團有限公司	671,920.75	671,920.75
Other payables 其他應付款	Luzhou Lingang Industrial Development Co., Ltd. 瀘州臨港產業開發有限公司	665,412.90	552,086.00
Other payables 其他應付款	Luzhou Xinglu Jutai Construction Company Limited 瀘州興瀘居泰建設有限公司	15,303.28	15,303.28
Other payables 其他應付款	Luzhou Xinglu Environmental Logistics Co., Ltd. 瀘州興瀘環境物流有限公司	10,915.90	10,915.90
Other payables 其他應付款	Luzhou Xinglu Industrial Development Co., Ltd. 瀘州市興瀘實業發展有限公司	9,400.00	
Other payables 其他應付款	Luzhou Xinglu Environmental Technology Co., Ltd. 瀘州興瀘環境科技有限公司		20,000.00
Other payables 其他應付款	Luzhou Xinglu Environmental Organic Treatment Co., Ltd. 瀘州興瀘環境有機處理有限公司		6,667.08
Other payables 其他應付款	Luzhou Zhiyuan Real Estate Development Co., Ltd. 瀘州致遠房地產開發有限公司	157,744.00	
Total other payables 其他應付款合計		4,116,748.71	1,869,852.67

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

XII. CONTINGENCIES

As of 31 December 2024, franchising fees etc. are used as collateral for loans. Please refer to Note V. 52 Assets with limited ownership or use rights for details.

As at 31 December 2024, 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.

In addition to the above, the Group had no material contingencies to disclose.

十二、或有事項

截至2024年12月31日，特許收費經營權等被用於借款質押。詳見「附註五、52.所有權或使用權受到限制的資產」之相關說明。

截至2024年12月31日，本集團涉及一些日常經營中的金額較小的訴訟，但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不利影響。

除上述事項外，本集團司無其他需要披露的重大或有事項。

XIII. COMMITMENTS

As of 31 December 2024, the Group had no material commitments.

十三、承諾事項

截至2024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 28 March 2025, the 25th Meeting of the Second Session of the Board of Directors of the Company proposed the following dividend distribution for the year 2024: Based on the total share capital of the Company of 859,710,000.00 shares at the end of 2024, a cash dividend of RMB0.04 (including tax) per share will be distributed, resulting in a total cash distribution of RMB34,388,400.00. 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

2025年3月28日，本公司第二屆董事會第二十五次會議關於2024年度股息分配的預案如下：以2024年末本公司總股本859,710,000.00股為基數，每股派現金股利0.04元(含稅)，派現金共計34,388,400.00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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

XV. OTHER IMPORTANT MATTERS

十五、其他重要事項

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.

(2) The Group's defined contribution pension schemes comprise a social security scheme and an annuity scheme.

1) Social basic pensions

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.

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。

(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) 社會基本養老保險

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。

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

XV. OTHER IMPORTANT MATTERS (Continued)

1. Employee benefits (Continued)

(2) *The Group's defined contribution pension schemes comprise a social security scheme and an annuity scheme. (Continued)*

2) Annuity plans

As of 31 December 2024, the Group had not yet established enterprise annuity or implemented annuity plans.

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.

十五、其他重要事項(續)

1. 職工福利(續)

(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。(續)

2) 年金計劃

截至2024年12月31日，本集團尚未建立企業年金和實施年金計劃。

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)

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 自來水	Wastewater 污水	Others 其他	Offset 抵銷	Total 合計
Operating revenue	營業收入	663,712,528.19	663,564,182.28	2,990,195.62		1,330,266,906.09
Including: Revenue from external transactions	其中：對外交易收入	663,712,528.19	663,564,182.28	2,990,195.62		1,330,266,906.09
Revenue from intra-segment transactions	分部間交易收入					
Operating cost	營業成本	474,388,821.34	390,184,161.60	2,876,968.13		867,449,951.07
Cost offset	成本抵銷					
Expenses for the period	期間費用	155,493,250.78	61,445,288.77	529,799.75		217,468,339.30
Operating profit	營業利潤	49,021,382.39	222,083,573.04	107,026.07	-44,984,826.91	226,227,154.59
Total assets	資產總額	4,515,974,712.92	3,310,195,936.26	16,661,091.97	-677,042,902.21	7,165,788,838.94
Total liabilities	負債總額	2,346,191,289.33	1,687,319,701.00	3,974,250.88	-2,797,543.96	4,034,687,697.25
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	132,963,878.18	406,911,408.37	30,960.00		539,906,246.55
Significant non-cash expenses such as depreciation and amortisation	折舊及攤銷等重大的非付現費用	241,153,916.14	126,776,647.52	80,090.15		368,010,653.81

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

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 自來水	Wastewater 污水	Others 其他	Offset 抵銷	Total 合計
Operating revenue	營業收入	655,678,460.70	609,763,656.66	20,991,409.44		1,286,433,526.80
Including: Revenue from external transactions	其中：對外交易收入	655,678,460.70	609,763,656.66	20,991,409.44		1,286,433,526.80
Revenue from intra-segment transactions	分部間交易收入					
Operating cost	營業成本	468,987,257.95	352,527,336.44	20,586,224.11		842,100,818.50
Cost offset	成本抵銷					
Expenses for the period	期間費用	138,607,056.24	60,389,840.95	835,340.02		199,832,237.21
Operating profit	營業利潤	104,504,084.55	212,038,400.88	1,034,918.31	-49,000,000.00	268,577,403.74
Total assets	資產總額	4,706,590,776.08	2,988,030,311.18	26,025,668.86	-682,571,647.78	7,038,075,108.34
Total liabilities	負債總額	2,526,799,913.21	1,504,845,763.99	8,001,924.23	-2,745,745.46	4,036,901,855.97
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	140,667,506.11	586,291,839.20	220,157.52		727,179,502.83
Significant non-cash expenses such as depreciation and amortisation	折舊及攤銷等重大的非付現費用	235,211,845.74	118,588,511.72	127,542.29		353,927,899.75

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)

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

		Closing balance				
		Book balance		Provision for bad debts		
		賬面餘額		壞賬準備		
			Proportion		Provision	
		Amount	(%)	Amount	(%)	Book value
Category	類別	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	2,196,600.00	0.92	2,196,600.00	100.00	
Provision for bad debts on a group basis	按組合計提壞賬準備	237,047,426.46	99.08	42,773,821.87	18.04	194,273,604.59
Including: Combination by ageing	其中：按賬齡組合	224,888,303.90	94.00	42,773,821.87	19.02	182,114,482.03
Combination of related parties in the scope	合併範圍關聯方組合	12,159,122.56	5.08			12,159,122.56
Total	合計	239,244,026.46	100.00	44,970,421.87		194,273,604.59

1. 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)

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)

(Continued)

		Opening balance				
		Book balance		Provision for bad debts		
		賬面餘額		壞賬準備		
				Provision		
Category	類別	Amount	Proportion (%)	Amount	proportion (%)	Book value
		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	2,196,600.00	1.23	2,196,600.00	100.00	
Provision for bad debts on a group basis	按組合計提壞賬準備	175,710,897.98	98.77	26,226,638.41	14.93	149,484,259.57
Including: Combination by ageing	其中：按賬齡組合	163,792,247.84	92.07	26,226,638.41	16.01	137,565,609.43
Combination of related parties in the scope	合併範圍關聯方組合	11,918,650.14	6.70			11,918,650.14
Total	合計	177,907,497.98	100.00	28,423,238.41		149,484,259.57

1. 應收賬款(續)

(1) 應收賬款按壞賬計提方法分類列示(續)

(續表)

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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. 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 賬面餘額	Provision for bad debts 壞賬準備	Closing balance 年末餘額 Provision proportion (%) 計提比例(%)	Reasons for provision 計提理由
Luxian Youhao Real Estate Co., Ltd.	瀘縣友豪置業有限公司	2,196,600.00	2,196,600.00	100.00	company operating abnormally 公司經營異常

- 2) Provision for bad debts of accounts receivables on an ageing group basis

- 2) 按賬齡組合計提應收賬款壞賬準備

Ageing	賬齡	Book balance 賬面餘額	Closing balance 年末餘額 Provision for bad debts 壞賬準備	Provision proportion (%) 計提比例(%)
Within 1 year (inclusive)	1年以內(含1年)	131,017,966.57	6,550,898.33	5.00
1 to 2 years	1-2年	28,295,973.24	2,829,597.33	10.00
2 to 3 years	2-3年	20,582,667.13	4,116,533.43	20.00
3 to 4 years	3-4年	26,303,893.10	13,151,946.55	50.00
4 to 5 years	4-5年	12,814,788.13	10,251,830.50	80.00
Over 5 years	5年以上	5,873,015.73	5,873,015.73	100.00
Total	合計	224,888,303.90	42,773,821.87	

Chapter XI Financial Report (Continued)
第十一章 財務報告(續)

Notes to the Financial Statements (Continued)
財務報表附註(續)

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 ageing analysis of accounts receivable based on the transaction date is as follows

Ageing	賬齡	Closing balance 年末餘額
Within 1 year (inclusive)	1年以內 (含1年)	132,144,180.69
1 to 2 years	1-2年	36,626,099.87
2 to 3 years	2-3年	23,285,448.94
3 to 4 years	3-4年	27,605,893.10
4 to 5 years	4-5年	13,709,388.13
Over 5 years	5年以上	5,873,015.73
Total	合計	239,244,026.46

(3) Provision for bad debts of accounts receivable in the current year

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) 本年應收賬款壞賬準備情況

		Changes during the current year 本年變動金額					Closing balance
Category	類別	Opening balance 年初餘額	Provision 計提	Recoveries or reversals 收回或轉回	Write off or charge off 轉銷或核銷	Others 其他	Closing balance 年末餘額
Provision for bad debts	壞賬準備	28,423,238.41	16,547,183.46				44,970,421.87

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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 RMB177,786,568.68, accounting for 74.31% of the closing balance of accounts receivable. A provision for bad debts of RMB27,968,817.40 in total was made as at the end of the year.

2. Other receivables

Items	項目	Closing balance 年末餘額	Opening balance 年初餘額
Other accounts	其他收賬款	129,120,219.18	180,119,414.29
Less: Provision for bad debts	減：壞賬準備	30,901,974.15	25,123,441.38
Total	合計	98,218,245.03	154,995,972.91

(1) Classification of other receivables by nature of the amount

Nature of the amount	款項性質	Closing balance 年末餘額	Opening balance 年初餘額
Financial subsidies	財政補貼款項	84,602,883.30	130,678,484.21
Transactions with related parties within the scope of consolidation	合併範圍內關聯方往來款	28,788,381.57	31,935,557.95
Withholding payment	代扣代繳款	706,766.55	837,232.83
Deposits and guarantees	押金、保證金	78,400.00	80,400.00
Others	其他	14,943,787.76	16,587,739.30
Total	合計	129,120,219.18	180,119,414.29

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177,786,568.68元，佔應收賬款年末餘額合計數的比例74.31%，相應計提的壞賬準備年末餘額匯總金額27,968,817.40元。

2. 其他應收款

(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)

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)

(2) Provision for bad debts of other receivables

(2) 其他應收款壞賬準備計提情況

Provision for bad debts	壞賬準備	First stage 第一階段	Second stage 第二階段	Third stage 第三階段	Total 合計
Balance as at 1 January 2023	2023年1月1日餘額	2,372,864.55	19,777,990.94	2,972,585.89	25,123,441.38
Provision in the current year	本年計提		10,139,036.84		10,139,036.84
Reversal in the current year	本年轉回	2,328,261.34		2,032,242.73	4,360,504.07
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 2023	2023年12月31日餘額	44,603.21	29,917,027.78	940,343.16	30,901,974.15

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)

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 年末餘額
Within 1 year (inclusive)	1年以內(含1年)	2,553,540.40
1 to 2 years	1-2年	67,701,479.77
2 to 3 years	2-3年	5,392,529.82
3 to 4 years	3-4年	50,495,883.30
4 to 5 years	4-5年	4,000.00
Over 5 years	5年以上	2,972,785.89
Total	合計	129,120,219.18

(4) Provision for bad debts for other receivables

(4) 其他應收款壞賬準備情況

		Changes during the current year 本年變動金額				Closing balance 年末餘額
Category	類別	Opening balance 年初餘額	Provision 計提	Recoveries or reversals 收回或轉回	Write-off or charge off 轉銷或核銷	Others 其他
Provision for bad debts	壞賬準備	25,123,441.38	10,139,036.84	4,360,504.07		30,901,974.15

(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

The total top five receivable by debtor as at the end of the year amounted to RMB96,718,028.57, accounting for 74.90% of the closing balance of receivable. A provision for bad debts of RMB29,310,591.66 in total was made as at the end of the year.

本年按欠款方歸集的年末餘額前五名其他應收款匯總金額為96,718,028.57元，佔其他應收款年末餘額合計數的比例為74.90%，相應計提壞賬準備年末餘額匯總金額29,310,591.66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)

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

		Change in the current year										Closing balance	
		本年增減變動											
		Gains or losses											
		on investments										Adjustment	
		Opening		Reduction in	under the	comprehensive	Change in	Declared	Provision		Closing balance	of provision for	
		balance	Increase in	investment	equity method	income	other equities	cash dividends	for impairment	Others	(Book value)	impairment	
		(Book value)	investment	investment	equity method	income	other equities	or profits	for impairment		(Book value)	impairment	
		年初餘額			權益法下確認的	其他綜合		宣告發放現金			年末餘額	減值準備	
Entity invested	被投資單位	(賬面價值)	追加投資	減少投資	投資損益	收益調整	其他權益變動	股利或利潤	計提減值準備	其他	(賬面價值)	年末餘額	
I. Joint ventures: None.	一、合營企業：無。												
II. Associates: None.	二、聯營企業：無。												
III. Subsidiaries	三、子公司												
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	100,537,417.79									100,537,417.79		
Luzhou Xinglu Water (Group) Crystal Trading Co., Ltd.	瀘州市興瀘水務（集團）水晶商貿有限公司	9,388,127.21		9,388,127.21									
Luzhou Xinglu Water (Group) Hejiang Water Co., Ltd.	瀘州市興瀘水務（集團）合江水業有限公司	94,072,759.54									94,072,759.54		
Luzhou Sitong Tap Water Engineering Co., Ltd.	瀘州市四通自來水工程有限公司	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 Drainage Engineering Design Co., Ltd.	瀘州市四通給排水工程設計有限公司	969,729.13									969,729.13		

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)

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 (Book value) 年初餘額 (賬面價值)	Increase in investment 追加投資	Reduction in investment 減少投資	Gains or losses on investments recognized under the equity method 權益法下確認的投資損益	Change in the current year 本年增減變動	Adjustment of other comprehensive income 其他綜合收益調整	Declared cash dividends or profits 宣告發放現金股利或利潤	Provision for impairment 計提減值準備	Others 其他	Closing balance (Book value) 年末餘額 (賬面價值)	Closing balance of provision for impairment 減值準備 年末餘額
Luzhou Xinglu Wastewater Treatment Co., Ltd.	瀘州市興瀘污水處理有限公司	442,199,192.98									442,199,192.98	
Xinglu Water (Group) Weiyan Qingxi Water Co., Ltd.	興瀘水務(集團)威遠清溪水務有限公司	37,570,000.00									37,570,000.00	
Weiyan City Water Supply and Drainage Installation Engineering Co., Ltd.	威遠城市供排水安裝工程有限公司	17,590,000.00									17,590,000.00	
Luzhou Xinglu Water (Group) Xingxu Water Co., Ltd.	瀘州市興瀘水務(集團)興敘水業有限公司	6,000,000.00									6,000,000.00	
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	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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)

		Change in the current year											
				Gains or losses on investments recognized		Adjustment of other comprehensive income		Declared cash dividends or profits		Provision for impairment	Others	Closing balance	of provision for impairment
		Opening balance	Increase in investment	Reduction in investment	under the equity method	comprehensive income	Change in other equities	cash dividends or profits				Closing balance	
		(Book value)			權益法下確認的			宣告發放現金		計提減值準備	其他	(Book value)	減值準備
Entity invested	被投資單位	(賬面價值)	追加投資	減少投資	投資損益	收益調整	其他權益變動	股利或利潤				(賬面價值)	年末餘額
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	
Litang County Xinglu Water Co., Ltd	理塘縣興瀘水務有限公司	1,000,000.00										1,000,000.00	
Leshan Jingyan Xinglu Wastewater Treatment Co., Ltd..	樂山井研興瀘污水處理有限公司	27,000,000.00	3,000,000.00									30,000,000.00	
Luzhou Xinglu Water Quality Testing Co., Ltd.	瀘州市興瀘水質檢測有限公司	3,000,000.00										3,000,000.00	
Subtotal	小計	990,255,037.67	3,000,000.00	9,388,127.21								983,866,910.46	
Total	合計	990,255,037.67	3,000,000.00	9,388,127.21								983,866,910.46	

Chapter XI Financial Report (Continued)

第十一章 財務報告(續)

Notes to the Financial Statements (Continued)

財務報表附註(續)

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

4. 營業收入、營業成本

(1) Particulars of operating revenue and operating costs

(1) 營業收入和營業成本情況

Items	項目	Amount incurred in the current year 本年發生額		Amount incurred in the previous year 上年發生額	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Principal operations	主營業務	507,547,502.95	386,477,600.09	509,675,750.49	394,094,886.67
Other operations	其他業務	6,127,833.49	1,276,206.12	10,491,904.66	5,917,757.55
Total	合計	513,675,336.44	387,753,806.21	520,167,655.15	400,012,644.22

(2) Particulars of revenue from contracts

(2) 合同產生的收入的情況

Categories of contract		合同分類	Incurred revenue amount for the current year 本年收入發生額
Classification by type of goods		按商品類型分類	513,675,336.44
Including: water supply business		其中：供水業務	320,172,473.46
Engineering business		工程業務	187,375,029.49
Others		其他	6,127,833.49
Classification by business area		按經營地區分類	513,675,336.44
Including: inside Sichuan Province		其中：四川省內	513,675,336.44
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)

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 incurred in the current year 本年發生額	Amount incurred in the previous year 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	58,748,424.63	57,160,655.50
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		
Investment income from the disposal of long-term equity investments	處置長期股權投資產生的投資收益	2,093,872.79	-3,044,460.33
Total	合計	60,842,297.42	54,116,195.17

XVII. SUPPLEMENTARY INFORMATION OF FINANCIAL REPORT

十七、財務報表補充資料

1. Return on net asset and earnings per share

1. 淨資產收益率及每股收益

		Weighted average return on net assets (%) 加權平均淨資產收益率(%)	Earnings per share (RMB/share) 每股收益(元/股)	
			Basic earnings per share 基本每股收益	Diluted earnings per share 稀釋每股收益
Profits during the reporting period	報告期利潤			
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	6.14	0.21	0.21

Luzhou Xinglu Water (Group) Co., Ltd. 瀘州市興瀘水務(集團)股份有限公司

28 March 2025 二〇二五年三月二十八日



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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