



昆明滇池水務股份有限公司

Kunming Dianchi Water Treatment Co., Ltd.

(於中華人民共和國註冊成立的股份有限公司)

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

股份代號 STOCK CODE: 3768

臻於至善 源遠流長

CONSUMMATION & SUSTAINABILITY

2022 中期報告
INTERIM REPORT

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CHAPTER ONE CORPORATE INFORMATION

第一章 公司資料

REGISTERED NAME OF THE COMPANY 公司法定名稱	Kunming Dianchi Water Treatment Co., Ltd.	昆明滇池水務股份有限公司
REGISTERED OFFICE AND HEADQUARTERS IN THE PRC 中國註冊地址及總部	Wastewater Treatment Plant No. 7 Kunming Dianchi Tourist Resort Yunnan Province PRC	中國雲南省昆明市 滇池旅遊度假區 第七污水處理廠
PRINCIPAL PLACE OF BUSINESS IN HONG KONG 香港主要營業點	Room 1901, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong	香港 銅鑼灣 希慎道33號 利園一期19樓1901室
WEBSITE OF THE COMPANY 公司網站	www.kmdcwt.com	www.kmdcwt.com
STOCK CODE 股份代號	03768	03768
LEGAL REPRESENTATIVE OF THE COMPANY 公司法定代表人	Mr. Zeng Feng	曾鋒先生
AUTHORIZED REPRESENTATIVES 授權代表	Mr. Chiu Ming King <i>FCG, HKFCG</i> Mr. Luo Yun	趙明璟先生 <i>FCG, HKFCG</i> 羅雲先生
COMPANY SECRETARY 公司秘書	Mr. Chiu Ming King <i>FCG, HKFCG</i>	趙明璟先生 <i>FCG, HKFCG</i>
INDEPENDENT AUDITOR 獨立審計師	Baker Tilly Hong Kong Limited Certified Public Accountants 2nd Floor, 625 King's Road North Point, Hong Kong	天職香港會計師事務所有限公司 執業會計師 香港北角英皇道625號2樓
HONG KONG LEGAL ADVISER TO THE COMPANY 公司香港法律顧問	Jingtian & Gongcheng LLP Suites 3203-3207, 32/F Edinburgh Tower The Landmark 15 Queen's Road Central Central Hong Kong	競天公誠律師事務所有限法律責任合夥 香港中環皇后大道中15號 置地廣場公爵大廈 32樓3203至3207室

**PRC LEGAL ADVISER
TO THE COMPANY**
公司中國法律顧問

Yunnan Jianguang Law Firm
14th Floor, Block 2, Nanyuecheng
Guangfu Road
Xishan District
Kunming, Yunnan Province
PRC

雲南建廣律師事務所
中國雲南省昆明市
西山區廣福路
南悅城2棟14樓

H SHARE REGISTRAR
H股股份登記處

Tricor Investor Services Limited
17/F Far East Finance Centre
16 Harcourt Road
Hong Kong

卓佳證券登記有限公司
香港夏愨道16號
遠東金融中心17樓

BOARD OF DIRECTORS
董事會

Executive Directors
執行董事

Mr. Zeng Feng (*Chairperson*)
Mr. Chen Changyong (*General manager*)
Mr. Luo Yun

曾鋒先生(董事長)
陳昌勇先生(總經理)
羅雲先生

Non-executive Directors
非執行董事

Ms. Song Hong
Ms. Ren Na
Ms. Yu Yanbo

宋紅女士
任娜女士
余燕波女士

Independent Non-executive Directors
獨立非執行董事

Mr. Yin Xiaobing
Ms. Zheng Dongyu
Mr. Ong King Keung

尹曉冰先生
鄭冬渝女士
王競強先生

BOARD COMMITTEES
董事會轄下委員會

Audit Committee
審計委員會

Mr. Yin Xiaobing (*Chairperson*)
Ms. Zheng Dongyu
Mr. Ong King Keung

尹曉冰先生(主任委員)
鄭冬渝女士
王競強先生

**Remuneration and Appraisal
Committee**
薪酬與考核委員會

Mr. Ong King Keung (*Chairperson*)
Mr. Zeng Feng
Mr. Yin Xiaobing

王競強先生(主任委員)
曾鋒先生
尹曉冰先生

Nomination Committee
提名委員會

Mr. Yin Xiaobing (*Chairperson*)
Mr. Zeng Feng
Mr. Ong King Keung

尹曉冰先生(主任委員)
曾鋒先生
王競強先生

CHAPTER ONE CORPORATE INFORMATION

第一章 公司資料

Strategy and

Investment Decision Committee

戰略與投資決策委員會

Mr. Zeng Feng (*Chairperson*)

Mr. Luo Yun

Mr. Yin Xiaobing

曾鋒先生(主任委員)

羅雲先生

尹曉冰先生

BOARD OF SUPERVISORS

監事會

Mr. Na Zhiqiang (*Chairperson*)

Mr. Yao Jianhua

Mr. Shao Wei

那志強先生(主席)

姚建華先生

邵偉先生

PRINCIPAL BANKS

主要往來銀行

China Construction Bank

中國建設銀行

Kunming Chengnan Sub-branch

Xinqiao Village No.2-3

Shulin Jie Huayuan Xincun District

Kunming

Yunnan Province

PRC

昆明城南支行

中國

雲南省

昆明市

書林街花園新村

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China Everbright Bank

中國光大銀行

Kunming Dianchi Road Sub-branch

Project & Design Unit Building

No. 1177 Dianchi Road

Xishan District, Kunming

Yunnan Province

PRC

昆明滇池路支行

中國

雲南省

昆明市西山區滇池路1177號

規劃設計聯合機構大樓

Industrial Bank

興業銀行

Kunming Branch

2nd Floor, Yuntong Times Square

Jinbi Road

Kunming, Yunnan Province

PRC

昆明分行

中國

雲南省昆明市

金碧路雲銅時代廣場2樓

China Minsheng Bank

中國民生銀行

Kunming Dianchi Road Sub-branch

No. 331 Huancheng South Road

Kunming

Yunnan Province

PRC

昆明滇池路支行

中國

雲南省

昆明市

環城南路331號

Agricultural Bank of China

中國農業銀行

Kunming Resort Sub-branch

No. 1 Qianfu Road

Xishan District, Kunming

Yunnan Province

PRC

昆明度假區支行

中國

雲南省

昆明市

西山區前福路1號

Bank of Communications 交通銀行	Yunnan Branch 1st Floor Counter Bank of Communications Building No. 397 Baita Road Panlong District, Kunming Yunnan Province PRC	雲南省分行 中國 雲南省 昆明市盤龍區白塔路397號 交通銀行大廈1樓大堂
Bank of China 中國銀行	Kunming Guandu Sub-branch No. 432 Minhang Road Kunming Yunnan Province PRC	昆明官渡支行 中國 雲南省 昆明市 民航路432號
China Merchants Bank 招商銀行	Kunming Shijicheng Sub-branch 1A and 1B, 1st Floor, Tower 2 Century Golden Resources International Business Center Kunming Yunnan Province PRC	昆明世紀城支行 中國 雲南省 昆明市 世紀金源國際商務中心 第2幢1層1A及1B商舖
CITIC Bank 中信銀行	Kunming Ankang Road Sub-branch No.5 Ankang Road Kunming Yunnan Province PRC	昆明安康路支行 中國 雲南省 昆明市 安康路5號
China Postal Savings Bank 中國郵政儲蓄銀行	Kunming Chun Rong Street Sub-branch No. 888 Chun Rong Street Kunming Yunnan Province PRC	昆明春融街支行 中國 雲南省 昆明市 春融街888號
HengFeng Bank 恒豐銀行	Kunming Nanya Sub-branch Nanya Tropical Garden Kunming Yunnan Province PRC	昆明南亞支行 中國 雲南省 昆明市 南亞風情園

CHAPTER TWO LETTER FROM THE CHAIRPERSON

第二章 董事長致辭

Dear Shareholders,

In the first half of 2022, facing the complicated and challenging international situation and the impact of domestic and international pandemic prevention and control measures, China's economy remained resilient with great potential, sufficient vitality and long-term positive fundamentals. With the implementation of a series of policies and measures to stabilise growth, the national economy is expected to maintain steady growth. Kunming Dianchi Water Treatment Co., Ltd. (the "Company") focused on the "Belt and Road" initiative and the development strategies of Yunnan Province to become a leader in ecological civilisation construction in China and expand to South Asia and Southeast Asia, responded to the call of tackling the key task of lake improvement in Yunnan Province, and adhered to the concept of "Lucid waters and lush mountains are invaluable assets". With the aim of achieving high-quality development, the Company promoted development driven by reform and innovation, took various actions such as establishing positive culture and enhancing efficiency and marched forward with full confidence to continuously break new grounds for high-quality development.

PERFORMANCE REVIEW

In the first half of 2022, under the effective leadership of the Board of Directors of the Company, the Company maintained its confidence, strove to make progress, and fully facilitated the Company to maintain stable operation in a positive trend with steady growth in key operating indicators. For the six months ended 30 June 2022, total revenue of the Company was RMB909.1 million, representing an increase of 1.9% as compared to the same period of last year; net profit attributable to Shareholders of the Company was RMB182.8 million, representing an increase of 9.5% as compared to the same period of last year. By closely focusing on the requirements of high-quality development in the new phase, the Company established its foothold in the Yunnan market, emphasized on its main business, expanded its business coverage, and consolidated the foundation for diversified development; implemented the two key tasks of operational management and investment and construction, prudently optimized incremental projects, improved the quality and efficiency of existing projects, made new progress in reform of the internal management mechanism, party building, talent cultivation and corporate governance, and stimulated more vitality for corporate development, thereby laying a solid foundation for embarking on a new journey and lamenting the new strategy for high-quality development.

尊敬的各位股東：

2022年上半年，面對複雜嚴峻的國際形勢和國內外疫情防控因素影響，中國經濟韌性強、潛力大、活力足，長期向好的基本面沒有改變，隨著一系列穩增長政策措施落地見效，國民經濟有望保持平穩增長。昆明滇池水務股份有限公司（「公司」）聚焦國家「一帶一路」倡議和雲南省全面建設中國生態文明建設排頭兵、面向南亞東南亞輻射中心的發展戰略，響應雲南省全面打響湖泊革命攻堅戰的號召，樹牢綠水青山就是金山銀山理念，以高質量發展為引領，以改革創新為動力，以作風建設、效能革命為契機，以堅定信心奮進新征程，不斷開創高質量發展新局面。

業績回顧

2022年上半年，在公司董事會的正確領導下，公司堅定信心、奮楫篤行，全面推進公司經營穩中向好，主要經營指標數據實現穩步增長，截至2022年6月30日止六個月，公司營業收入為人民幣909.1百萬元，較上年同期增長1.9%；本公司股東應佔淨利潤為人民幣182.8百萬元，較上年同期增長9.5%。公司緊緊圍繞新階段高質量發展要求，立足雲南市場，聚焦核心主業，開拓業務佈局，夯實多元化發展基礎；落實抓好運營管理和投資建設兩個關鍵，謹慎做優增量項目，提質增效存量項目，內部管理機制改革、黨的建設、人才培養和公司治理等各項工作取得新進展，企業發展更具活力，為開啟高質量發展新征程、實現高質量發展新戰略奠定堅實基礎。

In terms of main business, the Company persisted in prioritising quality and efficiency, with emphasis on the operational aspect as the core of projects. In 2022, the wastewater treatment plants operated by the Company treated 349 million cubic meters of wastewater, representing a year-on-year of approximately 8%, and supplied 34 million cubic meters of water (including running water and reclaimed water), which remained basically the same as the same period of last year. The overall passing rate of the quality of water supplied met relevant standards, treated water was steadily discharged in compliance with wastewater treatment standards, energy consumption indicators were controlled within reasonable ranges, and 96.2% of the designed capacity of wastewater treatment met the national Class I Category A standard. With over 30 years of operation experience in wastewater treatment industry, the Company established a comprehensive business platform integrating construction, operation, monitoring and financing functions by capturing the opportunities from standardized construction of water industry in recent years, which provided synergy and support for business operation of the Company, enhanced the overall operation efficiency, and developed a demonstrative role and market competitiveness of the Company. During the Reporting Period, the Company obtained 5 new utility model patents and participated in the formulation of various technical regulations of the industry.

For diversified development, based on the general keynote of "comprehensive environmental protection" and its own advantages, the Company made proper adjustment, disposal, consolidation, upgrade and transformation of existing businesses and assets. In addition, through investment, merger and acquisition, joint venture and various other methods, the Company introduced high-quality assets with good profitability and sustainability to optimize the composition of its business segments, and gradually expanded to watershed management, ecological water replenishment, wastewater recycling, solid waste disposal, soil restoration, garbage landfill, thermal power supply, new energy power generation and other sectors, thereby continuously improving the operating results, comprehensive profitability and core competitiveness of the Company.

主營業務方面，公司始終堅持質量第一、效益優先，強調把運營環節作為項目核心。2022年，公司自營污水處理廠實現污水處理量349百萬立方米，同比增長約8%，實現供水(含自來水和再生水)量34百萬立方米，較上年同期基本持平，供水水質綜合合格率全面達標，污水處理持續穩定達標排放，各項能耗指標均控制在合理範圍內，設計污水處理能力的96.2%達到國家一級A類排放標準。公司在污水處理行業已有三十多年的實踐基礎，近年來借助水務標準化建設，搭建集建設、運營、監測和融資等為一體的業務平臺，為公司業務運營提供協同和保障，提升了整體運營效率，公司在污水處理行業具有一定的示範效應和市場競爭力。報告期內，公司獲得5項實用新型專利，參與編製多項行業技術規程。

多元化發展方面，公司立足「大環保」格局，結合自身優勢，對現有業務和資產做出適當的調整、處置、整合和升級改造。同時，公司通過投資併購、合資合作等多種方式，置入具有良好盈利能力和持續經營能力的優質資產，優化業務板塊構成，逐步向流域治理、生態補水、污水資源化利用、固廢處置、土壤修復、垃圾填埋、熱電供應、新能源發電等領域邁進，持續提升公司經營業績、綜合盈利能力及核心競爭力。

CHAPTER TWO LETTER FROM THE CHAIRPERSON

第二章 董事長致辭

For internal governance and talent cultivation, the Company fully strengthened system construction and promoted party culture and honest practices, fostered the awareness of compliance, legal system and risk prevention related to honest practices, and created a clean political ecosystem and a favourable environment for founding and doing business. In order to pursue long-term stable and high-quality development, the Company always emphasized the people-oriented concept, strengthened the management of talent recruitment and training, optimised the organisational structure, continuously enhanced the core corporate competitiveness, improved the team's capability, enhanced the efficiency of every staff, formed an excellent and responsible team of all kinds of talents, and practically enhanced the awareness of responsibility, crisis and risk, mindset of innovation and development, as well as the spirit of striving for progress, so as to provide strong organisational support for the Company's high-quality development.

In terms of investment and financing, leveraging the advantages of dual platform of international and domestic financing and based on the capital requirements of operational management and business development, the Company fully expanded its financing channels to maintain a reasonable and healthy capital structure while giving full play to reasonable capital leverage to provide continuous capital support for the Company's operational development.

PROSPECTS

During the "14th Five-Year Plan" period, China has set clear requirements on wastewater treatment rate and treatment quality, and with the continuous implementation of transformation for standard enhancement in the wastewater industry, quality and efficiency enhancement and refined operation of existing projects will become the industry focus. In the future, based on the development strategies and goals, the Company will closely focus on the requirements of high-quality development in the new phase, and emphasize on both internal growth and external development. Internally, based on its operational experience, the Company will actively adapt to the new industry trend of "operation is of utmost importance", make steady breakthroughs and enhancements in market development, organizational restructuring, process optimization, operation mode and performance evaluation, fully improve internal refined management, effectively enhance operational management efficiency, and continuously promote cost reduction and efficiency enhancement of the projects in production. For external development, the Company will increase its efforts in expansion in environmental protection industry, carefully select high-quality projects, make reasonable planning and layout, and optimise the industrial structure, so as to provide strong support for the Company's healthy, sustainable and high-quality development.

內部治理與人才培養方面，公司全面加強制度建設和黨風廉政建設，樹牢合規意識、法制意識、廉潔風險防範意識，營造風清氣正政治生態和幹事創業良好環境。為了謀求公司長期穩定高質量發展，公司始終強調以人為本的理念，加強人才任用和培養管理，優化組織架構，不斷提升企業核心競爭力，提高團隊戰鬥力，提升人均能效，形成各類人才聚集、勇於擔當的優秀團隊，切實增強責任擔當意識、危機憂患意識、創新發展意識和拼搏進取精神，從而為公司高質量發展提供堅強組織保障。

融資方面，公司融合國際國內融資雙平臺優勢，根據運營管理和業務發展資金需求，充分拓展融資渠道，在保持合理健康的資本結構的同時，充分發揮合理的資金槓桿作用，為公司的運營發展持續提供資金保障。

未來展望

「十四五」時期，中國對於污水處置率和處置質量提出了明確要求，污水提標改造持續推進，存量項目的提質增效和精細運營將成為行業主題。未來，根據發展戰略目標，公司將緊緊圍繞新階段高質量發展要求，堅持內涵式增長與外延式發展並重，向內依靠經營積累，主動適應行業「運營為王」的新趨勢，在市場開拓、組織重組、流程優化、經營模式、績效評估等方面進行穩步突破與提升，全面加強內部精細化管理水平，有效提升經營管理效益，持續推動投產項目降本增效；向外加大環保產業開拓力度，精選優質項目，合理規劃布局，優化產業結構，為公司健康持續高質量發展提供有力的保障。

In addition, the Company will closely follow macro industrial policies and market landscape, focus on its main responsibilities and main businesses, further strengthen its foundation, enhance its internal corporate governance, continue to strengthen its management and control over its subsidiaries, improve post-investment project management, enhance risk prevention and internal control, continue to utilize its advantages in capital, technology and management as a regional industry leader, gather the concerted efforts of all staff to capture opportunities from the market trend through cooperation, contribute to achieving the national goals of ecological and environmental management, pollution prevention and control, energy saving and emission reduction while increasing the Company's revenue and profit and creating greater value for shareholders.

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

Zeng Feng
Chairperson

同時，公司將緊跟宏觀產業政策和市場格局，聚焦主責主業，進一步夯實根基，提升企業內部治理能力，繼續加強對子公司管控，加強項目投後管理，強化風險防範和內部控制，持續發揮區域行業龍頭企業在資金、技術及管理上的優勢，團結協作、乘勢而上，在助力國家達成生態環境治理、污染防治及節能減排等目標的同時增加公司收入與利潤，為股東創造更大價值。

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

曾鋒
董事長

CHAPTER THREE DEFINITIONS

第三章 釋義

“Board” or “Board of Directors” 「董事會」	指	the board of directors of the Company 本公司董事會
“Bosera Capital” 「博時資本」	指	Bosera Capital Management Co., Ltd. (博時資本管理有限公司), a third party independent of the Company and its connected persons 博時資本管理有限公司，獨立於本公司及其關連人士的第三方
“China” or “PRC” 「中國」	指	the People's Republic of China 中華人民共和國
“Company” 「本公司」或「公司」	指	Kunming Dianchi Water Treatment Co., Ltd. (昆明滇池水務股份有限公司), a joint stock company established in Yunnan Province, PRC, with limited liability on 23 December 2010 in accordance with PRC laws, and, if the context requires, including its predecessors and subsidiaries 昆明滇池水務股份有限公司，一家根據中國法律於2010年12月23日在中國雲南省成立的股份有限公司，如文義所需，包括其前身及附屬公司
“Controlling Shareholder” 「控股股東」	指	has the meaning ascribed to it under the Listing Rules and represents Kunming Dianchi Investment Co., Ltd., a limited liability company established in Yunnan Province, China on 13 October 2004 具有上市規則所賦予之涵義，指昆明滇池投資有限責任公司，一家於2004年10月13日在中國雲南省成立的有限責任公司
“Corporate Governance Code” 「企業管治守則」	指	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules 上市規則附錄十四所載的《企業管治守則》
“Director(s)” 「董事」	指	director(s) of the Company 本公司董事
“Domestic Share(s)” 「內資股」	指	ordinary shares in the Company's share capital with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi by citizens of PRC and/or entities incorporated in PRC 本公司股本中每股面值人民幣1.00元的普通股，由中國公民及／或於中國註冊成立之實體以人民幣認購並繳足
“Group” or “we” or “our” or “us” 「本集團」或「我們」	指	the Company and its subsidiaries 本公司及其附屬公司
“H Share(s)” 「H股」	指	overseas listed foreign shares in the share capital of the Company with nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange 本公司股本中每股面值人民幣1.00元的境外上市外資股，將以港元認購及買賣並於香港聯交所上市

<p>“HK\$”, “Hong Kong dollars”, “HK dollars” or “HKD”</p> <p>“港元”</p>	<p>指</p>	<p>Hong Kong dollars, the lawful currency of Hong Kong</p> <p>香港法定貨幣港元</p>
<p>“Hong Kong Stock Exchange” or “Stock Exchange”</p> <p>「香港聯交所」或「聯交所」</p>	<p>指</p>	<p>The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited</p> <p>香港聯合交易所有限公司，為香港交易及結算所有限公司的全資附屬公司</p>
<p>“Hongyu Thermal Power”</p> <p>「宏宇熱電」</p>	<p>指</p>	<p>Liuyang Hongyu Thermal Power Co., Ltd.* (瀏陽市宏宇熱電有限公司), a limited liability company incorporated in the PRC and a subsidiary directly wholly-owned by the Company</p> <p>瀏陽市宏宇熱電有限公司，於中國註冊成立之有限責任公司為本公司直接全資擁有的附屬公司</p>
<p>“KADI”</p> <p>「昆明農業發展投資」</p>	<p>指</p>	<p>Kunming Agricultural Development Investment Co., Ltd.* (昆明農業發展投資有限公司), a limited liability company incorporated in the PRC on 29 June 2009, which is owned as to approximately 90% by Kunming SASAC, and is not a connected person as defined in the Listing Rules</p> <p>昆明農業發展投資有限公司，一家於2009年6月29日在中國註冊成立的有限責任公司，並由昆明市國資持股90%，其並非上市規則中所定義的關連人士</p>
<p>“KDI” or “Kunming Dianchi Investment”</p> <p>「昆明滇池投資」</p>	<p>指</p>	<p>Kunming Dianchi Investment Co. Ltd. (昆明滇池投資有限責任公司), a company established in Yunnan Province, PRC with limited liability on 13 October 2004, which is a Controlling Shareholder of the Company</p> <p>昆明滇池投資有限責任公司，一家於2004年10月13日在中國雲南省成立的有限責任公司，為本公司的控股股東</p>
<p>“Kunming Bus”</p> <p>「昆明公交」</p>	<p>指</p>	<p>Kunming Bus Group Co., Ltd.* (昆明公交集團有限責任公司), formerly known as Kunming Bus Corporation, a wholly state-owned limited liability company incorporated in China on 11 March 1982, which is directly owned as to 95% by Kunming SASAC, and is not a connected person as defined in the Listing Rules</p> <p>昆明公交集團有限責任公司，前稱昆明市公共汽車總公司，一家於1982年3月11日在中國註冊成立的有限責任公司，並由昆明市國資委直接持股95%，非上市規則中所定義的關連人士</p>
<p>“Kunming Construction”</p> <p>「昆明城投」</p>	<p>指</p>	<p>Kunming Municipal Urban Construction Investment & Development Co., Ltd. (昆明市城建投資開發有限責任公司), a limited liability company incorporated in the PRC on 15 May 1997, which is directly owned as to 84.42% by Kunming SASAC, and is not a connected person as defined in the Listing Rules</p> <p>昆明市城建投資開發有限責任公司，一家於1997年5月15日在中國註冊成立的有限責任公司，由昆明市國資委直接持股84.42%，非上市規則中所定義的關連人士</p>

* For identification purpose only

* 僅供識別

CHAPTER THREE DEFINITIONS

第三章 釋義

<p>“Kunming SASAC”</p> <p>「昆明市國資委」</p>	<p>指</p>	<p>the State-owned Assets Supervision and Administration Commission of the Kunming People’s Government (昆明市人民政府國有資產監督管理委員會)</p> <p>昆明市人民政府國有資產監督管理委員會</p>
<p>“Latest Practicable Date”</p> <p>「最後實際可行日期」</p>	<p>指</p>	<p>30 August 2022, the latest practicable date for the inclusion of certain information and data prior to the printing of this report</p> <p>2022年8月30日，即本報告付印前於其中納入若干資料及數據的最後實際可行日期</p>
<p>“Listing Rules”</p> <p>「上市規則」</p>	<p>指</p>	<p>the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time</p> <p>香港聯交所證券上市規則(經不時修訂、補充或以其他方式修改)</p>
<p>“Model Code”</p> <p>「標準守則」</p>	<p>指</p>	<p>the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules</p> <p>上市規則附錄十所載的《上市發行人董事進行證券交易的標準守則》</p>
<p>“Prospectus”</p> <p>「招股說明書」</p>	<p>指</p>	<p>the prospectus of the Company dated 24 March 2017 in relation to the initial public offering and the Listing of H Shares on the Stock Exchange</p> <p>日期為2017年3月24日有關首次公開發售及H股於聯交所上市的本公司招股章程</p>
<p>“Reporting Period”</p> <p>「報告期」</p>	<p>指</p>	<p>from 1 January 2022 to 30 June 2022</p> <p>2022年1月1日至2022年6月30日止</p>
<p>“RMB” or “Renminbi”</p> <p>「人民幣」</p>	<p>指</p>	<p>the lawful currency of the PRC. Unless otherwise specified, the values contained in this interim report are denominated in RMB</p> <p>中國法定貨幣。本中期報告除特別說明外，金額幣種為人民幣</p>
<p>“SFO”</p> <p>「證券及期貨條例」</p>	<p>指</p>	<p>the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time</p> <p>《證券及期貨條例》(香港法例第571章)(經不時修訂、補充或以其他方式修改)</p>
<p>“Shareholder(s)”</p> <p>「股東」</p>	<p>指</p>	<p>holder(s) of the shares of the Company</p> <p>本公司股份持有人</p>
<p>“Xindu Investment”</p> <p>「新都投資」</p>	<p>指</p>	<p>Kunming Xindu Investment Co., Ltd.* (昆明新都投資有限公司), a limited liability company incorporated in the PRC on 27 May 2005, which is directly owned as to 84% by Kunming SASAC, and is not a connected person as defined in the Listing Rules</p> <p>昆明新都投資有限公司，一家於2005年5月27日在中國註冊成立的有限責任公司，由昆明市國資委直接持股約84%，非上市規則中所定義的關連人士</p>

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

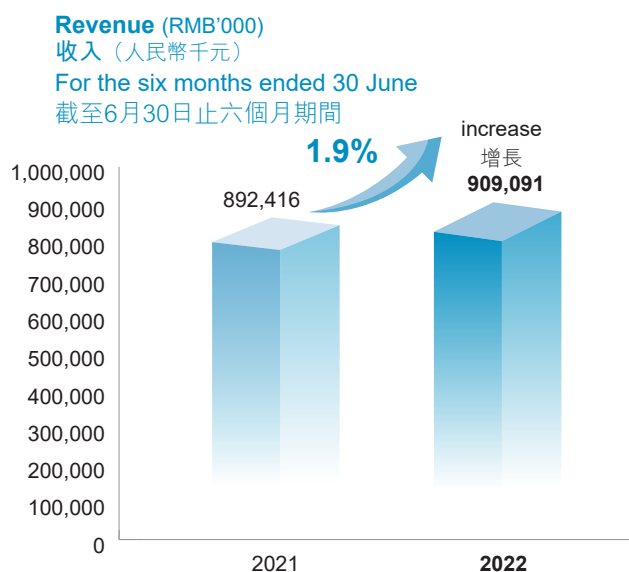
"TOO"	Transfer-Own-Operate, a project model whereby an enterprise purchases completed wastewater treatment or water supply facilities from the government and undertakes the operation of such facilities owned by the enterprise in the concession period, during which the enterprise can charge service fees based on the supplied treated wastewater or running water to cover its costs of investment, operation and maintenance and obtain reasonable returns, according to the concession agreement entered into by the enterprise and the government
「TOO」	指 移交—擁有一經營，一種項目模式，據此，企業向政府購買已建成的污水處理或供水設施，並於特許期間承擔其所擁有的設施的營運。在特許期間，該企業可根據其與政府所訂立特許經營權協議按所供應已處理的污水或自來水收取服務費，以收回其投資、營運及維護成本並取得合理回報
"TOT"	Transfer-Operate-Transfer, a project model whereby, pursuant to a concession agreement entered into by an enterprise and the government, the government grants to the enterprise the property rights or operation rights of constructed wastewater treatment or water supply facilities in the concession period, during which the enterprise can charge service fees based on the supplied treated wastewater or running water to cover its costs of investment, operation and maintenance and obtain reasonable returns, while upon the expiration of the concession period, the relevant facilities will be transferred back to the government at nil consideration
「TOT」	指 移交—經營—移交，一種項目模式，據此，根據企業與政府訂立的特許經營權協議，政府將已建成的污水處理或供水設施在特許期間的產權或經營權轉讓給企業。在特許期間，該企業可按所供應已處理的污水或自來水收取服務費，以收回其投資、營運及維護成本並取得合理回報，而在特許期間屆滿後，相關設施將無償交回有關政府
"utilization rate"	the actual volume of water supplied or wastewater treated divided by the designed volume of water supplied or wastewater treated for a given period
「利用率」	指 指定期間的實際供水或污水處理量除以設計供水或污水處理量
"wastewater treatment"	use of physical, chemical and biological methods to remove pollutants from wastewater or to turn pollutants into innocuous substances so that wastewater can reach the standards allowing for it to be discharged into a water body or reused
「污水處理」	指 為使污水達到排入某一水體或再次使用的水質要求，對其採用物理、化學及生物等方法去除污水中的污染物或將污染物化為無毒物質

I. FINANCIAL SUMMARY

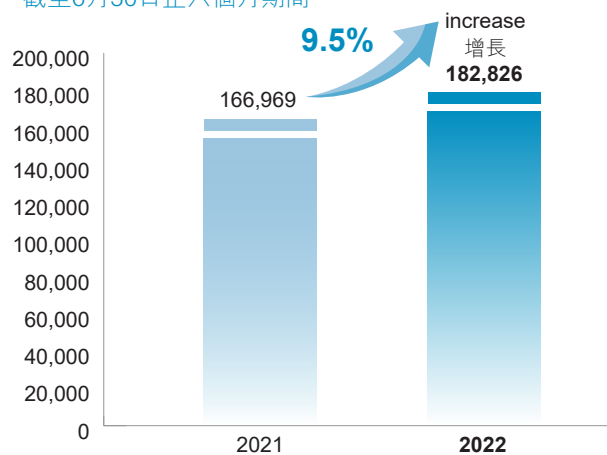
一、財務摘要

For the six months ended 30 June
截至6月30日止六個月期間

		2022 2022年 RMB'000 人民幣千元 (Unaudited) (未經審計)	2021 2021年 RMB'000 人民幣千元 (Unaudited) (未經審計)
Revenue	收入	909,091	892,416
Profit before tax	稅前利潤	206,868	202,942
Income tax expense	所得稅費用	(23,382)	(35,205)
Profit for the period	期間利潤	183,486	167,737
Attributable to:	歸屬於:		
The equity holders of the Company	本公司權益持有人	182,826	166,969
Non-controlling interests	非控制性權益	660	768
Other comprehensive income/(loss) for the period	期間其他綜合收益/(虧損)	2,830	(499)
Total comprehensive income for the period	期間綜合收益總額	186,316	167,238
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in RMB per share)	歸屬於本公司權益持有人的期間利潤的每股收益(以每股人民幣計)		
Basic and diluted earnings per share	基本及稀釋每股收益	0.18	0.16



Attributable to the equity holders of the Company (RMB'000)
歸屬於本公司權益持有人利潤 (人民幣千元)
For the six months ended 30 June
截至6月30日止六個月期間



CHAPTER FIVE SUMMARY OF FINANCIAL AND OPERATING DATA

第五章 財務及經營數據摘要

II. SUMMARY OF OPERATING DATA

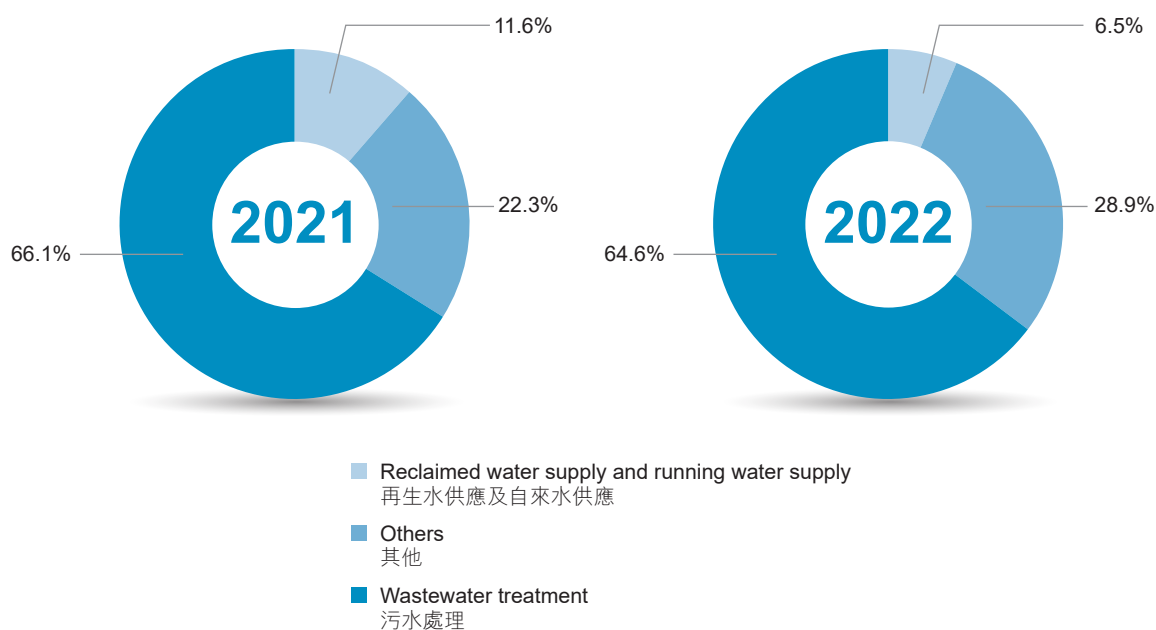
二、經營數據摘要

		As at 30 June 於 6 月 30 日	
		2022 2022 年	2021 2021 年
Capacity ('000 m ³ per day)	產能 (千立方米/日)		
Wastewater treatment	污水處理	2,043	1,982
Reclaimed water supply	再生水供應	233	233
Running water supply	自來水供應	131	131

		For the six months ended 30 June 截至 6 月 30 日止六個月期間	
		2022 2022 年	2021 2021 年
Volume ('000 m ³ per period indicated)	產量 (千立方米/所示期間)		
Wastewater treatment	污水處理	349,043	323,022
Reclaimed water supply	再生水供應	25,273	26,857
Running water supply	自來水供應	9,017	8,094

Percentage of segment revenue 分部收入佔比

For the six months ended 30 June
截至 6 月 30 日止六個月期間



I. OPERATING ENVIRONMENT

In the first half of 2022, the “triple pressure” on China’s economy increased again due to the impact of the Russia-Ukraine crisis and sanctions, a new round of the pandemic and preventive and control policies, which led to a decline in both supply and demand and a slowdown in economic growth. However, in general, China’s macro economy remained resilient despite the impact of unexpected and unpredictable factors.

The year 2022 is a critical year for the further implementation of the “14th Five-Year” Plan and in-depth implementation of the tasks of pollution control and prevention. In January 2022, China issued the “Guiding Opinions on Accelerating the Construction of Urban Environmental Infrastructure”, which expressly stated that the construction of environmental infrastructure in cities and towns shall be accelerated, and it is necessary to improve wastewater collection and treatment and recycling facilities, promote full coverage of urban wastewater pipelines, and promote the “integration of plants and networks” for domestic wastewater collection and treatment facilities; meanwhile, it shall implement preferential fiscal and tax policies on environmental treatment, environmental services and other relevant sectors, and actively create a standardised and open market environment. In 2022, China will continue to improve the ecological environment, promote green and low-carbon development, increase efforts in pollution control, focus on key areas and critical links, and support the in-depth implementation of pollution prevention and control. The central government has allocated RMB23.7 billion in funding for water pollution prevention and control, an increase of 9.22%. As a result, the environmental protection industry will remain to have a positive outlook during the “14th Five-Year Plan” period. .

一、經營環境

2022年上半年，受俄烏危機及制裁措施、新一輪疫情及防控政策等超預期因素衝擊，中國經濟「三重壓力」再次增大，供需雙雙下滑，經濟增速放緩。但總體來看，中國宏觀經濟在超預期突發性因素的衝擊下仍保持了一定韌性。

2022年是推進實施「十四五」規劃、深入打好污染防治攻堅戰的關鍵之年。2022年1月，中國發佈《關於加快推進城鎮環境基礎設施建設的指導意見》，明確推進城鎮環境基礎設施建設，健全污水收集處理及資源化利用設施，推進城鎮污水管網全覆蓋，推動生活污水收集處理設施「廠網一體化」；同時，落實環境治理、環境服務等有關財政稅收優惠政策，積極營造規範開放的市場環境。2022年，中國將持續改善生態環境，推動綠色低碳發展，加大污染治理力度，緊盯重點領域和關鍵環節，支持深入打好污染防治攻堅戰。中央財政預算安排水污染防治資金人民幣237億元，增長9.22%，「十四五」時期，環保產業仍將保持良好態勢。



CHAPTER SIX MANAGEMENT DISCUSSION AND ANALYSIS

第六章 管理層討論與分析

The Company adheres to the strategic guidance of “unitary domination with diversified development”, focuses on wastewater treatment and develops in various business sectors in upstream and downstream industries such as water supply, wastewater recycling and solid waste treatment and disposal. In the first half of 2022, we accelerated the investment and construction progress of our existing projects and promoted cost reduction and efficiency enhancement of projects in operation, while exploring new business growth drivers. We enjoy exclusive rights to provide wastewater treatment services to Kunming and other regions of China. Leveraging our concession-based business model, technology, the capability of project implementation, and expansion of service regions, we laid the foundation for stable revenue and steady business growth as the Company continues to grow steadily.

本公司堅持「一元為主，相關多元發展」的戰略指引，聚焦污水處理，圍繞自來水供應、污水資源化利用、固廢處理處置等上下游產業佈局業務賽道。2022年上半年，我們一方面加快原有項目的投建進度，強抓已投運項目降本增效，另一方面探索新的業務增長點。同時，我們享有向昆明市及中國其他若干地區提供污水處理服務的特許經營權，憑借特許經營的業務模式、技術、項目執行力及服務區域的拓展，為我們取得穩定的收入及平穩的業務增長奠定了基礎，本公司持續平穩發展。



1. Overview of Wastewater Treatment Industry

During the “13th Five-Year Plan” period, China’s urban wastewater treatment capacity has been significantly improved, but the problem of unbalanced and insufficient development still exists, and there is still a gap from the goal of building a high-quality urban wastewater treatment system. Since the start of the “14th Five-Year Plan” period, in order to continue to implement the critical task of pollution prevention and control, systematically promote carbon reduction, efficiency enhancement and recycling in the field of wastewater treatment, realise green development and the goal of carbon peaking and carbon neutrality, and promote the high quality and sustainable development of the ecological environment, China has progressively introduced a series of long-term policies.

1. 污水處理行業概況

「十三五」期間，中國城鎮污水處理能力得到顯著提高，但仍存在發展不平衡不充分的問題，與建設高質量城鎮污水處理體系的目標仍有差距。「十四五」以來，為持續打好污染防治攻堅戰，系統推進污水處理領域降碳增效、資源化利用，實現綠色發展和雙碳目標，促進生態環境高質量和可持續發展，中國陸續出台了一系列具有長遠意義的方針政策。



In order to strengthen the protection of the ecological environment, actively make up for the shortcomings and overcome the weaknesses in the field of urban wastewater treatment, and comprehensively improve the quality of wastewater collection and treatment, in January 2022, China issued the “Guiding Opinions on Accelerating the Construction of Urban Environmental Infrastructure”, which proposed that by 2025, China shall increase the wastewater treatment capacity by 20 million cubic metres per day, reach a wastewater treatment rate of over 95% in counties, and achieve a wastewater recycling rate of over 25% in water-scarce cities at the prefecture level and above.

In respect of environmental treatment in agricultural and rural areas, the problem of dark and odorous water in rural areas is prominent. The “14th Five-Year Plan for Protection of Soil, Groundwater and Rural Ecological Environment” proposed to strengthen the efforts in treatment of rural domestic wastewater. The “14th Five-Year Plan for Energy Conservation and Emission Reduction” of the State Council pointed out that a mechanism shall be established to allocate local financial input for the operation and maintenance of rural domestic wastewater treatment facilities at all levels; and establish a sound mechanism for the dynamic adjustment of urban wastewater treatment fee charging standards to help ensure the normal operation and healthy development of the wastewater treatment industry.

In July 2022, Yunnan Province published the “14th Five-Year Plan for Comprehensive Treatment of Water Environment in Key Watersheds in Yunnan Province”, which proposed to focus on nine highland lakes and six major waterways, co-ordinate the key tasks of water pollution prevention and control, water environment protection and water ecosystem restoration, and systematically promote the construction of water pollution prevention and control, comprehensive water environment treatment and water source protection projects by focusing on three aspects of prevention, protection and treatment. During the “14th Five-Year Plan” period, the wastewater treatment industry still has great development potential.

為加強生態環境保護，積極推進城鎮污水處理領域補短板、強弱項工作，全面提升污水收集處理水平，2022年1月，中國發佈《關於加快推進城鎮環境基礎設施建設的指導意見》提出至2025年新增污水處理能力2,000萬立方米/日，縣城污水處理率達到95%以上，地級及以上缺水城市污水資源化利用率超過25%。

在農業農村環境治理方面，農村黑臭水體問題突出，《「十四五」土壤、地下水和農村生態環境保護規劃》提出要加大農村生活污水治理力度。國務院《「十四五」節能減排綜合工作方案》指出要建立農村生活污水處理設施運維費用地方各級財政投入分擔機制；建立健全城鎮污水處理費徵收標準動態調整機制，助力保障污水處理行業的正常運營和良性發展。

2022年7月，雲南省印發《雲南省「十四五」重點流域水環境綜合治理工作方案》，提出以九大高原湖泊和六大水系幹流為重點，統籌水污染防治、水環境保護、水生態修復重點任務，從預防、保護和治理三個方面著力，系統推進水污染防治、水環境綜合治理、水源地保護等項目建設的工作要求。「十四五」時期，污水處理行業仍具有較大發展潛力。

2. Overview of Reclaimed Water Industry

Wastewater recycling and reuse is an important way to alleviate the shortage of water resources. In recent years, China has been actively promoting wastewater recycling, but the construction of wastewater recycling facilities still lags behind, which has yet to form a pattern of water supply based on demand and quality. In January 2022, China's "Guiding Opinions on Accelerating the Construction of Environmental Infrastructure in Cities and Towns" proposed to build, renovate and expand the production capacity of reclaimed water to not less than 15 million m³ per day by 2025. The "14th Five-Year Plan for the Development of Urban Wastewater Treatment and Resource Utilisation" specified the development goals, important tasks and key projects for wastewater recycling in China, which signified that wastewater recycling has been elevated to a national action plan. In October 2021, five ministries and commissions, including the National Development and Reform Commission, issued the "14th Five-Year Plan for Building a Water-Saving Society", which emphasized on improving the water conservation standard system, promoting wastewater recycling, in-depth implementation of the National Water Conservation Action and comprehensive construction of a water-saving society.

2. 再生水行業概況

污水再生回用，是緩解水資源短缺的重要途徑。近年來，中國積極推進污水資源化利用，但是污水資源化利用設施建設滯後，還未形成按需供水、分質供水的格局。2022年1月，國家《關於加快推進城鎮環境基礎設施建設的指導意見》提出至2025年要新建、改建和擴建再生水生產能力不少於1,500萬立方米/日。《「十四五」城鎮污水處理及資源化利用發展規劃》明確了中國污水資源化利用的發展目標、重要任務和重點工程，標誌著污水資源化利用上升為國家行動計劃。2021年10月，國家發展改革委等五部委印發的《「十四五」節水型社會建設規劃》中，強調了健全節水標準體系、推進污水資源化利用、深入實施國家節水行動及全面建設節水型社會。



Making full use of renewable resources is one of the important approaches to achieve the goal of carbon peaking and carbon neutrality. By reusing reclaimed water, pollution sources and pollutant emissions can be reduced, thus achieving the goal of reducing carbon emissions. As such, the reuse of reclaimed water has great development potential and is of great significance.

3. Overview of Municipal Water Supply Industry

In recent years, the national water supply business has been on a steady development trend in general. The scale of urban water supply will continue to expand in certain less developed areas with the further advancement of urbanisation in China.

The 2022 National Water Resources Working Conference pointed out that the Ministry of Water Resources will further promote the integration of urban and rural water supply, the large-scale development of rural water supply and the standardised transformation of small water supply projects. In addition, the in-depth implementation of the Administrative Measures for Urban Water Supply Prices and the Measures for Monitoring the Costs and Pricing of Urban Water Supply will have a positive impact on water supply enterprises in terms of eliminating unreasonable charges, enabling favourable pricing and achieving sustainable development. The accelerating urbanisation of China and the continuous implementation of the development strategy of urban-rural water supply integration will become an inexhaustible impetus for the sustainable development of the water industry, and will also impose higher requirements on the high-quality development of the water industry.

充分利用可再生資源是實現碳達峰、碳中和目標的重要途徑之一，通過循環利用再生水，能夠減少污染源、污染物的排放，從而達到減少碳排放的目的，再生水回用的發展前景廣闊，意義重大。

3. 市政供水行業概況

近年來，全國供水業務總體呈現穩步發展態勢，部分發展相對延後地區的城市供水規模隨著城市化進程進一步推進而將繼續擴大。

2022年全國水利工作會議指出，水利部將進一步推進城鄉供水一體化、農村供水規模化發展及小型供水工程標準化改造。同時，隨著《城鎮供水價格管理辦法》和《城鎮供水定價成本監審辦法》的深入實施，對供水企業清費順價，實現可持續發展帶來積極的作用。中國城市化進程的加快和城鄉供水一體化發展戰略的不斷推進，將成為水務行業持續發展的不竭動力，同時也對水務行業的高質量發展提出更高要求。

II. DEVELOPMENT STRATEGY AND FUTURE PROSPECTS

Looking ahead to the second half of 2022, the external environment will remain relatively uncertain, China's economic development will face the triple pressure of shrinking demand, supply shock and weakening expectations, and improvement in domestic demand will be the key to stabilising the macro economy. In terms of domestic development, with a large market, a complete industrial supply chain and rapid development of technological innovation, China's economic fundamentals remain positive in the long term.

Under the guidance of key national strategic plans such as the "14th Five-Year Plan for the Development of Urban Wastewater Treatment and Resource Utilisation", the "Guiding Opinions on Accelerating the Construction of Urban Environmental Infrastructure" and the "14th Five-Year Plan for Development of Environmental Protection Industry" in Yunnan Province, the Company upholds the business direction of "unitary domination with diversified development" and adheres to the development strategy of "seeking progress while maintaining stability and improving quality and efficiency", and strives to enhance its capability of comprehensive ecological environment treatment. In the future, on top of continuous development in our existing business market, we will closely follow the direction of the industry policies and actively make investment in the upstream and downstream of the industry chain in various sectors such as watershed management, high-quality reclaimed water supply, construction of intelligent water plants, sludge resource utilisation, mine restoration and solid waste treatment and disposal, so as to seize the market benefits of high-quality development. Meanwhile, we will ensure a steady improvement in the operating performance of our core businesses, continue to optimize and improve our corporate governance and risk management mechanisms, actively seize the potential development opportunities arising from the strategic development plan of "Building Yunnan Province into a Leader in Construction of Ecological Civilisation", and continue to focus on high-quality projects and relevant opportunities for mergers and acquisitions in the market, so as to seek progress while maintaining stability and steadily facilitate the high-quality and sustainable development of the Company.

二、發展策略及未來展望

展望2022年下半年，外部環境不確定性依然較大，中國經濟發展面臨需求收縮、供給衝擊、預期轉弱三重壓力，內需改善將成為穩定宏觀經濟大盤的關鍵。從國內發展看，中國市場規模大、產業鏈供應鏈完整、科技創新較快發展，經濟長期向好的基本面沒有改變。

在國家「十四五城鎮污水處理及資源化利用發展規劃」、「關於加快推進城鎮環境基礎設施建設的指導意見」、雲南省「十四五環保產業發展規劃」等重要戰略規劃的指引下，本公司堅持「一元為主，相關多元發展」的經營方向，秉持「穩中求進、提質增效」的發展策略，致力於提升生態環境綜合治理能力。未來，我們將在持續深耕現有業務市場的基礎上，緊跟產業政策導向，積極佈局流域治理、高品質再生水供給、智慧水廠打造、污泥資源化利用、礦山修復及固廢處理處置領域等上下遊產業鏈，搶抓高質量發展市場紅利。同時，保持核心業務運營水準穩步提高，繼續優化完善公司治理及風險管理機制；積極把握「雲南省創建生態文明建設排頭兵」發展戰略規劃所帶來的潛在發展機遇，並持續關注優質項目以及相關市場併購機會，穩中求進，穩步推進公司高質量、可持續發展。

III. BUSINESS REVIEW

The Group principally adopts the TOO, TOT and BOT project models, with a focus on the TOO model. For the six months ended 30 June 2022, our TOO projects contributed to 52.5% of our total revenue. Our TOT and BOT projects contributed to 18.2% of our total revenue, and we also adopt the BOO and BT project models for some of our projects.

For the TOO and TOT models, we acquire concessions to operate existing facilities at agreed prices from the relevant local governments. For the BOT models, we finance, construct and operate our own facilities. After the expiration of the relevant concessions, we either obtain new concessions from or transfer the relevant facilities back to the relevant local governments, depending on project types. As at 30 June 2022, we had a total of 49 water plants under concession agreements (including wastewater treatment plants and running water plants), of which 47 were in operation and 2 were under construction. Among such 47 water plants in operation, 14 were TOO projects, 22 were TOT projects, 9 were BOT projects and 2 were BOO projects.

Wastewater Treatment Projects

As at 30 June 2022, we had a total of 40 wastewater treatment plants in operation (including 14 in the main city of Kunming and 26 in other areas of China), with a total wastewater treatment capacity of 2.04 million m³ per day. We also had 1 wastewater treatment plant under construction in Yunnan Province, PRC. Additionally, our management services facilities have a total designed wastewater treatment capacity of 0.5 million m³ per day. We have been entrusted to operate and manage rural domestic sewage collection and treatment facilities in 886 villages, covering 19 towns. With our technologically advanced facilities, independently developed patents and strong management skills, we have been able to maintain low costs while provide high quality wastewater treatment services. As at 30 June 2022, 96.2% of our designed wastewater treatment capacity reached the National Class I Category A standard.

三、業績回顧

本集團的業務主要採用TOO、TOT及BOT等項目模式，TOO模式為核心，截至2022年6月30日止六個月期間，我們的TOO項目為我們的總收入貢獻52.5%，我們的TOT及BOT項目為我們的總收入貢獻18.2%，我們亦針對部分項目採用BOO及BT項目模式。

對於TOO及TOT模式，我們以協議價向當地政府購買現有設施的特許經營權。對於BOT模式，我們的自有設施均由我們自行融資、建設及經營。在相關特許經營權屆滿後，我們根據項目類型自當地政府獲得新的特許經營權或將相關設施轉讓回當地政府。於2022年6月30日，我們共有49間特許經營水廠(含污水處理廠及自來水廠)，其中47間水廠已投入運營，2間在建。該47間正在運營的水處理廠中，其中14間為TOO項目，22間為TOT項目以及9間為BOT項目及2間為BOO項目。

污水處理項目

於2022年6月30日，我們總共有40間污水處理廠已投入運營(其中昆明主城區14間，中國其他地區26間)，日總污水處理能力達2.04百萬立方米。我們有1間污水處理廠在建，位於中國雲南省。此外，我們管理服務設施的設計日總污水處理能力為0.5百萬立方米。我們受託運行管理了886個村莊的農村生活污水收集處理設施，覆蓋19個集鎮。憑藉技術先進的設施、獨立研發的專利及良好的管理能力，我們能夠維持較低的成本，提供高質量的污水處理服務。於2022年6月30日，我們設計污水處理能力的96.2%達到國家一級A類排放標準。



In recent years, with the continuous upgrading of national standards for wastewater treatment and discharge, especially the treatment of Dianchi Basin has set more stringent requirements for wastewater treatment and discharge standards in the basin, the Company's wastewater plant in Kunming has also formed a variety of effluent water quality standards such as Class I Category A standard, super limited phosphorus removal and DF membrane process. Currently, Kunming has established a water quality classification pricing system for wastewater treatment to reflect the efficiency of pollution and emission reduction under different water quality standards linked to economic benefits, realising joint development of social benefits and economic benefits. In the first half of 2022, we actively facilitated the construction progress of various upgrading and transformation projects, and at present, except for the 3 plants which have been completed and are undergoing commissioning, all other wastewater treatment plants of the Company have reached Class I Category A discharge quality standard.

Reclaimed Water Business

For our reclaimed water business, as at 30 June 2022, we had 11 wastewater treatment plants producing reclaimed water, with a total designed daily production capacity of 233,000 m³.

Our reclaimed water business is mainly located in Yunnan Province and is concentrated in Kunming. The main users include 14 categories of users such as residential communities, government/enterprises and institutions, landscape green sprinkling and sanitation. In addition to using reclaimed water supplied by reclaimed water treatment stations and the water supply network for urban usage, we have also studied and proposed solutions to the problems of the lack of no effective ecological water replenishment, drought and disconnection of rivers after the implementation of diversion of clean water and sewage flow and sewage interception projects in some rivers in Kunming by recharging 7 rivers with reclaimed water that meets the water quality standards for river water replenishment through pumping stations and water replenishment networks. Since the water replenishment, the relevant rivers have not only successfully passed the water quality test, but also presented a good ecological landscape with clear water and green riverbanks, significantly improving the local urban water environment. In 2022, Kunming was selected as a national demonstrative area for use and allocation of reclaimed water, and reclaimed water will be more widely used in production and daily life.

近年來，隨著國家對污水處理排放標準的不斷提升，特別是滇池流域治理對流域內污水處理排放標準制定了更加嚴格的要求，公司位於昆明市的污水廠達成了一級A標、超級限除磷、DF膜工藝等多種出水水質工藝標準，目前昆明市已建立污水處理水質分類價格體系，以反映不同水質標準下的減污減排效能與經濟收益相掛鉤，實現社會效益與經濟效益共同發展。2022年上半年，我們積極推進各提標項目的建設進度，目前，除3家建成正在調試中的水廠外，公司其餘污水處理廠出水均已達到一級A水質標準。

再生水業務

再生水業務方面，於2022年6月30日，我們有11間污水處理廠生產再生水，日總設計產能達23.3萬立方米。

我們的再生水業務主要位於雲南省，集中於昆明市，主要用戶包括居民小區、政府／企事業單位、景觀綠化澆灑、環衛等14類用戶。除利用再生水處理站、供水管網供給的城市雜用再生水外，我們還針對昆明市部分入滇池河道在實施清污分流、河道截污工程後面臨的無有效生態補水、河道乾涸、斷流的情況進行研究並提出解決方案，將達到河道補水水質標準的再生水通過泵站及補水管網對7條河道開展了補水工程。自補水以來，各相關河道不但實現了水質考核順利達標，更呈現了水清岸綠的良好生態景觀效益，顯著改善了當地城市水環境。2022年，昆明市被選為國家典型地區再生水利用配置設點城市，再生水在生產、生活中將得到更廣泛應用。

CHAPTER SIX MANAGEMENT DISCUSSION AND ANALYSIS

第六章 管理層討論與分析

Running Water Business

For our running water business, as at 30 June 2022, we had 7 running water plants in operation in the PRC (of which 6 in Yunnan Province and one in Hunan Province) and 1 running water plant under construction.

Closely following continuous urbanisation in various parts of China and renewal of water supply facilities, coupled with the implementation of the rural revitalisation strategic plan to improve the water supply conditions in rural areas, we have been actively responding to the efforts of Yunnan Province to ensure water supply for rural revitalisation by assisting the government in the construction, operation and maintenance of water supply pipeline networks in counties and villages.

IV. FINANCIAL REVIEW

1. Consolidated Results of Operations

For the six months ended 30 June 2021, our revenue amounted to RMB892.4 million, and increased by 1.9% to RMB909.1 million for the six months ended 30 June 2022; our gross profit for the six months ended 30 June 2021 was RMB334.2 million and increased by 17.6% to RMB392.9 million for the six months ended 30 June 2022. During the Reporting Period, the revenue from wastewater treatment service, reclaimed water supply, running water supply services and other segments accounted for 64.6%, 6.5% and 28.9% of the total revenue respectively.

自來水業務

自來水業務方面，於2022年6月30日，我們在中國已有7間自來水廠已投入營運（其中雲南省6間，湖南省1間），有1間自來水廠在建。

緊跟中國各地城市化的持續進行及供水設施的更新建造，以及目前正在推進的鄉村振興戰略規劃，我們積極響應雲南省鄉村振興供水保障工作，協助政府開展縣城和村鎮的自來水管網建設和運維工作。

四、財務回顧

1. 合併經營業績

截至2021年6月30日止六個月期間，我們的收入為人民幣892.4百萬元，增長至截至2022年6月30日止六個月期間之人民幣909.1百萬元，增長1.9%；截至2021年6月30日止六個月期間之毛利為人民幣334.2百萬元，增長至截至2022年6月30日止六個月期間之人民幣392.9百萬元，增長17.6%。報告期內污水處理服務、再生水供應及自來水供應服務、以及其他分部的收入分別佔總收入的64.6%、6.5%和28.9%。

CHAPTER SIX MANAGEMENT DISCUSSION AND ANALYSIS

第六章 管理層討論與分析

The following table sets out our consolidated results of operations for the periods indicated: 下表載列所示期間我們的合併經營業績：

		For the six months ended 30 June (Unaudited) 截至6月30日止的六個月期間 (未經審核)	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue	收入	909,091	892,416
Cost of sales	銷售成本	(516,153)	(558,167)
Gross profit	毛利	392,938	334,249
Selling expenses	銷售費用	(3,788)	(6,686)
Administrative expenses	行政費用	(50,710)	(57,713)
Research and development expenses	研發費用	(185)	(118)
Net impairment losses on financial and contract assets	金融資產和合同資產減值損失淨額	(9,997)	(15,093)
Other income	其他收入	20,739	331
Other losses	其他虧損	(1,048)	(210)
Operating profit	經營利潤	347,949	254,760
Finance income	財務收入	22,409	44,094
Finance costs	財務成本	(163,127)	(95,733)
Finance costs – net	財務成本－淨額	(140,718)	(51,639)
Share of results of associates	聯營公司經營成果份額	(363)	(179)
Profit before tax	稅前利潤	206,868	202,942
Income tax expense	所得稅費用	(23,382)	(35,205)
Profit for the period	期內利潤	183,486	167,737
Other comprehensive income/(loss) for the period	本期間其他綜合收益/(虧損)	2,830	(499)
Total comprehensive income for the period	本期間綜合收益總額	186,316	167,238

CHAPTER SIX MANAGEMENT DISCUSSION AND ANALYSIS

第六章 管理層討論與分析

(a) Revenue

During the Reporting Period, our revenue amounted to RMB909.1 million, an increase of RMB16.7 million or 1.9% as compared to RMB892.4 million for the same period last year, primarily because:

Our revenue from wastewater treatment business decreased by RMB2.4 million or 0.4% from RMB589.6 million for the six months ended 30 June 2021 to RMB587.2 million for the six months ended 30 June 2022, the change in the current period was relatively small compared with the same period of last year.

Revenue from our water supply segment decreased by RMB44.7 million, or 43.1%, from RMB103.7 million for the six months ended 30 June 2021 to RMB59.0 million for the six months ended 30 June 2022, mainly attributable to the decrease in supply of reclaimed water and decrease in construction income from water supply projects during the Reporting Period.

Our revenue from other segments increased by RMB63.7 million or 32.0% from RMB199.2 million for the six months ended 30 June 2021 to RMB262.9 million for the six months ended 30 June 2022, mainly attributable to the increase in entrusted management service income during the Reporting Period.

(b) Cost of sales

During the Reporting Period, our cost of sales amounted to RMB516.2 million, representing a decrease of 7.5% as compared to RMB558.2 million for the same period last year, primarily because:

The cost of sales of our wastewater treatment segment increased by RMB2.9 million or 0.9% from RMB321.5 million for the six months ended 30 June 2021 to RMB324.4 million for the six months ended 30 June 2022, the change in the current period was relatively small compared with the same period of last year.

The cost of sales for our water supply segment decreased by RMB41.7 million or 58.6% from RMB71.1 million for the six months ended 30 June 2021 to RMB29.4 million for the six months ended 30 June 2022, mainly due to the decrease in construction investment and the decrease in operating costs of reclaimed water supply business during the Reporting Period.

(a) 收入

報告期內，我們的收入為人民幣909.1百萬元，與上年同期人民幣892.4百萬元相比，增加人民幣16.7百萬元或1.9%，主要原因為：

我們污水處理分部的收入從截至2021年6月30日止六個月期間的人民幣589.6百萬元減少至截至2022年6月30日止六個月期間的人民幣587.2百萬元，減幅為人民幣2.4百萬元或0.4%，本期較上年同期變動較小。

我們水供給分部的收入從截至2021年6月30日止六個月期間的人民幣103.7百萬元減少至截至2022年6月30日止六個月期間的人民幣59.0百萬元，減幅為人民幣44.7百萬元或43.1%，主要由於報告期再生水供應量減少及水供給項目的建造收入減少。

我們的其他分部的收入從截至2021年6月30日止六個月期間的人民幣199.2百萬元增加至截至2022年6月30日止六個月期間的人民幣262.9百萬元，增幅為人民幣63.7百萬元或32.0%，主要由於報告期內受託管理服務收入增加。

(b) 銷售成本

報告期內，我們的銷售成本為人民幣516.2百萬元，與上年同期人民幣558.2百萬元相比，減少7.5%，主要原因為：

我們污水處理分部的銷售成本從截至2021年6月30日止六個月期間的人民幣321.5百萬元增加至截至2022年6月30日止六個月期間的人民幣324.4百萬元，增幅為人民幣2.9百萬元或0.9%，本期較上年同期變動較小。

我們水供給分部的銷售成本從截至2021年6月30日止六個月期間的人民幣71.1百萬元減少至截至2022年6月30日止六個月期間的人民幣29.4百萬元，減幅為人民幣41.7百萬元或58.6%，主要由於報告期建造投入減少，及再生水供應業務運營成本下降所致。

Cost of sales of our other segments decreased by RMB3.2 million or 1.9% from RMB165.6 million for the six months ended 30 June 2021 to RMB162.4 million for the six months ended 30 June 2022, the change in the current period was relatively small compared with the same period of last year.

(c) Gross margin

During the Reporting Period, our gross margin was 43.2%, representing an increase of 5.7% as compared to 37.5% for the same period last year, primarily due to the increase in gross profit margin of water supply and other segments.

Our gross profit margin for the wastewater treatment segment decreased from 45.5% for the six months ended 30 June 2021 to 44.8% for the six months ended 30 June 2022, the change in the current period was relatively small compared with the same period of last year.

Our gross profit margin of water supply segment increased from 31.5% for the six months ended 30 June 2021 to 50.1% for the six months ended 30 June 2022, mainly due to the increase in proportion of income from water supply services and decrease in proportion of construction services, which resulting in increase in overall gross profit margin of the segment during the current period.

Our other segments' gross profit margin increased from 16.8% for the six months ended 30 June 2021 to 38.2% for the six months ended 30 June 2022, mainly due to the significant increase in entrusted management service income over cost during the Reporting Period.

(d) Selling expenses

During the Reporting Period, our selling expenses amounted to RMB3.8 million, representing a decrease of RMB2.9 million or 43.3% as compared to RMB6.7 million in the corresponding period of the previous year, mainly due to the decrease in sales handling fee and commission charge during the Reporting Period.

我們其他分部的銷售成本從截至2021年6月30日止六個月期間的人民幣165.6百萬元減少至截至2022年6月30日止六個月期間的人民幣162.4百萬元，減幅為人民幣3.2百萬元或1.9%，本期較上年同期變動較小。

(c) 毛利率

報告期內，我們的毛利率為43.2%，與上年同期37.5%相比，增加5.7%，主要原因為水供給分部、其他分部毛利率上升導致。

我們的污水處理分部毛利率從截至2021年6月30日止六個月期間的45.5%減少至截至2022年6月30日止六個月期間的44.8%，本期較上年同期變動較小。

我們的水供給分部毛利率從截至2021年6月30日止六個月期間的31.5%增加至截至2022年6月30日止六個月期間的50.1%，主要由於本期水供給服務收入比例上升，建造服務收入比例下降，導致總體分部毛利率上升。

我們的其他分部毛利率從截至2021年6月30日止六個月期間的16.8%增加至截至2022年6月30日止六個月期間的38.2%，主要由於期內受託管理服務收入較成本增加顯著。

(d) 銷售費用

報告期內，我們的銷售費用為人民幣3.8百萬元，與上年同期人民幣6.7百萬元相比，減少人民幣2.9百萬元或43.3%，主要由於報告期內銷售手續費及佣金支出的減少。

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(e) Administrative expenses

During the Reporting Period, our administrative expenses amounted to RMB50.7 million, representing a decrease of RMB7.0 million compared to RMB57.7 million for the same period of the previous year.

(f) Other income

During the Reporting Period, our other income amounted to RMB20.7 million, representing an increase of RMB20.4 million as compared to RMB0.3 million for the same period of last year, which was mainly due to the change in loss from financial liabilities at fair value through profit or loss.

(g) Other losses

During the Reporting Period, our other losses amounted to RMB1.0 million, representing an increase of RMB0.8 million as compared to RMB0.2 million for the same period last year.

(h) Operating profit

As a result of the foregoing factors, during the Reporting Period, our operating profit amounted to RMB347.9 million, an increase of RMB93.1 million or 36.5% as compared to RMB254.8 million for the same period last year. Our operating margin during the Reporting Period was 38.3%.

(i) Finance income

During the Reporting Period, our finance income amounted to approximately RMB22.4 million, representing a decrease of RMB21.7 million as compared to that of approximately RMB44.1 million in the corresponding period of the previous year, which was mainly attributable to a decrease in interest income from loans to related parties for the current period as compared to the corresponding period of the previous year.

(e) 行政費用

報告期內，我們的行政費用為人民幣50.7百萬元，與上年同期人民幣57.7百萬元相比，減少人民幣7.0百萬元。

(f) 其他收入

報告期內，我們的其他收入為人民幣20.7百萬元，與上年同期人民幣0.3百萬元相比，增加人民幣20.4百萬元，主要由於按公允價值計量且其變動計入當期損益之金融負債虧損變動所致。

(g) 其他虧損

報告期內，我們的其他虧損為人民幣1.0百萬元，與上年同期人民幣0.2百萬元相比，增加人民幣0.8百萬元。

(h) 經營利潤

由於上述原因，報告期內，我們的經營利潤為人民幣347.9百萬元，與上年同期人民幣254.8百萬元相比，增加人民幣93.1百萬元或36.5%。我們於報告期內的經營利潤率為38.3%。

(i) 財務收入

報告期內，我們的財務收入約為人民幣22.4百萬元，與上年同期約人民幣44.1百萬元相比，減少人民幣21.7百萬元。主要原因為本期關聯方貸款利息收入較上年同期減少。

(j) Finance costs

During the Reporting Period, our finance costs amounted to approximately RMB163.1 million, representing an increase of RMB67.4 million as compared to approximately RMB95.7 million in the corresponding period of last year which was mainly due to an increase in foreign exchange losses, which in turn led to an increase in finance costs.

(k) Profit before tax

During the Reporting Period, our profit before tax amounted to RMB206.9 million, as compared to RMB202.9 million for the same period last year, representing an increase of RMB4.0 million or 2.0%.

(l) Income tax

During the Reporting Period, our net income tax expense amounted to RMB23.4 million, a decrease of RMB11.8 million as compared to RMB35.2 million for the same period last year. The effective tax rate was 11.3%, a decrease of 6 percentage points as compared with the same period last year.

(m) Total comprehensive income

As a result of the foregoing factors, during the Reporting Period, our total comprehensive income for the period amounted to RMB186.3 million, increased by 11.4% as compared to RMB167.2 million for the same period last year.

2. Liquidity and Capital Resources

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

(j) 財務成本

報告期內，我們的財務成本約為人民幣163.1百萬元，與上年同期約人民幣95.7百萬元相比，增加67.4百萬元，主要由於匯兌損失增加，進而導致財務成本增加。

(k) 稅前利潤

報告期內，我們的稅前利潤為人民幣206.9百萬元，與上年同期人民幣202.9百萬元相比，增加人民幣4.0百萬元或2.0%。

(l) 所得稅

報告期內，我們的所得稅開支淨額為人民幣23.4百萬元，與上年同期的人民幣35.2百萬元相比，減少11.8百萬元。實際稅率為11.3%，較上年同期減少6個百分點。

(m) 綜合收益總額

由於上述原因，報告期內，我們的綜合收益總額為人民幣186.3百萬元，與上年同期人民幣167.2百萬元相比，增加11.4%。

2. 流動資金及資本資源

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

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

下表載列我們於所示期間的現金流量：

		For the six months ended 30 June	
		(Unaudited)	
		截至6月30日止六個月期間	
		(未經審核)	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net cash used in operating activities	經營活動使用的現金淨額	(142,639)	(663,222)
Net cash (used in)/generated from investing activities	投資活動(使用)/產生的現金淨額	(66,985)	183,185
Net cash (used in)/generated from financing activities	融資活動(使用)/產生的現金淨額	(815,331)	932,258
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物淨(減少)/增加	(1,024,955)	452,221
Foreign exchange gains/(losses)	匯兌收益/(虧損)	346	(499)
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	1,504,346	749,940
Cash and cash equivalents at end of the period	期末現金及現金等價物	479,737	1,201,662

(a) Net cash used in operating activities

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

During the Reporting Period, our net cash used in operating activities was RMB142.6 million, representing a decrease of RMB520.6 million as compared to net cash used in operating activities of RMB663.2 million in the corresponding period of last year, which was primarily due to the combined changes in cash received from customers for the provision of services and products and cash invested for securing concession projects.

(a) 經營活動使用的現金淨額

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

報告期內，我們的經營活動使用的現金淨額為人民幣142.6百萬元，較去年同期經營活動使用的現金淨額人民幣663.2百萬元減少人民幣520.6百萬元，主要由於提供服務及產品向客戶收取的現金以及為獲取特許經營項目投入的現金綜合變動所導致。

(b) Net cash (used in)/generated from investing activities

Our net cash (used in) investing activities primarily includes purchase of property, plant and equipment, loans to related parties and other investments.

Our net cash (used in)/generated from investing activities decreased from RMB183.2 million generated for the six months ended 30 June 2021 to RMB67.0 million used for the six months ended 30 June 2022, mainly due to the change in cash flow from purchase of property, plant and equipment during the Reporting Period.

(c) Net cash (used in)/generated from financing activities

Our net cash (used in)/generated from financing activities primarily represents obtaining and repaying borrowings.

Our net cash (used in)/generated from financing activities decreased from RMB932.3 million generated for the six months ended 30 June 2021 to RMB815.3 million used for the six months ended 30 June 2022, mainly due to the change in cash flow from borrowings during the Reporting Period.

The H Shares of the Company were listed on the Stock Exchange on 6 April 2017 and the Company issued 339,430,000 H Shares of par value of RMB1.00 per share with the Offer Price of HK\$3.91 per H Share. The total issuance size (before deducting the expenses) amounted to approximately HK\$1,327,171,300. Following the Listing of H Shares of the Company, a total of 593,000 shares of H Shares were over-allocated. After deducting (i) the net proceeds from the sale of Sale Shares by the Selling Shareholders in the Global Offering; and (ii) the underwriting commissions and other expenses relating to the Global Offering, the Company received net cash proceeds of RMB1,072.3 million from the Global Offering.

(b) 投資活動(使用)/產生的現金淨額

我們的投資活動(使用)現金淨額主要包括購買不動產、工廠及設備、關聯方貸款及進行其他投資。

我們的投資活動(使用)/產生的現金淨額由截至2021年6月30日止六個月期間產生的人民幣183.2百萬元減少至截至2022年6月30日止六個月期間使用的人民幣67.0百萬元，主要由於報告期購買不動產、工廠及設備現金流量變動導致。

(c) 融資活動(使用)/產生的現金淨額

我們的融資活動(使用)/產生的現金淨額主要為取得及償還借款。

我們的融資活動(使用)/產生的現金淨額由截至2021年6月30日止六個月期間產生的人民幣932.3百萬元減少至截至2022年6月30日止六個月期間使用的人民幣815.3百萬元，主要由於報告期借款現金流量變動導致的。

本公司H股於2017年4月6日在聯交所上市，並以每股3.91港元的價格發行本公司339,430,000股每股面值人民幣1.00元的H股，發行總額(扣除開支前)為約1,327,171,300港元。本公司H股上市後，合共593,000股H股獲超額配發，經扣除(i)全球發售中售股股東出售待售股份的所得款項淨額；及(ii)全球發售相關承銷佣金及其他開支後，本公司收取的全球發售所得款項現金淨額為人民幣1,072.3百萬元。

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As at 30 June 2022, approximately RMB927.4 million, accounting for 86.5% of RMB1,072.3 million of net proceeds from the Initial Public Offering, has been used in accordance with the use as stated in the paragraph headed “Future Plans and Use of Proceeds” in the Prospectus. The use of proceeds is as follows:

於2022年6月30日，全球發售所得款項現金淨額人民幣1,072.3百萬元中約人民幣927.4百萬元(佔首次公開發售所得款項淨額的86.5%)已經按照招股說明書中未來計劃及所得款項用途一段所述用途使用。募集資金用途使用如下：

		Percentage of total net proceeds from the Initial Public Offering (as set out in the Prospectus)	Planned use of net proceeds from the Initial Public Offering (as set out in the Prospectus)	Unused net proceeds from the Initial Public Offering as at 1 January 2022	Actual use of net proceeds		
					from the Initial Public Offering from 1 January 2022 to the period ended 30 June 2022	from the Initial Public Offering from the Listing Date to the period ended 30 June 2022	
Business strategies as stated in the Prospectus	招股說明書所述的業務策略	佔全部首次公開發售淨額百分比 (載於招股說明書)	首次公開發售所得款項淨額計劃用途 (載於招股說明書)	於2022年1月1日尚未動用首次公開發售所得款項淨額	自2022年1月1日起至2022年6月30日止期間首次公開發售所得款項淨額實際支出	自上市之日起至2022年6月30日止期間首次公開發售所得款項淨額實際支出	Unused net proceeds from the Initial Public Offering
			RMB million 人民幣百萬元	RMB million 人民幣百萬元	RMB million 人民幣百萬元	RMB million 人民幣百萬元	RMB million 人民幣百萬元
Investments in BOT/BOO wastewater treatment and running water supply projects	BOT/BOO污水處理廠及自來水供應項目的投資	35%	375.3	57.7	–	317.6	57.7
To acquire TOT/TOO wastewater treatment plants and running water supply projects	收購TOT/TOO污水處理廠及自來水供應項目	35%	375.3	85.6	–	289.7	85.6
Repayment of bank borrowings	償還銀行借款	20%	214.5	1.6	–	212.9	1.6
To supplement working capital and for general corporate purposes	補充營運資金及作一般公司用途	10%	107.2	–	–	107.2	
Effect of foreign exchange	匯兌影響			6.6			6.6
Effect of interest income	利息收入影響			0.4			0.6
Total	總計	100%	1,072.3	151.9	–	927.4	152.1

As at 30 June 2022, the unused net proceeds from the Initial Public Offering for each of the business strategies as stated in the above table have been placed as deposits in licensed banks of the PRC which will be used in accordance with the progress of the Company's investment projects and are expected to be fully utilised by June 2023.

In order to enhance the efficiency of use of proceeds and reduce finance costs, on 5 July 2022, the Board considered and approved the resolution on change of use of net proceeds from the Company's global offering and the unutilised net proceeds are expected to be fully utilised by 30 June 2023 based on the changed use and utilisation plan. Please refer to the Company's announcement dated 5 July 2022 for further details. The business objectives, future plans and planned use of the proceeds as stated in the announcement were based on the best estimation and assumptions of future market conditions and industry developments made by the Company at the time of resolving on the change of use of proceeds, while the proceeds from the Initial Public Offering were used in accordance with the business of the Group and the actual development of the relevant industry.

During the Reporting Period, the net proceeds from the Initial Public Offering were used according to the intentions previously disclosed in the Prospectus.

As at 30 June 2022, there was no material change or material delay in the use of proceeds of the Company.

於2022年6月30日，上表所述每項業務策略的尚未動用首次公開發售所得款項淨額已作為存款存放於中國持牌銀行，並將按照本公司投資項目的進度使用，預計在2023年6月之前使用完畢。

為提高募集資金使用效率，降低財務成本，於2022年7月5日，董事會審議通過了關於變更本公司全球發售所得款項淨額用途的議案，根據變更後用途及使用計劃，尚未動用所得款項淨額預計在2023年6月30日之前使用完畢。詳細情況請見本公司日期為2022年7月5日的公告。該公告所述業務目標、未來計劃及所得款項規劃用途乃根據本公司於對募集資金使用用途變更作出決議當時對未來市場狀況及行業發展進行最貼切估計及假設而得出，首次公開發售所得款項則根據本集團的業務及有關行業的實際發展而予以使用。

報告期內，首次公開發售所得款項淨額已經按之前於招股說明書所披露的用途予以使用。

於2022年6月30日，本公司所得款項淨額的用途或使用並無重大變動或重大延誤。

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3. Working Capital

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

3. 營運資本

下表載列於所示日期我們的流動資產及流動負債的詳情：

		Unaudited 未經審核	Audited
		As at	As at
		30 June 2022	31 December 2021
		於6月30日	於12月31日
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current assets	流動資產		
Receivables under service concession arrangements	特許經營權協議下的應收款項	5,841	5,463
Inventories	存貨	18,296	16,595
Amounts due from customers for construction contracts	應收客戶建造合同款	21,393	22,785
Financial assets at amortised cost	以攤餘成本計量的金融資產	290,000	294,000
Trade and other receivables	應收賬款及其他應收款	3,114,940	2,884,020
Cash and bank balances	現金及銀行結餘	479,737	1,504,346
Restricted funds	受限資金	62,613	49,650
Assets classified as held for sale	分類為持作出售之資產	143,631	-
Total current assets	流動資產總額	4,136,451	4,776,859
Current liabilities	流動負債		
Trade and other payables	應付賬款及其他應付款	673,734	678,982
Tax payables	應付稅項	79,205	97,494
Borrowings	借款	2,772,147	4,212,914
Contract liabilities	合同負債	9,797	7,505
Financial liabilities at fair value through profit or loss	按公允價值計入損益的金融負債	-	110,450
Liabilities directly associated with assets classified as held for sale	與分類為持作出售之資產直接相關之負債	3,632	-
Total current liabilities	流動負債總額	3,538,515	5,107,345
Net current assets	流動資產淨額	597,936	(330,486)

As at 30 June 2022 and 31 December 2021, we recorded net current assets of RMB597.9 million and net current assets of RMB-330.5 million respectively. The increase in net current assets was mainly due to the decrease in borrowings.

(a) Receivables under service concession arrangements

Our receivables under service concession arrangements refer to the outstanding receivables arising from our construction services (for BOT projects) or acquisition considerations (for TOT projects). Under our BOT and TOT agreements, the amounts of receivables under service concession arrangements will be settled by tariff payments to be received during the operation phases of our BOT and TOT projects (adjusted by operation services and finance income). The portion of the receivables under service concession arrangements due within twelve months from a particular balance sheet date are classified as current assets as at that balance sheet date and the remainder is classified as non-current assets.

Our receivables under service concession arrangements that were classified as current assets amounted to RMB5.8 million as at 30 June 2022, representing an increase of 5.5% from RMB5.5 million as at 31 December 2021, mainly due to an increase in the amount to be recovered in the coming year as per the progress of contract collection.

Our receivables under service concession arrangements that were classified as non-current assets amounted to RMB2,535.8 million as at 30 June 2022, representing a decrease of 7.2% from RMB2,732.4 million as at 31 December 2021.

(b) Inventories

Our total inventory increased from RMB16.6 million as at 31 December 2021 to RMB18.3 million as at 30 June 2022, representing an increase of RMB1.7 million or 10.2%, primarily due to an increase in inventory of coal of Hongyu Thermal Power.

For the six months ended 30 June 2022, our inventory turnover days were 6.1 days, an increase at 2.9 days as compared to the year ended 31 December 2021. The calculation for inventory turnover days was based on the average annual inventory divided by the sales cost recognised during the relevant period and multiplied by 180 days.

於2022年6月30日及2021年12月31日，我們分別錄得流動資產淨額人民幣597.9百萬元及流動資產淨額人民幣-330.5百萬元。流動資產淨額增加主要由於借款減少所致。

(a) 特許經營權協議下的應收款項

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

於2022年6月30日，分類為流動資產的特許經營權協議下的應收款項為人民幣5.8百萬元，較2021年12月31日的人民幣5.5百萬元增加5.5%，主要由於按合同收款進度未來一年將收回的款項增加。

於2022年6月30日，分類為非流動資產的特許經營權協議下的應收款項為人民幣2,535.8百萬元，較2021年12月31日的人民幣2,732.4百萬元減少7.2%。

(b) 存貨

我們的存貨總額由2021年12月31日的人民幣16.6百萬元增加至2022年6月30日的人民幣18.3百萬元，增加了人民幣1.7百萬元或10.2%，主要由於宏宇熱電煤炭庫存增加所致。

截至2022年6月30日止六個月期間，我們的存貨周轉天數為6.1天，較截至2021年12月31日止年度期間增加2.9天。存貨周轉天數的計算仍按有關年間平均存貨除以有關年間確認的銷售成本再乘以180天計算。

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(c) Amounts due from customers for construction contracts

As at 30 June 2022, our amounts due from customers for construction contracts were approximately RMB545.6 million, decreased by RMB36.9 million as compared to RMB582.5 million as at 31 December 2021, which was mainly due to recovery of certain payment during the Reporting Period.

(d) Trade and other receivables

Our trade and other receivables primarily consist of (i) trade receivables from third parties, related parties and local governments; (ii) other receivables from third parties, related parties and local governments; and (iii) prepayments. Our trade receivables are amounts due from customers for sales of goods and services provided in the ordinary course of business, including services performed for TOO and TOT projects and performed during the operation period of BOT projects. Our other receivables primarily consist of loans granted to and interest receivable from related parties, and VAT refund yet to be received. Our prepayments primarily consist of prepaid construction costs and electricity.

(c) 應收客戶建造合同款

於2022年6月30日，我們的應收客戶建造合同款約為人民幣545.6百萬元，較2021年12月31日的人民幣582.5百萬元減少人民幣36.9百萬元。主要由於本報告期收回部分款項所致。

(d) 應收賬款及其他應收款

我們的應收賬款及其他應收款主要包括(i)應收第三方、關聯方及地方政府賬款；(ii)應收第三方、關聯方及地方政府的其他款項；(iii)預付款。我們的應收賬款為一般業務過程中銷售商品或提供服務應收客戶款項，包括為TOO及TOT項目及在BOT項目運營期間提供的服務。我們的其他應收款項主要包括向關聯方授出的貸款及應收利息以及未收取的增值稅退稅，預付款主要為預付工程款及電費。

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

下表載列於所示日期我們的合併應收賬款及其他應收款明細：

		Unaudited 未經審核	Audited
		As at	As at
		30 June 2022	31 December 2021
		於6月30日	於12月31日
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables:	應收賬款：		
– Third parties	– 第三方	246,736	107,999
– Related parties	– 關聯方	412,382	277,462
– Local government	– 地方政府	1,586,704	1,381,406
– Loss allowance	– 虧損撥備	(60,659)	(56,898)
Trade receivables – net	應收賬款淨額	2,185,163	1,709,969
Other receivables:	其他應收款項：		
– Third parties	– 第三方	164,280	149,949
– Related parties	– 關聯方	598,006	865,438
– Local government	– 地方政府	58,059	53,891
– Loss allowance	– 虧損撥備	(9,447)	(7,447)
Other receivables – net	其他應收款項淨額	810,898	1,061,831
Prepayments:	預付款項：		
– Others	– 其他	118,879	112,224
– Loss allowance	– 虧損撥備	–	(4)
Prepayments – net	預付款項淨額	118,879	112,220
Trade and other receivables – net	應收賬款及其他應收款項淨額	3,114,940	2,884,020

As at 30 June 2022, our net trade and other receivables was approximately RMB3,114.9 million, increased by RMB230.9 million or 8.0% as compared to approximately RMB2,884.0 million as at 31 December 2021, primarily due to the increase in the provision of services and products and certain payment yet to be recovered during the Reporting Period.

於2022年6月30日，我們的應收賬款及其他應收款淨額約為人民幣3,114.9百萬元，較2021年12月31日約人民幣2,884.0百萬元，增加人民幣230.9百萬元或8.0%，主要由於本報告期提供服務及產品的金額增加而部分款項尚未收回所致。

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第六章 管理層討論與分析

The ageing analysis of total accounts receivable based on sales invoices as at each balance sheet date is as follows:

於各資產負債表日，根據銷售發票的應收賬款總額之賬齡分析如下：

		Unaudited 未經審核	Audited 經審核
		As at	As at
		30 June 2022	31 December 2021
		於6月30日	於12月31日
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
- Within one year	- 1年以內	2,065,026	1,238,288
- Over one year and within two years	- 1至2年	131,030	467,025
- Over two years	- 超過2年	49,766	61,554
		2,245,822	1,766,867

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

下表載列於所示期間我們的應收款項周轉天數：

		Unaudited 未經審核	Audited 經審核
		As at	As at
		30 June 2022	31 December 2021
		於6月30日	於12月31日
		2022年	2021年
		Days	Days
		天	天
Trade receivables turnover days ⁽¹⁾	應收賬款周轉天數 ⁽¹⁾	385.6	223.3
Trade and other receivables turnover days ⁽²⁾	應收賬款及其他應收款周轉天數 ⁽²⁾	593.9	415.4

Notes:

附註：

(1) Calculated as the average net trade receivables for the relevant period divided by the revenue for the relevant period, and multiplied by 365 days (for six months, multiplied by 180 days). The arithmetic mean of the opening and closing balances of trade receivables is used for the six months ended 30 June 2022 and the year ended 31 December 2021.

(1) 按有關期間平均應收賬款淨額除以有關期間收入再乘以365天(六個月期間按照180天)計算，截至2022年6月30日止六個月期間和截至2021年12月31日止年度採用應收賬款期初及期末結餘的算術平均值。

(2) Calculated as the average net trade and other receivables for the relevant period divided by the revenue for the relevant period, and multiplied by 365 days (for six months, multiplied by 180 days). The arithmetic mean of the opening and closing balances of trade and other receivables is used for the six months ended 30 June 2022 and the year ended 31 December 2021.

(2) 按有關期間平均應收賬款及其他應收款淨額除以有關期間收入再乘以365天(六個月期間按照180天)計算。截至2022年6月30日止六個月期間和截至2021年12月31日止年度採用應收賬款及其他應收款期初及期末結餘的算術平均值。

4. Trade and Other Payables

Our trade and other payables primarily consist of trade payables, other payables, staff salaries and welfare payables, advance from customers, payables on acquisition of property, plant and equipment, payables on acquisition of land use rights from related parties, interest payables, and accrued taxes other than income tax.

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

4. 應付賬款及其他應付款

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

下表載列於所示日期我們的應付賬款及其他應付款明細：

		Unaudited 未經審核 As at 30 June 2022 於 6 月 30 日 2022 年 RMB'000 人民幣千元	Audited 經審核 As at 31 December 2021 於 12 月 31 日 2021 年 RMB'000 人民幣千元
Trade payables	應付賬款	193,801	317,188
Other payables	其他應付款	130,634	183,428
Consideration unpaid for acquisition of subsidiaries	購買子公司未支付的對價	16,723	34,150
Staff salaries and welfare payables	應付職工工資和福利	26,191	42,898
Payables on acquisition of property, plant and equipment	購置不動產、工廠及設備的應付款	72,048	17,829
Payables on acquisition of land use rights from related parties	向關聯方收購土地使用權的應付款	58,194	58,194
Dividend payables	應付股息	102,911	—
Interest payables	應付利息	31,600	7,537
Accrued taxes other than income tax	除所得稅外的應計稅款	41,632	17,758
		673,734	678,982

As at 30 June 2022, our trade and other payables amounted to approximately RMB673.7 million, representing a decrease of RMB5.3 million or 0.8% as compared to approximately RMB679.0 million as at 31 December 2021.

於 2022 年 6 月 30 日，我們的應付賬款及其他應付款約為人民幣 673.7 百萬元，較 2021 年 12 月 31 日約人民幣 679.0 百萬元，減少人民幣 5.3 百萬元或 0.8%。

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第六章 管理層討論與分析

The ageing analysis of total accounts payable based on invoices as at each balance sheet date is as follows:

於各資產負債表日，根據發票的應付賬款總額之賬齡分析如下：

		Unaudited 未經審核	Audited
		As at	As at
		30 June 2022	31 December 2021
		於6月30日	於12月31日
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
- Within one year	- 1年以內	80,951	198,579
- Over one year and within two years	- 1至2年	24,858	37,523
- Over two years	- 超過2年	87,992	81,086
		193,801	317,188

As at 30 June 2022 and 31 December 2021, all trade and other payables of our Group were non-interest bearing, and their fair values approximate to their carrying amounts due to their short maturities.

於2022年6月30日及2021年12月31日，本集團所有應付賬款及其他應付款均免息。並且，應付賬款及其他應付款係因短期內到期，其公允價值與其賬面價值相近。

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

下表載列於所示期間我們的應付款項周轉天數：

		Unaudited 未經審核	Audited
		As at	As at
		30 June 2022	31 December 2021
		於6月30日	於12月31日
		2022年	2021年
		Days	Days
		天	天
Trade payables turnover days ⁽¹⁾	應付賬款周轉天數 ⁽¹⁾	113.7	138.3
Trade and other payables turnover days ⁽²⁾	應付賬款及其他應付款周轉天數 ⁽²⁾	235.9	157.9

Notes:

附註：

(1) Calculated as the average trade payables for the relevant period divided by the expenditure for procurement for the relevant period, and multiplied by 365 days (for six months, multiplied by 180 days). The arithmetic mean of the opening and closing balances of trade payables is used for the six months ended 30 June 2022 and the year ended 31 December 2021.

(1) 按有關期間平均應付賬款除以有關期間採購支出再乘以365天(六個月期間按照180天)計算。截至2022年6月30日止六個月期間和截至2021年12月31日止年度採用應付賬款期初及期末結餘的算術平均值。

(2) Calculated as the average trade and other payables for the relevant period divided by the selling cost for the relevant period, and multiplied by 365 days (for six months, multiplied by 180 days). The arithmetic mean of the opening and closing balances of trade and other payables is used for the six months ended 30 June 2022 and the year ended 31 December 2021.

(2) 按有關期間平均應付賬款及其他應付款除以有關期間銷售成本再乘以365天(六個月期間按照180天)計算，截至2022年6月30日止六個月期間和截至2021年12月31日止年度採用應付賬款及其他應付款期初及期末結餘的算術平均值。

Our Directors confirmed that up to 30 June 2022, there was no material default in payment of trade payables.

我們的董事確認，截至2022年6月30日，應付賬款的支付並無出現重大違約。

5. Indebtedness

5. 債項

(a) Borrowings

(a) 借款

All of our borrowings are denominated in RMB, HKD or USD and some are secured by our property, plant and equipment and some are secured by corporate guarantee issued by the Company. The following table shows our borrowings as at the dates indicated:

我們的借款均以人民幣、港元或美元計值，部分借款以我們的物業、廠房及設備作抵押，部分則由公司發出的公司保證擔保。下表載列於所示日期我們的借款：

		Unaudited 未經審核 As at 30 June 2022 於6月30日 2022年 RMB'000 人民幣千元	Audited 經審核 As at 31 December 2021 於12月31日 2021年 RMB'000 人民幣千元
Non-current:	非流動：		
Unsecured long-term borrowings	未擔保的長期借款	1,380,500	1,492,600
Secured long-term borrowings	擔保的長期借款	1,500,487	700,423
Total non-current borrowings	非流動借款總額	2,880,987	2,193,023
Current:	流動：		
Unsecured short-term borrowings	未擔保的短期借款	2,167,476	2,129,226
Secured short-term borrowings	擔保的短期借款	564,962	2,044,877
Corporate bonds	公司債券	39,709	38,811
Total current borrowings	流動借款總額	2,772,147	4,212,914
Total borrowings	借款總額	5,653,134	6,405,937
Average effective interest rates	平均實際利率	4.50%	5.34%

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第六章 管理層討論與分析

As at 31 December 2021 and 30 June 2022, we had total borrowings of RMB6,405.9 million and RMB5,653.1 million, respectively. Among our debt, borrowings of RMB561.5 million and RMB773.2 million as at 31 December 2021 and 30 June 2022 were secured by property, plant and equipment, and borrowings of RMB2,183.8 million and RMB1,292.3 million were guaranteed by the Company. In addition to the bank borrowings, our total borrowings also included our corporate bonds issued in the PRC in the amount of approximately RMB700.0 million on 25 December 2015 with a maturity of 7 years and an interest rate of 4.35% per annum. At the end of the fifth year, the Company may adjust the interest rate for the remaining two years with an option to request early redemption of the outstanding corporate bonds if investors do not agree to the adjustment of the interest rate.

In 2020, the Company has repurchased corporate bonds with a nominal value of RMB660.0 million, and reduced the coupon rate of the bonds to 4.15%, which will remain unchanged in the sixth and seventh years of lifetime (from 25 December 2020 to 24 December 2022).

As at 30 June 2022, we were not in breach of any covenants in our loan agreements. Given our ability to access new bank borrowings and our strong credit profile, we believe we will not be subject to any risk of potential withdrawal of banking facilities or early repayment of outstanding loans. As at 30 June 2022, we had not received any requests for early repayment of the principal or interest under any of our loan agreements.

於2021年12月31日及2022年6月30日，我們的借款總額分別為人民幣6,405.9百萬元及人民幣5,653.1百萬元。我們債務中，截至2021年12月31日及2022年6月30日的借款人民幣561.5百萬元及人民幣773.2百萬元以不動產、工廠及設備作抵押，借款人民幣2,183.8百萬元及人民幣1,292.3百萬元由公司提供擔保。除銀行借款外，我們的借款總額亦包括我們於2015年12月25日在中國發行金額約為人民幣700.0百萬元之公司債券，其期限為7年，年利率為4.35%。於第5年末，本公司可調整餘下兩年的利率，倘投資者不同意對利率所作調整，可選擇要求提前贖回未償還的公司債券。

於2020年，本公司已回購面值為人民幣660.0百萬元之公司債券，同時下調債券票面利率為4.15%，並在存續期的第6年至第7年（2020年12月25日至2022年12月24日）固定不變。

於2022年6月30日，我們並無違反貸款協議內的任何契約。由於我們有能力從其他銀行獲得借款，且信譽良好，因此我們認為並無面臨銀行融資撤回或提前償還欠款的潛在風險。於2022年6月30日，並無收到任何提前償還我們貸款協議相關本金或利息的要求。

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第六章 管理層討論與分析

The table below sets out the maturity profiles of our borrowings as at the dates indicated: 下表載列於所示日期我們借款的到期情況：

		Unaudited 未經審核	Audited
		As at	As at
		30 June 2022	31 December 2021
		於 6 月 30 日	於 12 月 31 日
		2022 年	2021 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
On demand or within 1 year	即期或 1 年以內	2,772,147	4,212,914
Between 1 and 2 years	1 至 2 年	1,586,080	1,020,349
Between 2 and 5 years	2 至 5 年	1,204,499	883,544
Over 5 years	5 年以上	90,408	289,130
		5,653,134	6,405,937

As at 31 December 2021 and 30 June 2022, our net gearing ratios (calculated as net debt divided by total capital at the end of the period. In particular, net debt is calculated as total interest-bearing liabilities less cash and cash equivalents at the end of the period; total capital is calculated as total equity plus net debt) were 52.2% and 53.1%, respectively, representing a decrease of 0.9 percentage points from that as at 31 December 2021, primarily due to the change in net debt and cash and cash equivalent during the current period.

於 2021 年 12 月 31 日及 2022 年 6 月 30 日，我們的淨資產負債比率（按債務淨額除以期末資本總額計算。其中，債務淨額按有息負債總額減期末現金及現金等價物計算；資本總額按權益總額加債務淨額計算）分別為 52.2% 及 53.1%，較 2021 年 12 月 31 日減少 0.9 個百分點，主要原因由本期現金及現金等價物及債務淨額變動導致。

Except as disclosed above, as at 30 June 2022, we did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

除上文所披露者外，於 2022 年 6 月 30 日，我們並無任何已發行及尚未償還或同意發行的借貸資本、銀行透支、貸款或其他類似債務、承兌負債或承兌信用證、債權證、按揭、質押、租購承擔、擔保或其他重大或有負債。

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(b) Commitments

Our capital commitments contracted for at each balance sheet date, but not yet incurred are as follows:

(b) 承諾

我們於各資產負債表日期已訂約但未產生的資本性承諾如下：

		Unaudited 未經審核 As at 30 June 2022 於6月30日 2022年 RMB'000 人民幣千元	Audited 經審核 As at 31 December 2021 於12月31日 2021年 RMB'000 人民幣千元
Property, plant and equipment	不動產、工廠及設備	307,657	317,311

(c) Capital Expenditure

Our capital expenditure mainly comprises purchases of land use rights, property, plant and equipment and intangible assets. Our capital expenditure was RMB175.5 million for the six months ended 30 June 2022, representing an increase of 341.0% as compared to RMB39.8 million for the six months ended 30 June 2021.

(c) 資本開支

我們的資本開支主要包括購買土地使用權、物業、廠房及設備及無形資產。截至2022年6月30日止六個月期間，我們的資本開支為人民幣175.5百萬元，較2021年6月30日止六個月期間的人民幣39.8百萬元，增加341.0%。

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

於下列所示日期我們各分部的資本開支如下：

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Wastewater treatment	污水處理	148,190	22,691
Water supply	水供給	1,413	4,211
Others	其他	25,930	12,885
		175,533	39,787

Based on our current business plan, we expect to incur capital expenditure amounting to RMB210.0 million for the year ending 31 December 2022. Our anticipated capital expenditure is subject to change from time to time based on the reassessment of our business plan, prevailing market conditions, regulatory environment and outlook of our future operational results.

6. Employees and Remuneration Policies

As at 30 June 2022, we had 1,529 full-time employees, all of whom were in China and most of whom were based in Yunnan. The following table sets forth the breakdown of our employees by function as at 30 June 2022:

Function	職能	Number 人數
Management and Administration	管理及行政	187
Finance	財務	50
Research and Development	研發	70
Quality Monitoring	質量檢測	268
Marketing	營銷	16
Operations	運營	892
Construction and Maintenance	建設及維護	46
Total	總計	1,529

We recruit our employees from the open market. The compensation for our employees includes basic wages, performance pay, bonuses and other staff benefits. Our employee benefits and labor expenses from January to June in 2021 amounted to RMB81.7 million, and our employee benefits and labor expenses from January to June in 2022 amounted to RMB87.7 million, representing an increase of approximately RMB6.0 million or 7.3% as compared to the same period of 2021.

根據我們的當前業務計劃，我們預期將於截至2022年12月31日止年度產生資本開支人民幣210.0百萬元。我們的預期資本開支可能根據我們業務計劃、目前市況、監管環境及未來經營業績展望的重估不時變化。

6. 僱員及薪酬政策

於2022年6月30日，我們有1,529名全職僱員，全部在中國，大部分在雲南。下表載列我們於2022年6月30日按職能劃分的僱員明細：

我們在公開市場上招募僱員。我們僱員的報酬包括基本工資、績效工資、獎金及其他僱員福利。2021年1月至6月公司僱員福利及勞務開支為人民幣81.7百萬元，2022年1月至6月公司僱員福利及勞務開支為人民幣87.7百萬元，與2021年同期比較增加7.3%，約人民幣6.0百萬元。

We believe our employees are the most valuable resources to achieve our success. To ensure the quality of our employees at all levels, we adopted a new employee internship management mechanism, a blended learning mechanism that combines centralised training and online training, on-the-job training, exchanges and rotations, apprenticeship learning and other talented team building systems that coexist in various talent business training methods. With the core talent circulation training mechanism and other methods that take “production, learning, research and use”, we take multiple measures to improve the comprehensive quality and professional ability of employees to ensure talents for the Company’s business development. At the same time, we own Kunming Dianhui Vocational Skills Training School Company Limited (昆明滇水職業技能培訓學校有限公司) to provide more training for our employees.

Our labor union communicates closely with the management regarding labor matters on behalf of our employees’ interests. During the Reporting Period, we had not experienced any interruptions to our operations caused by major labor disputes and there were no complaints or claims from our employees which had a material adverse effect on our business. Our Directors believe that we maintain a good relationship with our employees. During the Reporting Period, the Group had no major labor disputes which might produce significant impact on the normal business operations of the Group.

7. Contingent Liabilities

As at 30 June 2022, the Group did not have any material contingent liability.

8. Major Investment and Acquisition

On 29 September 2021, the Company (as the asset entrustor) entered into an asset management agreement (the “Mutual Trust No. 5 Asset Management Agreement”) with Bosera Capital (as the asset manager) and Kunming Branch of China Merchants Bank Company Limited (招商銀行股份有限公司昆明分行) (“China Merchants Bank”) (as the asset trustee) in relation to the investment and management of the entrusted assets. Pursuant to the agreement, the Company agreed to entrust an amount of RMB300 million as the entrusted assets for investment in the credits of accounts receivable held by KADI for a term of 3 months. The Company invested RMB300 million in such asset management plan. For details, please refer to the announcement of the Company dated 29 September 2021.

我們認為僱員是我們獲得成功的最寶貴資源。為確保各級僱員的素質，我們通過新員工培訓管理機制、集中式培訓與線上培訓相結合的混合式學習機制、掛職鍛煉、交流輪崗、跟班學習等多種人才業務培養方式並存的人才隊伍建設體系、「產、學、研、用」為核心的人才循環培養機制等方式，多措並舉的提升員工的綜合素質與專業能力，為公司業務發展提供人才保障。同時，我們擁有昆明滇水職業技能培訓學校有限公司，為我們的員工提供更多培訓。

我們的工會代表員工的利益，就有關勞工事宜與我們的管理層密切溝通。報告期內，我們並無因重大勞動糾紛引致的運營中斷，亦無對我們的業務嚴重不利的員工投訴與索償。我們的董事認為我們與僱員的關係良好，報告期內，本集團並無任何重大勞務糾紛對本集團正常業務營運產生重大影響。

7. 或有負債

於2022年6月30日，本集團並無任何重大或有負債。

8. 重大投資及收購

於2021年9月29日，本公司(作為資產委託人)與博時資本(作為資產管理人)及招商銀行股份有限公司昆明分行(「招商銀行」)(作為資產託管人)就委託資產之投資及管理訂立資產管理合同(「互信5號資產管理合同」)。據此，本公司同意委託金額人民幣3億元作為委託資產，用於投資受讓昆明農業發展投資持有的應收賬款債權，期限為3個月。本公司向該資產管理計劃投資人民幣3億元。詳情請見本公司日期為2021年9月29日的公告。

On 31 December 2021, the Company entered into a supplemental agreement in relation to the extension of the term of the Mutual Trust No. 5 Asset Management Agreement with Bosera Capital and China Merchants Bank, extending the term of the Mutual Trust No. 5 Asset Management Agreement and the asset management plan thereunder to 10 April 2022. For details, please refer to the announcement of the Company dated 31 December 2021.

The Mutual Trust No. 5 Asset Management Agreement has expired on 10 April 2022. As at the maturity date, the remaining assets under the asset management plan were creditor's rights of the trade receivables with a carrying value of approximately RMB316,882,500. The asset manager allocated the assets under the asset management plan to the Company in their current status as at the maturity date in accordance with the Mutual Trust No. 5 Asset Management Agreement.

As at the end of the Reporting Period, it accounted for approximately 2.6% of the total assets of the Company. As at the Latest Practicable Date, KADI has yet to repurchase such creditor's rights of the trade receivables.

During the Reporting Period, the Company did not enter into any new material investment and acquisition agreements and the projects under the original investment and acquisition agreements were being actively pursued.

Save as disclosed above, as at 30 June 2022, the Group did not have any major investment and acquisition.

9. Major Disposal

On 29 June 2022, the Company, the People's Government of Suncun Town, Fanchang District (the "People's Government of Suncun Town") and Fanchang Dianchi Water Treatment Co., Ltd. (繁昌縣滇池水務有限公司) ("Fanchang Dianchi Water"), the Company's wholly-owned subsidiary, entered into an equity transfer agreement, pursuant to which the Company conditionally agreed to sell and the People's Government of Suncun Town conditionally agreed to acquire 100% equity interest in Fanchang Dianchi Water, which is principally engaged in wastewater treatment, for a consideration expected not exceeding RMB163 million. Completion of this transaction would be subject to certain conditions stated in the equity transfer agreement. Upon completion of the disposal under the equity transfer agreement, Fanchang Dianchi Water will cease to be a subsidiary of the Company, the Group will cease to have any equity interest in Fanchang Dianchi Water and its financial results will cease to be consolidated in the accounts of the Group. For details, please refer to the announcements of the Company dated 29 June 2022 and 7 July 2022, respectively.

於2021年12月31日，本公司與博時資本及招商銀行簽訂互信5號資產管理合同延長存續期補充協議，將互信5號資產管理合同及其項下的資產管理計劃的期限延長至2022年4月10日。詳情請見本公司日期為2021年12月31日的公告。

於2022年4月10日，互信5號資產管理合同到期。截至到期日，該資產管理計劃項下剩餘資產為賬面價值金額約為人民幣31,688.25萬元的應收賬款債權，資產管理人根據互信5號資產管理合同，以截至到期日該資產管理計劃項下資產現狀向本公司進行分配。

於報告期末，約佔本公司資產總值的2.6%。於最後可行日期，昆明農業發展投資尚未回購該應收賬款債權。

報告期內，本公司未簽訂任何新的重大投資及收購協議，原有的投資及收購協議下的項目正在積極推進中。

除上述披露外，於2022年6月30日，本集團並無任何重大投資及收購。

9. 重大出售

於2022年6月29日，本公司、繁昌區孫村鎮人民政府（「孫村鎮人民政府」）及本公司之全資附屬公司繁昌縣滇池水務有限公司（「繁昌滇池水務」）訂立股權轉讓協議，據此，本公司有條件同意出售及孫村鎮人民政府有條件同意購買繁昌滇池水務100%股權，代價預計不超過人民幣1.63億元。繁昌滇池水務主營業務為污水處理。本交易的完成會取決於股權轉讓協議之若干條件。於股權轉讓協議項下的出售完成後，繁昌滇池水務將不再為本公司的附屬公司，本集團將不再擁有繁昌滇池水務的任何權益及其財務業績將不再綜合併入本集團的賬目。詳情請見本公司日期分別為2022年6月29日及2022年7月7日的公告。

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As at the end of the Reporting Period, the assets and liabilities of Fanchang Dianchi Water were reclassified as held for sale, and the assets reclassified as held for sale accounted for approximately 1.3% of the total assets of the Company. As at the Latest Practicable Date, completion of this transaction has not taken place.

Save as disclosed above, as at 30 June 2022, the Group did not have any major disposal.

10. Material Litigation

During the Reporting Period, Hongyu Thermal Power, a subsidiary of the Company, was involved in a material litigation, and the plaintiff has withdrawn its application for litigation against Hongyu Thermal Power during the Reporting Period, and such material litigation did not have a material impact on the Company's financial position and operation. Details are as follows:

During the Reporting Period, Hongyu Thermal Power, as a defendant, was involved in a litigation in the Shaoxing Municipal Intermediate People's Court, Zhejiang Province (浙江省紹興市中級人民法院), where the plaintiff claimed that it had signed an equity transfer agreement with Hongyu Thermal Power and three other defendants on 7 March 2015, and applied to the Shaoxing Municipal Intermediate People's Court, Zhejiang Province to hold Hongyu Thermal Power and the other defendants liable for the equity transfer consideration, late payment fee and other costs of approximately RMB140 million in relation to the dispute over the equity transfer agreement. For details, please refer to the Company's announcement dated 9 May 2022.

On 7 June 2022, the Plaintiff applied to the court for withdrawal of the litigation against Hongyu Thermal Power and one of the remaining defendants. After examination, the Shaoxing Municipal Intermediate People's Court, Zhejiang Province ruled to allow the plaintiff to withdraw the litigation against Hongyu Thermal Power and one of the remaining defendants. For details, please refer to the Company's announcement dated 15 June 2022.

Save as disclosed above, as at 30 June 2022, the Group was not involved in any material or potential material litigation.

截至報告期末，繁昌滇池水務之資產及負債重分類至持作出售項目，重分類至持作出售資產約佔本公司資產總值的1.3%。於最後可行日期，此交易尚未完成。

除上述披露外，於2022年6月30日，本集團並無任何重大出售。

10. 重大訴訟

於報告期內，本集團之附屬公司宏宇熱電涉及一項重大訴訟，且於報告期內，原告已撤回對宏宇熱電的訴訟請求，該重大訴訟未對公司財務、運營造成重大影響，具體如下：

於報告期內，宏宇熱電作為被告方被訴至浙江省紹興市中級人民法院，原告聲稱其與宏宇熱電及其餘三名被告方於2015年3月7日簽署了一份股權轉讓協議，就股權轉讓協議糾紛向浙江省紹興市中級人民法院申請主張宏宇熱電及其餘被告方承擔約人民幣1.4億元的股權轉讓價款及滯納金等款項。詳情請見本公司日期為2022年5月9日的公告。

原告於2022年6月7日向該法院提出撤訴申請，申請撤回對宏宇熱電及其餘一名被告的起訴。經審查後，浙江省紹興市中級人民法院裁定准許原告撤回對宏宇熱電及其餘一名被告的起訴。詳情請見本公司日期為2022年6月15日的公告。

除上述所披露外，於2022年6月30日，本集團無重大訴訟或潛在重大訴訟。

11. Exchange Rate Volatility Risk and Any Related Hedging

The Group still retains some foreign currency funds, mainly Hong Kong dollars and US dollars. Exchange rate fluctuations have a certain impact on the retention of foreign currency funds and the return of principal and interest on borrowings. The Group entered into a confirmation of RMB foreign exchange currency swap transactions with financial institution to fix the exchange rate at the time of loan repayment and interest payment, which was used to hedge the risk of foreign exchange fluctuations when repaying foreign currency borrowings and foreign currency interest. Details are as follows:

The financial institution pays floating interest on the confirmation of swap transactions and the fixed interest payer is the Group. Before the Group pays each instalment of the foreign currency principal and interest, the financial institution will pay the equivalent currency into the Group's account. The Group can use the foreign currency to pay the principal and interest. At the same time, when the Group pays RMB to the financial institution, the interest rate is fixed. The nominal principal for calculating the interest is calculated by multiplying the principal in the loan agreement by the fixed exchange rate locked by the confirmation of swap transactions, actually using a fixed cost in exchange for the foreign currency to be paid and turning unknown risks of exchange rate changes into fixed interest expense costs.

12. Loans to Certain Entities

The Company entered into an entrusted loan contract with Kunming Bus and Yunnan Branch of Bank of Communications Co., Ltd. (交通銀行股份有限公司雲南省分行) ("Bank of Communications") on 22 February 2021, pursuant to which the Company entrusted Bank of Communications to grant a loan of RMB300 million to Kunming Bus with an annual interest rate of 8.5%. For details, please refer to the announcement of the Company dated 22 February 2021. The loan has become due during the Reporting Period, and the Company has received all principal and interest in accordance with the terms of the entrusted loan contract.

The Company entered into an entrusted loan contract with Xindu Investment and Kunming Panlong Sub-branch of Bank of China Limited ("Panlong Sub-branch of Bank of China") on 24 September 2021, pursuant to which the Company entrusted Panlong Sub-branch of Bank of China to provide a RMB350 million loan to Xindu Investment with an annual interest rate of 7.5%. For details, please refer to the announcement of the Company dated 24 September 2021. The loan has become due during the Reporting Period, and the Company has received all principal and interest in accordance with the terms of the entrusted loan contract.

11. 匯率波動風險及任何相關對沖

本集團仍留存部分外幣資金，主要為港元及美元。匯率的波動對留存外幣資金及歸還借款本息均有一定影響，本集團與金融機構簽訂了人民幣外匯貨幣掉期交易確認書，該確認書固定了借款還本付息時的匯率，用於對沖歸還外幣借款及外幣利息時產生的外匯波動風險，具體情況如下：

掉期交易確認書的浮動利息支付方為金融機構，固定利率支付方為本集團。金融機構將在本集團支付每期外幣本息前，將等額外幣支付至集團賬戶內，本集團可使用該筆外幣支付本息。同時，本集團在支付人民幣給金融機構時，利率固定，計算利息的名義本金為借款協議中的本金乘以掉期交易確認書鎖定的固定匯率來計算，實際上是用固定的成本來換取需要支付的外幣，將未知的匯率變動風險轉化為固定的利息支出成本。

12. 給予某實體的貸款

本公司於2021年2月22日與昆明公交及交通銀行股份有限公司雲南省分行(「交通銀行」)簽訂委託貸款合同，由本公司委託交通銀行向昆明公交提供人民幣3億元的委託貸款，年利率為8.5%。有關詳情，請參閱本公司日期為2021年2月22日的公告。該筆貸款已於報告期內到期，且本公司已根據委託貸款合同約定收回全部本金及利息。

本公司於2021年9月24日與新都投資及中國銀行股份有限公司昆明市盤龍支行(「中國銀行盤龍支行」)簽訂委託貸款合同，由本公司委託中國銀行盤龍支行向新都投資提供人民幣3.5億元的委託貸款，年利率為7.5%，有關詳情，請參閱本公司日期為2021年9月24日的公告。該筆貸款已於報告期內到期，且本公司已根據委託貸款合同約定收回全部本金及利息。

CHAPTER SIX MANAGEMENT DISCUSSION AND ANALYSIS

第六章 管理層討論與分析

The Company entered into an entrusted loan contract with Xindu Investment and Kunming Chenggong District Rural Credit Cooperative* (“**Chenggong District Rural Credit Cooperative**”) on 28 February 2022, pursuant to which the Company entrusted Chenggong District Rural Credit Cooperative to provide a loan of RMB250 million to Xindu Investment with an annual interest rate of 8.5% which shall become due on 28 March 2022. After arm’s length negotiation, on 28 March 2022, the Company entered into an entrusted loan extension agreement for the entrusted loan contract with Xindu Investment and Chenggong District Rural Credit Cooperative to extend the term of the entrusted loan contract and the entrusted loan transaction thereunder to 28 July 2022 and adjust the interest rate to 9.0% per annum for the extension period. Meanwhile, the Company entered into a security contract with Xindu Investment, pursuant to which Xindu Investment agreed to mortgage the mortgaged asset as security for the entrusted loan extension agreement and the transactions thereunder. For details, please refer to the announcements of the Company dated 28 February 2022 and 28 March 2022. As at the Latest Practicable Date, the Company has received all principal and interest of such entrusted loan in accordance with the terms of the extension agreement.

On 9 June 2022, the Company entered into an entrusted loan contract with Kunming Construction and Kunming Panlong District Rural Credit Cooperative* (“**Panlong District Rural Credit Cooperative**”), pursuant to which the Company entrusted Panlong District Rural Credit Cooperative to provide a loan of RMB310 million to Kunming Construction with an annual interest rate of 8.5% which shall become due on 8 June 2023. Kunming Dianchi Investment provided a full and joint liability guarantee for the entrusted loan transaction under the entrusted loan contract. For details, please refer to the announcement of the Company dated 9 June 2022.

As far as the Company is aware, Kunming Bus, Xindu Investment and Kunming Construction are all controlled or held by Kunming SASAC. Save for the above, Kunming Bus, Xindu Investment and Kunming Construction are not related to each other, which are also not connected persons as defined under the Listing Rules.

* For identification purpose only

本公司於2022年2月28日與新都投資及昆明市呈貢區農村信用合作聯社(「**呈貢區農村信用合作聯社**」)簽訂委託貸款合同，由本公司委託呈貢區農村信用合作聯社向新都投資提供人民幣2.5億元的委託貸款，年利率為8.5%，到期日為2022年3月28日。經公平磋商後，於2022年3月28日，本公司與新都投資及呈貢區農村信用合作聯社就委託貸款合同簽訂委託貸款展期協議，將委託貸款合同及其項下委託貸款交易的期限延長至2022年7月28日，展期期間利率調整為9.0%/年。同時，本公司與新都投資簽署了抵押合同，新都投資同意以抵押資產為委託貸款展期協議及其項下交易提供抵押擔保。有關詳情，請參閱本公司日期為2022年2月28日及2022年3月28日的公告。於最後可行日期，本公司已根據展期協議的約定收回該筆委託貸款全部本金及利息。

本公司於2022年6月9日與昆明城投及昆明市盤龍區農村信用合作聯社(「**盤龍區農村信用合作聯社**」)簽訂委託貸款借款合同，由本公司委託盤龍區農村信用合作聯社向昆明城投提供人民幣3.1億元的貸款，年利率為8.5%，將於2023年6月8日到期。昆明滇池投資就委託貸款借款合同項下委託貸款交易提供全額連帶責任保證擔保。有關詳情，請參閱本公司日期為2022年6月9日的公告。

據本公司所知，昆明公交、新都投資及昆明城投均由昆明市國資委實際控制或持有，除此以外，昆明公交、新都投資及昆明城投相互並無關連，該等公司亦非上市規則中所定義的關連人士。

* 僅供識別

I. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company understands that good corporate governance is conducive to healthy, high-quality and sustainable development of the Company and enhances the comprehensive competitiveness of the Company. The Board of Directors has the responsibility to lead and oversee the Company and exercise control over the strategic planning, business development, compliance governance and culture promotion of the Company. The Company focuses on maintaining a high standard of corporate governance for purposes of enhancing the value of the Shareholders and protecting their interests. The Company has adopted the code provisions of the Corporate Governance Code as contained in Appendix 14 to the Listing Rules as its own Corporate Governance Code. The Company has established and enhanced the corporate governance structure in accordance with the Listing Rules and the Corporate Governance Code and has set up a series of corporate governance policies. The Directors believe that during the Reporting Period, the Company has been observing all mandatory code provisions as stipulated in the Corporate Governance Code except for provision B.2.2.

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

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

一、遵守企業管治守則

本公司知悉良好的企業管治有利於公司的健康、高質量可持續發展，增強企業的綜合競爭力，本公司注重維持高水準之企業管治，以提升股東價值及保障股東之權益。董事會負有領導及監控本公司的責任，就公司戰略規劃、業務發展、合規管治、文化宣導等方面進行管控。本公司已採納上市規則附錄十四所載的企業管治守則內的守則條文，作為其本身的企業管治守則。本公司已根據上市規則及守則的要求建設和完善企業管治架構，建立一系列企業管治制度。董事認為，於報告期內，除守則條文B.2.2外，其已遵守企業管治守則所載的一切強制性守則條文。

根據企業管治守則第B.2.2條，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。現本公司第一屆董事會、監事會任期已滿3年，惟相關候選人的提名工作尚未結束，與此同時，董事會考慮到本公司董事會、監事會工作的連續性，在本公司章程的相關規定下，董事任期屆滿未及時改選，在改選出的董事就任前，原董事仍應當依照法律、行政法規、部門規章和本公司章程的規定，履行董事職務。故董事會認為偏離企業管治守則條文第B.2.2條的情形整體上不會對本集團的運營造成重大影響，並且本公司將儘快完成相關工作。

董事會將不時審查本公司的企業管治常規及運作，以符合上市規則項下有關規定並保障本公司股東的權益。

II. THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. Changes of Directors, Supervisors and Senior Management

During the Reporting Period and as at the Latest Practicable Date, pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of Directors, supervisors and senior management of the Company are as follows:

- 1) Mr. Ong King Keung ceased to serve as an independent non-executive director of Bingo Group Holdings Limited (a company listed on the GEM of the Stock Exchange, stock code: 8220) on 20 May 2022; and ceased to serve as an independent non-executive director of K Group Holdings Limited (a company listed on the GEM of the Stock Exchange, stock code: 8475) on 6 June 2022.

Except as disclosed above, as at the Latest Practicable Date, the Company is not aware of any change in particulars of Directors and supervisors that needs to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

二、董事、監事、高級管理人員

1. 董事、監事、高級管理人員變動情況

於報告期內及截至最後實際可行日期，根據香港上市規則第13.51B(1)條規定，本公司的董事、監事和高級管理人員資料變更如下：

- 1) 王競強先生於2022年5月20日不再擔任比高集團控股有限公司(一間於聯交所GEM上市的公司，股份代號：8220)獨立非執行董事；及於2022年6月6日不再擔任千盛集團控股有限公司(一間於聯交所GEM上市的公司，股份代號：8475)獨立非執行董事。

除上文所披露外，截至最後實際可行日期，本公司並未知悉任何根據香港上市規則第13.51B(1)條規定有關董事或監事資料變更而須作出的披露。

2. The Interest and Short Positions of the Directors, Supervisors and Senior Management in the Shares, Underlying Shares and Debentures

As of 30 June 2022, none of the Directors, supervisors and senior management of the Company had any interest or short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

As of 30 June 2022, none of the Directors, supervisors or their respective spouses or children below 18 was granted any right to subscribe for the shares of the Company or any of its associated corporations or to have exercised any such rights.

3. Compliance with the Model Code for Securities Dealings by the Directors and Supervisors

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct for its Directors, supervisors and relevant employees (has the same meaning ascribed to it under the Corporate Governance Code) in respect of their dealings in the Company's securities. After making specific enquiries to all the Directors and supervisors of the Company, the Directors and supervisors of the Company confirmed that they had strictly complied with the required standard as set out in the Model Code during the Reporting Period.

2. 董事、監事及高級管理人員於股份、相關股份及債券的權益及淡倉

截至2022年6月30日，本公司董事、監事及高級管理人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中，擁有證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的任何權益或淡倉(包括根據證券及期貨條例的該等條文彼被當作或視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須計入該條所指的登記冊內的任何權益或淡倉，或根據標準守則須知會本公司及香港聯交所的任何權益或淡倉。

截至2022年6月30日，概無董事或監事或彼等各自的配偶或18歲以下的子女獲本公司授予任何權利以認購本公司或其任何相聯法團的股份或已行使任何該等權利。

3. 遵守董事及監事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則，作為所有董事、監事及有關僱員(定義與企業管治守則相同)進行本公司證券交易的行為守則。根據對本公司董事及監事的專門查詢後，於報告期內各董事及監事均已嚴格遵守標準守則所訂之標準。

CHAPTER SEVEN CORPORATE GOVERNANCE AND OTHER INFORMATION

第七章 企業管治及其他資料

III. INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES

As of 30 June 2022 and to the best knowledge of the Company's Directors, the following persons (except for the Company's Directors, the chief executives or supervisors) had some interest or short positions in the Shares or underlying Shares of the Company which will have to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register to be kept by the Company pursuant to Section 336 of the SFO:

三、主要股東於股份之權益

截至2022年6月30日，就本公司董事所知，下列人士(本公司董事、最高行政人員或監事除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3部分須向本公司披露或根據證券及期貨條例第336條在本公司所存置的登記冊中記錄之權益或淡倉：

Name of Shareholder	Capacity/ Nature of interest	Class of Shares	Number of Shares	Approximate percentage of the total issued share capital of the Company 佔本公司 已發行 股本總額的 概約百分比 (%)	Approximate percentage of the relevant class of Shares of the Company 佔本公司 相關類別 股份的概約 百分比 (%)
股東名稱	身份/權益性質	股份類別	股份數目 (share) (股)		
KDI 昆明滇池投資	Beneficial owner 實益擁有人	Domestic Shares 內資股	627,253,548 (long position) (好倉) (附註2) (Note 2)	60.95%	91.03%
Kunming Industrial Development & Investment Co., Ltd. 昆明產業開發投資有限責任公司	Interest of controlled corporation 受控法團權益	H Shares H股	59,000,000 (long position) (好倉)	5.73%	17.35%
Kunming State-owned Assets Management and Operations Co. Ltd. 昆明市國有資產管理營運有限責任公司	Beneficial owner 實益擁有人	H Shares H股	39,790,000 (long position) (好倉)	3.87%	11.70%
Yunnan Provincial Investment Holdings Group Co., Ltd. 雲南省投資控股集團有限公司	Beneficial owner 實益擁有人	H Shares H股	64,770,000 (long position) (好倉)	6.29%	19.05%
Modern Orient Limited	Interest of controlled corporation 受控法團權益	H Shares H股	47,754,000 (long position) (好倉)	4.64%	14.04%
Beijing Enterprises Water Group Limited	Beneficial owner 實益擁有人	H Shares H股	47,754,000 (long position) (好倉)	4.64%	14.04%

CHAPTER SEVEN CORPORATE GOVERNANCE AND OTHER INFORMATION 第七章 企業管治及其他資料

Name of Shareholder	Capacity/ Nature of interest	Class of Shares	Number of Shares	Approximate percentage of the total issued share capital of the Company 佔本公司 已發行 股本總額的 概約百分比 (%)	Approximate percentage of the relevant class of Shares of the Company 佔本公司 相關類別 股份的概約 百分比 (%)
股東名稱	身份／權益性質	股份類別	股份數目 (share) (股)		
Beijing Enterprises Investments Limited	Interest of controlled corporation 受控法團權益	H Shares H股	47,754,000 (long position) (好倉) (Notes 3 and 4) (附註3及4)	4.64%	14.04%
Beijing Enterprises Holdings Limited	Interest of controlled corporation 受控法團權益	H Shares H股	47,754,000 (long position) (好倉) (Notes 3 and 4) (附註3及4)	4.64%	14.04%
Beijing Enterprises Group Company Limited	Interest of controlled corporation 受控法團權益	H Shares H股	47,754,000 (long position) (好倉) (Notes 3 and 4) (附註3及4)	4.64%	14.04%
Beijing Enterprises Group (BVI) Company Limited	Interest of controlled corporation 受控法團權益	H Shares H股	47,754,000 (long position) (好倉) (Notes 3 and 4) (附註3及4)	4.64%	14.04%
Beijing Enterprises Environmental Construction Limited	Interest of controlled corporation 受控法團權益	H Shares H股	47,754,000 (long position) (好倉) (Notes 2 and 3) (附註2及3)	4.64%	14.04%
Kunming Public Rental Housing Development and Construction Management Co., Ltd. 昆明市公共租賃住房開發建設管理有限公司	Security interest 保證權益	Domestic Shares 內資股	33,013,345 (long position) (好倉) (Note 6) (附註6)	3.21%	4.79%

CHAPTER SEVEN CORPORATE GOVERNANCE AND OTHER INFORMATION

第七章 企業管治及其他資料

Notes:

- (1) The data disclosed above are mainly based on information provided on the website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and records of the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance.
- (2) Pursuant to a counter-guarantee contract signed by KDI on 29 June 2022, KDI pledged 33,013,345 shares of the Company held by it to secure its debts.
- (3) Pursuant to Section 336 of the SFO, if certain conditions are met, the Shareholders of the Company are required to submit a disclosure of interest notice. In the event of changes in the shareholding of the Shareholders in the Company, the Shareholders will not be required to notify the Company and the Hong Kong Stock Exchange unless certain conditions are met. Therefore, the latest shareholding of the Shareholders in the Company may be different from the shareholding submitted to the Hong Kong Stock Exchange.
- (4) Such 47,754,000 shares belong to the same batch of shares.
- (5) Save for the disclosed above, as of 30 June 2022, the Company is not aware of any other persons (other than the Directors, supervisors and chief executives of the Company) who have interest or short positions in the Shares or Underlying Shares of the Company which are required to be recorded in the register under Section 336 of the SFO.
- (6) Pursuant to the counter-guarantee contract dated 29 June 2022 entered into by Kunming Dianchi Investment, Kunming Public Rental Housing Development and Construction Management Co., Ltd. has a security interest in 33,013,345 shares held by Kunming Dianchi Investment.

註：

- (1) 以上所披露數據主要基於香港聯交所網站 (<http://www.hkexnews.hk>) 所提供的信息作出及本公司根據《證券及期貨條例》第336條規定存置的登記冊之記錄作出。
- (2) 根據昆明滇池投資於2022年6月29日簽署的反擔保合同，昆明滇池投資質押了其持有的本公司33,013,345股股份為其債務擔保。
- (3) 根據證券及期貨條例第336條，倘若若干條件達成，則本公司股東須呈交披露權益表格。倘股東於本公司的持股量變更，除非若干條件已達成，否則股東毋須知會本公司及香港聯交所，故股東於本公司之最新持股量可能與呈交予香港聯交所的持股量不同。
- (4) 該47,754,000股股份屬同一批股份。
- (5) 除上述披露外，截至2022年6月30日，本公司並不知悉任何其他人士(本公司董事、監事及最高行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條規定須記錄於登記冊內之權益或淡倉。
- (6) 根據昆明滇池投資於2022年6月29日簽署的反擔保合同，昆明市公共租賃住房開發建設管理有限公司在昆明滇池投資持有的33,013,345股股份中擁有保證權益。

IV. FACILITY AGREEMENT SUBJECT TO DUE PERFORMANCE OF SPECIFIC CONDITIONS BY THE CONTROLLING SHAREHOLDER

On 25 March 2022, Dianchi International Holdings Limited (the “Borrower”), a direct wholly-owned subsidiary of the Company, as borrower and the Company as guarantor signed a facility agreement (“Facility Agreement”) with various banks (the “Banks”). Pursuant to the Facility Agreement, the Banks will provide the banking facilities of up to US\$300 million or equivalent foreign currency (the “Facility”) to the Borrower. The final repayment date of the Facility shall be the date falling 36 months after the first withdrawal date.

As at the date of entering into the Facility Agreement, Kunming SASAC holds 90% of the share capital of Kunming Dianchi Investment, and Kunming Dianchi Investment holds approximately 64.16% of the issued share capital of the Company. Pursuant to the Facility Agreement, if Kunming SASAC no longer directly or indirectly owns 51% or more of the share capital of the Company, it would be deemed as a change of control, and the Banks would be entitled to cancel its loan facilities pursuant to the Facility Agreement and to declare that all amounts outstanding under the Facility (including interests accrued) and all other amounts shall immediately become due and payable (unless waived by the majority of the Banks). For details, please refer to the Company’s announcement dated 25 March 2022.

As of the Latest Practicable Date, Kunming SASAC directly or indirectly owned 51% or more of the share capital of the Company and no change of control as described in the Facility Agreement has occurred.

V. PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2022.

四、貸款協議載有關於控股股東須履行特定責任的條件

於2022年3月25日，本公司之直接全資附屬公司滇池國際控股有限公司（「借款人」）（作為借款人）及本公司（作為擔保人）與數家銀行（「該等銀行」）簽訂貸款協議（「貸款協議」）。根據貸款協議，該等銀行將向借款人提供合共不多於300百萬美元或等值外幣的貸款（「融資」），融資的最終還款日期為首次提款日36個月後當日。

於簽訂貸款協議當日，昆明市國資委持有昆明滇池投資90%股權，昆明滇池投資於本公司已發行股本中擁有約64.16%的權益。根據貸款協議，如果昆明市國資委不再直接或間接擁有51%以上的本公司的股權，將被視為發生控制權變更，該等銀行可根據貸款協議取消其承貸額，並宣佈融資項下的所有尚未償還金額（包括累計利息）及所有其他款項即時到期及須予償還（除非多數該等銀行放棄）。詳情請見本公司日期為2022年3月25日的公告。

截至最後可行日期，昆明市國資委直接或間接擁有本公司51%以上的股權，未發生貸款協議所述控制權變更的情況。

五、購買、出售或贖回本公司上市證券

截至2022年6月30日止六個月內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

CHAPTER SEVEN CORPORATE GOVERNANCE AND OTHER INFORMATION

第七章 企業管治及其他資料

VI. SHARE OPTION SCHEME AND ISSUANCE OF EQUITY SECURITIES

As at 30 June 2022, the Company or any of its subsidiaries had no share option schemes. During the Reporting Period, there was also no issuance of equity securities (including securities convertible into equity securities) for cash.

VII. AUDIT COMMITTEE

The Audit Committee of the Company consists of three independent non-executive Directors, namely Mr. Yin Xiaobing, Ms. Zheng Dongyu and Mr. Ong King Keung. The Audit Committee of the Company is mainly responsible for reviewing and supervising the procedures for financial reporting and internal control of the Company to ensure the effective supervision of management by the Board and further improve corporate governance structure. The Audit Committee has reviewed the unaudited interim results for the six months ended 30 June 2022 and considered that the Group has adopted applicable accounting policies and made adequate disclosures in relation to preparation of relevant results.

VIII. 2021 FINAL DIVIDEND AND 2022 INTERIM DIVIDEND

As approved by the 2021 annual general meeting of the Company, the Company can distribute the final dividend for the year ended 31 December 2021 to all Shareholders of RMB0.100 (tax inclusive) per share, amounting to approximately RMB102,911,100.00 (tax included) (the “2021 Final Dividend”). The declaration of the 2021 Final Dividend is not reflected in the dividend payable in the consolidated financial statements for the year ended 31 December 2021 but will be disclosed in the dividend distribution of the consolidated financial statements for the six months period ended 30 June 2022. The 2021 Final Dividend has been distributed to Shareholders on 16 August 2022 in cash dividends.

In view of the economic environment and the future development plan of the Company, the Board does not recommend the payment of an interim dividend for the six months ended 30 June 2022 (for the six months ended 30 June 2021: cash dividend of RMB0.05 per share (tax inclusive)).

六、 股份期權計劃及發行股本證券

於2022年6月30日止，本公司或其任何附屬公司並無股份期權計劃。報告期內亦無發行股本證券(包括可轉換為股本證券的證券)以換取現金。

七、 審計委員會

本公司審計委員會由尹曉冰先生、鄭冬渝女士、王競強先生三名獨立非執行董事組成，主要負責審閱及監察本公司之財政匯報程序及內部監控，以確保董事會對經理層的有效監督，進一步完善公司治理結構。審計委員會已審閱截至2022年6月30日止六個月的未經審核中期業績，並認為編製有關業績已採用適合的會計政策及已作出足夠的披露。

八、 2021年末期股息及2022年中期股息

於本公司2021年股東週年大會批准，本公司可向全體股東派發截至2021年12月31日止年度末期股息，每股現金人民幣0.100元(含稅)，合計約人民幣102,911,100.00元(含稅)(「2021年末期股息」)。2021年末期股息的宣告未在截至2021年12月31止年度期間合併財務報表的應付股息中體現，但會披露在截至2022年6月30日止六個月期間內合併財務報表的股息分配中。2021年末期股息已於2022年8月16日以現金股利的方式派發給股東。

董事會基於對經濟環境及公司未來發展規劃的考量，不建議派發截至2022年6月30日止六個月之中期股息(截至2021年6月30日止六個月：現金股息每股人民幣0.05元(含稅))。

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

第八章 中期財務資料 簡明合併中期綜合收益表

For the six months ended 30 June 2022 截至2022年6月30日止六個月

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月		
		Notes 附註	2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue	收入	6	909,091	892,416
Cost of sales	銷售成本	27	(516,153)	(558,167)
Gross profit	毛利		392,938	334,249
Selling expenses	銷售費用	27	(3,788)	(6,686)
Administrative expenses	行政費用	27	(50,710)	(57,713)
Research and development expenses	研發費用	27	(185)	(118)
Net impairment losses on financial and contract assets	金融資產和合同資產減值損失淨額		(9,997)	(15,093)
Other income	其他收入	25	20,739	331
Other losses	其他虧損	26	(1,048)	(210)
Operating profit	經營利潤		347,949	254,760
Finance income	財務收入	28	22,409	44,094
Finance costs	財務成本	28	(163,127)	(95,733)
Finance costs – net	財務成本－淨額	28	(140,718)	(51,639)
Share of results of associates	分佔聯營公司業績		(363)	(179)
Profit before tax	稅前利潤		206,868	202,942
Income tax expense	所得稅費用	29	(23,382)	(35,205)
Profit for the period	期內利潤		183,486	167,737
Profit for the period attributable to:	期內利潤歸屬：			
– Equity holders of the Company	– 本公司權益持有人		182,826	166,969
– Non-controlling interests	– 非控制性權益		660	768
			183,486	167,737

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)
 第八章 中期財務資料 簡明合併中期綜合收益表(續)

For the six months ended 30 June 2022 截至2022年6月30日止六個月

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
		Notes 附註	
Other comprehensive income for the period	期內其他綜合收益		
<i>Items that may be reclassified to profit or loss:</i>	<i>或重分類至損益之項目：</i>		
Exchange differences on consolidation	匯兌差額	2,830	(499)
Total comprehensive income for the period	期內綜合收益總額	186,316	167,238
Total comprehensive income for the period attributable to:	期內綜合收益總額歸屬於：		
– Equity holders of the Company	– 本公司權益持有人	185,656	166,470
– Non-controlling interests	– 非控制性權益	660	768
		186,316	167,238
Earnings per share for profit for the period attributable to equity holders of the Company (expressed in RMB per share)	期內歸屬於本公司權益持有人的利潤的每股收益 (以每股人民幣計)		
– Basic and diluted earnings per share	– 基本及稀釋每股收益	0.18 0.18	0.16 0.16
		30	

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes. 上述簡明合併綜合收益表應與隨附附註一併閱讀。

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

第八章 中期財務資料 簡明合併中期資產負債表

As at 30 June 2022 於2022年6月30日

		Notes	Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	7	276,377	276,377
Right-of-use assets/land use rights	使用權資產/土地使用權	8	419,742	424,945
Property, plant and equipment	不動產、工廠及設備	9	2,704,024	2,637,090
Receivables under service concession arrangements	特許經營權協議下的應收款項	10	2,535,785	2,732,351
Amounts due from customers for construction contracts	應收客戶建造合同款	17	524,223	559,714
Contract assets	合約資產	16	249,825	249,825
Intangible assets	無形資產	11	300,889	313,494
Investments in associates	聯營投資	12	12,430	12,793
Deferred income tax assets	遞延所得稅資產	13	83,063	84,490
			7,106,358	7,291,079
Current assets	流動資產			
Receivables under service concession arrangements	特許經營權協議下的應收款項	10	5,841	5,463
Inventories	存貨		18,296	16,595
Amounts due from customers for construction contracts	應收客戶建造合同款	17	21,393	22,785
Financial assets at amortised cost	以攤餘成本計量的金融資產	15	290,000	294,000
Trade and other receivables	應收賬款及其他應收款	16	3,114,940	2,884,020
Cash and bank balances	現金及銀行結餘	18	479,737	1,504,346
Restricted funds	受限制資金	18	62,613	49,650
			3,992,820	4,776,859
Assets classified as held for sale	分類為持作出售的資產	24	143,631	-
			4,136,451	4,776,859
Total assets	資產總額		11,242,809	12,067,938

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION
 INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (Continued)
 第八章 中期財務資料 簡明合併中期資產負債表(續)

As at 30 June 2022 於2022年6月30日

		Notes 附註	Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred revenue	遞延收益	22	236,834	245,267
Borrowings	借款	21	2,880,987	2,193,023
Deferred income tax liabilities	遞延所得稅負債	13	68,950	86,492
			3,186,771	2,524,782
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	23	673,734	678,982
Tax payables	應付稅項		79,205	97,494
Borrowings	借款	21	2,772,147	4,212,914
Contract liabilities	合同負債	23	9,797	7,505
Financial liabilities at fair value through profit or loss	按公允價值計入損益的金融負債	14	—	110,450
			3,534,883	5,107,345
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	24	3,632	—
			3,538,515	5,107,345
Total liabilities	負債總額		6,725,286	7,632,127
Net assets	淨資產		4,517,523	4,435,811
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	19	1,029,111	1,029,111
Other reserves	其他儲備	20	1,546,406	1,543,576
Accumulated profits	留存收益		1,934,630	1,854,715
Equity attributable to owners of the Company	本公司擁有人應佔權益		4,510,147	4,427,402
Non-controlling interests	非控制性權益		7,376	8,409
Total equity	權益總額		4,517,523	4,435,811

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes. 上述簡明合併資產負債表應與隨附附註一併閱讀。

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

第八章 中期財務資料 簡明合併中期權益變動表

For the six months ended 30 June 2022 截至2022年6月30日止六個月

		Unaudited 未經審核					
		Attributable to equity holders of the Company 歸屬於本公司權益持有人					
	Note 附註	Share capital 股本 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Accumulated profits 留存收益 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元	Non-controlling interests 非控制性 權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
As at 1 January 2021	於2021年1月1日	1,029,111	1,523,380	1,712,800	4,265,291	7,136	4,272,427
Comprehensive income:	綜合收益：						
Profit for the period	期內利潤	-	-	166,969	166,969	768	167,737
Other comprehensive income	其他綜合收益	-	-	-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>其後可能重新分類至損益之項目</i>	-	-	-	-	-	-
Exchange differences on consolidation	滙兌差額	-	(499)	-	(499)	-	(499)
Total comprehensive income for the period	期內全面收益總額	-	(499)	166,969	166,470	768	167,238
Transactions with owners:	與所有者的交易：						
Dividends	分派股息	-	-	(123,493)	(123,493)	-	(123,493)
As at 30 June 2021	於2021年6月30日	1,029,111	1,522,881	1,756,276	4,308,268	7,904	4,316,172
As at 1 January 2022	於2022年1月1日	1,029,111	1,543,576	1,854,715	4,427,402	8,409	4,435,811
Comprehensive income:	綜合收益：						
Profit for the period	期內利潤	-	-	182,826	182,826	660	183,486
Other comprehensive income	其他綜合收益	-	-	-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>其後可能重新分類至損益之項目</i>	-	-	-	-	-	-
Exchange differences on consolidation	滙兌差額	-	2,830	-	2,830	-	2,830
Total comprehensive income for the period	期內全面收益總額	-	2,830	182,826	185,656	660	186,316
Transactions with owners:	與所有者的交易：						
Dividends in respect of previous year approved	往年股息批准	-	-	(102,911)	(102,911)	-	(102,911)
Dividends to non-controlling shareholders	分派股息予非控制性權益股東	-	-	-	-	(1,693)	(1,693)
As at 30 June 2022	於2022年6月30日	1,029,111	1,546,406	1,934,630	4,510,147	7,376	4,517,523

The above condensed consolidated statement of changes in equity 上述簡明合併權益變動表應與隨附附註一併閱讀。
should be read in conjunction with the accompanying notes.

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

第八章 中期財務資料 簡明合併中期現金流量表

For the six months ended 30 June 2022 截至2022年6月30日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
	Notes 附註		
OPERATING ACTIVITIES			
經營活動			
Cash generated from/(used in) operations	經營所得/(使用)的現金 32	23,808	(500,740)
Interest paid	已付利息	(110,710)	(118,584)
Income tax paid	已付所得稅	(55,737)	(43,898)
Net cash used in operating activities	經營活動使用的現金淨額	(142,639)	(663,222)
INVESTING ACTIVITIES			
投資活動			
Purchase of property, plant and equipment	購買不動產、工廠及設備	(121,314)	(33,228)
Purchase of intangible assets	購買無形資產	-	(4,253)
Advances to related parties	預付關聯方款項	(560,000)	(500,000)
Repayments from related parties	關聯方還款	650,000	650,000
Interest received	已收利息	12,166	44,094
Government grants received relating to purchase of property, plant and equipment	收到與購買不動產、工廠和設備有關之政府補助 22	-	10,360
Proceeds from disposal of investments in financial assets at amortised cost	出售以攤銷成本計量的金融資產的投資之所得款項	-	35,000
Cash expenditures for acquisition of subsidiaries	收購子公司的現金支出	(17,435)	(18,839)
Proceeds from disposal of property, plant and equipment	出售不動產、工廠和設備所得	163	51
Settlement of financial liabilities at FVPL	清算以公允價值計量且其變動計入損益的金融負債	(30,565)	-
Net cash (used in)/generated from investing activities	投資活動(使用)/產生的現金淨額	(66,985)	183,185

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION
INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Continued)
第八章 中期財務資料 簡明合併中期現金流量表(續)

For the six months ended 30 June 2022 截至2022年6月30日止六個月

		Unaudited	
		未經審核	
		Six months ended 30 June	
		截至6月30日止六個月	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	<i>Notes</i>		
	附註		
FINANCING ACTIVITIES	融資活動		
Proceeds from borrowings	借款所得款	2,061,076	1,994,472
Increase of restricted fund	受限制資金的增加	(12,963)	(20,621)
Repayments of borrowings	償還借款	(2,861,751)	(1,040,605)
Repayments of lease liabilities	償還租賃負債	-	(988)
Dividends declared and paid to non-controlling shareholders	向非控制性權益股東宣派及支付股息	(1,693)	-
Net cash (used in)/generated from financing activities	融資活動(使用)/產生的現金淨額	(815,331)	932,258
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物淨(減少)/增加	(1,024,955)	452,221
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	1,504,346	749,940
Effect of exchange rate changes	匯率變動影響	346	(499)
Cash and cash equivalents at end of the period	期末現金及現金等價物	479,737	1,201,662

The above condensed consolidated cash flow statement should be read in conjunction with the accompanying notes. 上述簡明合併現金流量表應與隨附附註一併閱讀。

CHAPTER EIGHT INTERIM FINANCIAL INFORMATION

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

第八章 中期財務資料 簡明合併中期財務資料附註

For the six months ended 30 June 2022 截至2022年6月30日止六個月

1. GENERAL INFORMATION

Kunming Dianchi Water Treatment Co., Ltd. (the “**Company**”) was incorporated in Yunnan Province of the PRC on 23 December 2010 as a joint stock Company with limited liabilities under the Company Law of the People’s Republic of China (the “**PRC**”). The registered office of the Company is located at Kunming Dianchi No. 7 Water Treatment Plant. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 6 April 2017.

The Group is principally engaged in the development, design, construction, operation and maintenance of water supply and wastewater treatment facilities in the PRC.

This condensed consolidated interim financial information is presented in RMB, unless otherwise stated.

This condensed consolidated interim financial information on pages 61 to 132 were approved for issue by the Board on 26 August 2022.

This condensed consolidated interim financial information has not been audited.

Significant changes in the current Reporting Period

For a detailed discussion about the Group’s performance and financial position, please refer to Chapter Six “Management discussion and analysis” as set out on pages 17 to 52 of this report.

2. BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”), which collective term includes all applicable individual IFRSs, International Accounting Standards (“**IASs**”) and Interpretations issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). There is no significant difference between the data recognised through the IASs and the data recognised in accordance with the Chinese Accounting Standards.

1. 一般資料

昆明滇池水務股份有限公司(以下簡稱「**本公司**」)是按照《中華人民共和國(「**中國**」)公司法》於2010年12月23日在中國雲南省註冊成立的股份有限責任公司。本公司的註冊辦事處位於昆明市滇池第七污水處理廠內。本公司的股票於2017年4月6日在香港聯合交易所有限公司(「**聯交所**」)主板上市。

本集團在中國主要從事水供給和污水處理設施的開發、設計、施工、運營和維護。

本簡明合併中期財務資料以人民幣列報(除非另有說明)。

本簡明合併中期財務資料第61頁至第132頁由董事會於2022年8月26日批准發行。

本簡明合併中期財務資料尚未經過審核。

本報告期內重大變更

有關本集團業績及財務狀況的詳細討論，請參閱本報告第17至52頁所載第六章「管理層討論與分析」。

2. 編製基準

合規聲明

該等綜合財務報表已按照國際會計準則理事會(「**國際會計準則理事會**」)頒佈的國際財務報告準則(「**國際財務報告準則**」)，其包括所有適用的個別國際財務報告準則、國際會計準則(「**國際會計準則**」)及詮釋，以及香港公司條例的披露規定而編製。本綜合財務報表亦遵守聯交所證券上市規則(「**上市規則**」)的適用披露規定。通過國際會計準則確認的數據與按照中國會計準則確認的數據不存在重大差異。

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2. BASIS OF PREPARATION (continued)

Statement of compliance (continued)

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company, and rounded to the nearest thousands unless otherwise indicated.

This condensed consolidated interim financial report for the six months ended 30 June 2022 has been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting.

These unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2021. They have been prepared on the historical cost basis, except for the investment properties and financial liabilities at fair value through profit or loss, which are measured at fair value. The accounting policies used in preparing these unaudited condensed consolidated financial statements are consistent with those used in the Group’s audited consolidated financial statements for the year ended 31 December 2021. As of the date of approval of the unaudited condensed consolidated financial statements, the International Accounting Standards Board has issued the following new/revised international financial reporting standards that are relevant to the Group and not yet effective for the current financial year and have not been early adopted by the Group:

Amendments to IFRS 3	Conceptual framework guidelines	國際財務報告準則第3號(修訂本)	概念框架指引
Amendments to IAS 1	Classification of liabilities as current or non-current	國際會計準則第1號(修訂本)	將負債分類為即期或非即期
Amendments to IAS 1 and IFRS Practice Statement No. 2	Disclosure of accounting policy	國際會計準則第1號及國際財務報告準則實務公告第2號(修訂本)	會計政策披露
Amendments to IFRS 10 and IAS 28	Asset sales or capital contributions between investors and their associated companies or joint ventures	國際財務報告準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或出資
Amendments to IAS 8	Definition of accounting estimates	國際會計準則第8號(修訂本)	會計估值之定義
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	國際會計準則第12號(修訂本)	與單一交易所產生之資產及負債有關的遞延稅項

2. 編製基準(續)

合規聲明(續)

綜合財務報表均以人民幣(「人民幣」)(與本公司之功能貨幣相同)列值,並四捨五入至最接近之千位數(除另有註明外)。

截至2022年6月30日止六個月報告期的簡明合併中期財務報告乃根據國際會計準則(「國際會計準則」)第34號中期財務報告編製。

該等未經審核簡明綜合財務報表並不包括按年度財務報表規定提供所有資料及披露事項,並應與本集團截至2021年12月31日止年度之財務報表一併閱讀。編製此等財務報表的基準為歷史成本,惟於損益賬按公允價值處理的投資物業及金融負債則按公允價值計量。編製該等未經審核簡明綜合財務報表所用之會計政策乃與本集團截至2021年12月31日止年度之經審核綜合財務報表所採用者一致,於批准未經審核簡明綜合財務報表日期,國際會計準則理事會已頒佈下列於本財政年度尚未生效及有關本集團且本集團並無提前採納之新訂/經修訂的國際財務報告準則:

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2. BASIS OF PREPARATION (continued)

Statement of compliance (continued)

The management of the Group anticipates that the adoption of the new/revised IFRSs in the future periods will not have any significant impact on the Group's consolidated financial statements.

3. CHANGES IN ACCOUNTING POLICIES

There were no changes in accounting policies during the period.

4. ESTIMATES

The preparation of this condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 December 2021 of the Group.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2021 of the Group.

There have been no changes in the risk management policies since last year end.

2. 編製基準(續)

合規聲明(續)

本集團管理層預計於未來期間採納新訂／經修訂國際財務報告準則將不會對本集團的綜合財務報表造成任何重大影響。

3. 會計政策變動

本期無會計政策變動。

4. 估計

編製本簡明合併中期財務資料要求管理層對影響會計政策的應用和所報告資產和負債以及收支的數額作出判斷、估計和假設。實際結果或會與此等估計不同。

在編製此等簡明合併中期財務資料時，管理層應用本集團會計政策時作出的重大判斷及估計不確定性的關鍵來源與本集團截至2021年12月31日止年度財務報表所應用者相同。

5. 財務風險管理及金融工具

5.1 財務風險因素

本集團的活動面臨多種的財務風險：市場風險(包括外匯風險、現金流量及利率風險)、信用風險及流動資金風險。

簡明合併中期財務資料並未包括年度財務報表規定的所有財務風險管理資訊和披露，此中期財務資料應與本集團截至2021年12月31日止年度的年度財務報表一併閱讀。

自去年年底以來風險管理政策並無任何變動。

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.2 Foreign exchange risk

The Group is exposed to foreign exchange risk primarily arising from currency exposure with respect to Hong Kong dollars (“HKD”) and United States dollars (“USD”). Foreign exchange risk arises from cash and cash equivalents and borrowings denominated in HKD and USD. The Group has entered into currency swap agreements with major borrowing banks to manage the currency risk in related to the borrowings.

As at 30 June 2022, if RMB had weakened/strengthened by 1% (2021: 1%) against HKD and USD denominated cash and cash equivalent with all other variables held constant, net profit for the six months ended 30 June 2022 would have been approximately RMB931,000 (31 December 2021: approximately RMB1,021,000) higher/lower. If RMB had weakened/strengthened by 1% (2021: 1%) against HKD and USD denominated borrowings with all other variables held constant, financial costs for the year would have been approximately RMB9,699,000 (31 December 2021: approximately RMB21,071,000) lower/higher.

5.3 Credit risk

The carrying amounts of cash and cash equivalents, restricted deposits, trade and other receivables, receivables under service concession arrangements, amounts due from customers for construction contracts, contract assets and financial assets at amortised cost included in the consolidated statement of financial position represent the Group’s maximum exposure to credit risk in relation to its financial assets. The objective of the Group’s measures to manage credit risk is to control potential exposure to recoverability problem.

All the cash and cash equivalents were deposited in the major financial institutions in Hong Kong and the PRC, which the Directors of the Company believe are of high credit quality.

5. 財務風險管理及金融工具(續)

5.2 外匯風險

本集團由於業務中使用多種貨幣導致面臨外匯風險，涉及的貨幣主要為港元(「港元」)及美元(「美元」)。外匯風險產生以港元及美元計的現金及現金等價物及借貸。本集團與主要借款銀行訂立貨幣掉期協議，以管理與借款有關的貨幣風險。

於2022年6月30日，在其他參數均不變的情況下，若人民幣兌港元及美元計價的現金及現金等價物貶值／增值達1%(2021年：1%)，截至2022年6月30日的六個月內本集團的淨利潤會增加／減少約人民幣931,000元(2021年12月31日：約人民幣1,021,000元)。若人民幣兌港元及美元計價的借款貶值／增值達1%(2021年：1%)，年度財務成本會減少／增加約人民幣9,699,000元(2021年12月31日：約人民幣21,071,000元)。

5.3 信用風險

合併財務狀況表中包含的現金及現金等價物、受限制現金存款、應收賬款及其他應收款、特許經營權協議下的應收款項及應收客戶建造合同款、合約資產及以攤銷成本計量的金融資產的賬面價值表明了本集團所承受的金融資產相關的最大信用風險。本集團的信用風險管理措施的目標是控制潛在可收回風險。

所有的現金及現金等價物都存放於香港及中國的主要金融機構，本公司董事認為其信用質量高。

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Credit risk (continued)

For receivables, the Group assessed the credit quality of the counterparties by taking into account their financial position, credit history and other factors. Management also regularly reviews the recoverability of these receivables and follow up the disputes or amounts overdue, if any. As at 30 June 2022, the ageing analysis of trade receivables is set out in Note 16.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each Reporting Period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

(i) Trade receivables

For trade receivables, the customers are primarily local governments and PRC state-owned entities. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 1 January 2022 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. There was no change in the estimation techniques or significant assumptions made during the period.

5. 財務風險管理及金融工具(續)

5.3 信用風險(續)

對於應收款項，本集團透過評估債務人的財務狀況、信貸記錄及其他因素評估其信貸質素。管理層亦會定期檢討該等應收款項的可收回性及跟進糾紛或逾期款項(如有)。於2022年6月30日，應收款項的賬齡分析載於附註16。

本集團在資產的初始確認時考慮違約的可能性，也評估在每個資產存續的報告期間信貸風險是否會持續顯著增加。在評估信貸風險是否顯著增加時本集團將報告日時資產發生違約的可能性與初始確認時發生違約的可能性進行比較，同時也考慮可獲得的合理及支持性前瞻資訊。

(i) 貿易應收款項

就貿易應收款項而言，客戶主要為地方政府及中國國有企業。本集團根據國際財務報告準則第9號的規定應用簡易方法為預期信貸虧損計提撥備，該準則允許就所有貿易應收款項採用整個存續期的預期虧損撥備。

預期虧損率基於2022年1月1日前12個月期間銷售的付款情況及本期間內出現的相應過往信貸虧損。過往虧損率作出調整以反映影響客戶結算應收款項能力的宏觀經濟因素的當前及前瞻性資料。本期間內，估計技術或作出的重大假設並無變動。

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Credit risk (continued)

(i) Trade receivables (continued)

On that basis, loss allowance provision for trade receivables amounted to approximately RMB60,659,000 was recognised as at 30 June 2022 (31 December 2021: approximately RMB56,898,000). The expected loss rate for trade receivables and the loss allowance provision as at 30 June 2022 and 31 December 2021 are illustrated as follows:

5. 財務風險管理及金融工具(續)

5.3 信用風險(續)

(i) 貿易應收款項(續)

按此基準，於2022年6月30日確認貿易應收款項虧損撥備約人民幣60,659,000元(2021年12月31日：約人民幣56,898,000元)。於2022年6月30日及2021年12月31日，應收款項的預期虧損率及虧損撥備如下：

		Up to 1 year 長達1年	1 to 2 years 1至2年	2 to 3 years 2至3年	Total 合計
Trade receivables	貿易應收款項				
As at 30 June 2022	於2022年6月30日				
Expected loss rate	預期虧損率	1.61%	9.6%	29.84%	
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)	2,065,026	131,030	49,766	2,245,822
Loss allowance provision (RMB'000)	虧損撥備(人民幣千元)	(33,225)	(12,583)	(14,851)	(60,659)
		2,031,801	118,447	34,915	2,185,163
Credit-impaired	信貸損失	No 否	No 否	No 否	

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued) 5. 財務風險管理及金融工具(續)

5.3 Credit risk (continued)

5.3 信用風險(續)

(i) Trade receivables (continued)

(i) 貿易應收款項(續)

		Up to 1 year 長達1年	1 to 2 years 1至2年	2 to 3 years 2至3年	Total 合計
Trade receivables	貿易應收款項				
As at 31 December 2021	於2021年12月31日				
Expected loss rate	預期虧損率	1.97%	2.94%	30.48%	
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)	1,238,288	467,025	61,554	1,766,867
Loss allowance provision (RMB'000)	虧損撥備(人民幣千元)	(24,405)	(13,732)	(18,761)	(56,898)
		1,213,883	453,293	42,793	1,709,969
Credit-impaired	信貸損失	No 否	No 否	No 否	

As at 30 June 2022, the Group recognised loss allowance of approximately RMB3,997,000 (year ended 31 December 2021: approximately RMB21,586,000) on the trade receivables. The movement in the loss allowance for trade receivables is summarised below.

於2022年6月30日，本集團就貿易應收款項確認虧損撥備約人民幣3,997,000元(截至2021年12月31日年度：約人民幣21,586,000元)。貿易應收款項虧損撥備的變動總結如下。

		30 June 2022 2022年 6月30日 RMB'000 人民幣千元	31 December 2021 2021年 12月31日 RMB'000 人民幣千元
At the beginning of the Reporting Period	報告期初	56,898	35,312
Increase in allowance, net	撥備增加,淨額	3,997	21,586
Transfer to assets classified as held for sale	轉入至分類為持作出售的資產	(236)	—
At the end of the Reporting Period	報告期末	60,659	56,898

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Credit risk (continued)

(ii) Receivables under service concession arrangements/ amounts due from customers for construction contracts/ other receivables/financial assets at amortised cost/ contract assets

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each Reporting Period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It also considers available reasonable and supportive forwarding-looking information.

The Group does not hold any collateral over receivables under service concession arrangements, amounts due from customers for construction contracts, other receivables, contract assets and financial assets at amortised cost as at 30 June 2022 (31 December 2021: Nil).

The Group uses four categories for these receivables, which reflect their credit risk and how the loss provision is determined for each of those categories.

5. 財務風險管理及金融工具(續)

5.3 信用風險(續)

(ii) 特許服務協議下的應收款項/應收客戶建造合同款/其他應收款項/或以攤銷成本計量的金融資產/合約資產

本集團在資產的初始確認時考慮違約的可能性，也評估在每個資產存續的報告期間信貸風險是否會持續顯著增加。在評估信貸風險是否顯著增加時本集團將報告日時資產發生違約的可能性與初始確認時發生違約的可能性進行比較，同時考慮可獲得的合理及支持性前瞻資訊。

於2022年6月30日，本集團並無就特許經營權協議下的應收款項、應收客戶建造合同款、其他應收款項、合約資產及以攤銷成本計量的金融資產持有任何抵押品(2021年12月31日：無)。

本集團將該等應收款項分為四類，反映各類別的信用風險及如何釐定虧損撥備。

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued) **5. 財務風險管理及金融工具(續)**

5.3 Credit risk (continued)

(ii) *Receivables under service concession arrangements/ amounts due from customers for construction contracts/ other receivables/financial assets at amortised cost/ contract assets (continued)*

5.3 信用風險(續)

(ii) 特許服務協議下的應收款項/應收客戶建造合同款/其他應收款項/或以攤銷成本計量的金融資產/合約資產(續)

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

本集團預期信貸損失模型基於的假設總結如下：

Category 類別	Group's definition of category 本集團對各類的定義	Basis for recognition of expected credit loss provision 確認預期信貸損失撥備的基準
Performing 正常	Customers have a low risk of default and a strong capacity to meet contractual cash flows 客戶違約風險低，且有能力產生合約現金流量	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime 12個月預期損失。倘資產的預期存續期少於12個月，預期損失按其預期存續期計量
Underperforming 關注	Receivables for which there is a significant increase in credit risk 信貸風險顯著增加的應收款項	Lifetime expected losses 整個存續期內預期損失
Non-performing 不良	Customers have difficulties in making full payment despite numerous reminders 儘管多次提醒，但客戶仍難以全額付款	Lifetime expected losses 整個存續期內預期損失
Write-off 撇銷	There is no reasonable expectation of recovery 合理預期不能收回	Asset is written off 撇銷資產

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Credit risk (continued)

(ii) *Receivables under service concession arrangements/ amounts due from customers for construction contracts/ other receivables/financial assets at amortised cost/ contract assets (continued)*

On the basis as stated, a total loss allowance provision for receivables under service concession arrangements, amounts due from customers for construction contracts, other receivables (except for the tax rebate which are not financial assets), financial assets at amortised cost and contract assets amounted to approximately RMB69,818,000 (31 December 2021: approximately RMB63,818,000) was recognised at 30 June 2022 as follows:

5. 財務風險管理及金融工具(續)

5.3 信用風險(續)

(ii) 特許服務協議下的應收款項/應收客戶建造合同款/其他應收款項/或以攤銷成本計量的金融資產/合約資產(續)

在所述的基礎上，特許經營權協議下的應收款項的總虧損撥備、應收客戶建造合同款、其他應收款項(除不屬於金融資產的退稅外)、以攤銷成本計量的金融資產及合約資產的金額為約人民幣69,818,000元(2021年12月31日：約人民幣63,818,000元)，並於2022年6月30日確認如下：

		Amounts					Total
		Receivables under service concession arrangements	due from customers for construction contracts	Other receivables	Financial assets at amortised cost	Contract assets	
		特許服務協議下的應收款項	應收客戶建造合同款	其他應收款項	以攤銷成本計量的金融資產	合約資產	合計
As at 30 June 2022	於2022年6月30日						
Expected loss rate	預期虧損率	1.13%	3.76%	1.15%	3.33%	0%	
Gross carrying amount (RMB'000)	總賬面金額(人民幣千元)	2,570,660	566,953	820,345	300,000	249,825	4,507,783
Loss allowance provision (RMB'000)	虧損撥備(人民幣千元)	(29,034)	(21,337)	(9,447)	(10,000)	-	(69,818)
		2,541,626	545,616	810,898	290,000	249,825	4,437,965
Credit-impaired	信貸損失	No	No	No	No	No	
		否	否	否	否	否	

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5. 財務風險管理及金融工具(續)

5.3 Credit risk (continued)

5.3 信用風險(續)

(ii) Receivables under service concession arrangements/ amounts due from customers for construction contracts/ other receivables/financial assets at amortised cost/ contract assets (continued)

(ii) 特許服務協議下的應收款項/應收客戶建造合同款/其他應收款項/或以攤銷成本計量的金融資產/合約資產(續)

		Receivables under service concession arrangements 特許服務協議下的應收款項	Amounts due from customers for construction contracts 應收客戶建造合同款	Other receivables 其他應收款項	Financial assets at amortised cost 以攤銷成本計量的金融資產	Contract assets 合約資產	Total 合計
As at 31 December 2021	於2021年12月31日						
Expected loss rate	預期虧損率	0.01%-1.1%	0.5%-4%	0.3%-1%	2%	0%	
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)	2,766,848	603,836	1,047,743	300,000	249,825	4,968,252
Loss allowance provision (RMB'000)	虧損撥備(人民幣千元)	(29,034)	(21,337)	(7,447)	(6,000)	-	(63,818)
		2,737,814	582,499	1,040,296	294,000	249,825	4,904,434
Credit-impaired	信貸損失	No 否	No 否	No 否	No 否	No 否	

As at 30 June 2022, the Group recognised loss allowance of approximately RMB6,000,000 (year ended 31 December 2021: approximately RMB38,007,000) on the receivables under service concession arrangements, amounts due from customers for construction contracts, other receivables, financial assets at amortised cost and contract assets. The movement in the loss allowance for trade receivables is summarised below.

於2022年6月30日，本集團就特許經營權協議下的應收款項、應收客戶建造合同款、其他應收款項、以攤銷成本計量的金融資產及合約資產，確認虧損撥備約人民幣6,000,000元(截至2021年12月31日年度：約人民幣38,007,000元)。貿易應收款項虧損撥備的變動總結如下。

		30 June 2022 2022年6月30日 RMB'000 人民幣千元	31 December 2021 2021年12月31日 RMB'000 人民幣千元
At the beginning of the Reporting Period	報告期初	63,818	25,811
Increase in allowance	撥備增加	6,000	38,007
At the end of the Reporting Period	報告期末	69,818	63,818

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5. 財務風險管理及金融工具(續)

5.4 Liquidity risk

5.4 流動資金風險

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

下表對本集團根據於資產負債表日至合約到期日的剩餘期限相關的到期組合淨額基準結算的金融負債進行分析。在表內披露的金額為未經貼現的合同現金流量。

		Less than 1 year 1年以內 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 5年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 30 June 2022	於2022年6月30日					
(Unaudited)	(未經審核)					
Borrowings	借款	2,958,995	1,611,852	1,281,655	127,537	5,980,039
Financial liabilities included in trade and other payables	包含在應付賬款及其他應付款中的金融負債	667,621	-	-	-	667,621
		3,626,616	1,611,852	1,281,655	127,537	6,647,660

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued) 5. 財務風險管理及金融工具(續)

5.4 Liquidity risk (continued)

5.4 流動資金風險(續)

		Less than 1 year 1年以內 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 5年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 31 December 2021 (Audited)	於2021年12月31日 (經審核)					
Borrowings	借款	4,448,889	1,105,646	956,400	366,354	6,877,289
Financial liabilities included in trade and other payables	包含在應付賬款及其他 應付款中的金融負債	610,789	-	-	-	610,789
		5,059,678	1,105,646	956,400	366,354	7,488,078

5.5 Fair value estimation

5.5 公允價值估計

(a) The table below presents financial instruments carried at fair value, by different measurement methods. The measurement levels are defined as follows:

(a) 下表呈列不同計量方法的公允價值計量的金融工具。各計量等級定義如下：

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
 - Inputs other than quoted prices that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).
- 相同資產或負債在活躍市場的報價(未經調整)(第1層)；
 - 除報價外，該資產或負債的可觀察的其他輸入值，可為直接(即例如價格)或間接(即源自價格)(第2層)；及
 - 資產或負債並非依據可觀察市場數據之輸入值(即不可觀察輸入值)(第3層)。

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5. 財務風險管理及金融工具(續)

5.5 Fair value estimation (continued)

5.5 公允價值估計(續)

(a) The table below presents financial instruments carried at fair value, by different measurement methods. The measurement levels are defined as follows: (continued)

(a) 下表呈列不同計量方法的公允價值計量的金融工具。各計量等級定義如下:(續)

• The following table shows the Group's assets and liabilities that are regularly measured at fair value as at 30 June 2022:

• 下表列示本集團於2022年6月30日按公允價值定期計量的資產及負債:

At 30 June 2022 (Unaudited)	於2022年6月30日 (未經審核)	Level 1 第1層 RMB'000 人民幣千元	Level 2 第2層 RMB'000 人民幣千元	Level 3 第3層 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Financial liabilities	金融負債				
Investment properties	投資物業	-	-	276,377	276,377

• The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2021 on a recurring basis:

• 下表列示本集團於2021年12月31日按公允價值定期計量的資產及負債:

At 31 December 2021 (Audited)	於2021年12月31日 (經審核)	Level 1 第1層 RMB'000 人民幣千元	Level 2 第2層 RMB'000 人民幣千元	Level 3 第3層 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Financial assets/(liabilities)	金融資產/(負債)				
Cross currency swap classified as financial liabilities at FVPL	交叉貨幣掉期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	-	(110,450)	-	(110,450)
Investment properties	投資物業	-	-	276,377	276,377

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.5 Fair value estimation (continued)

(b) Fair value of financial assets and liabilities measured at amortised cost

The fair values of the following financial assets and liabilities approximate to their carrying amounts:

- Trade and other receivables (except for prepayments);
- Receivables under service concession arrangements;
- Amounts due from customers for construction contracts;
- Financial assets at amortised cost;
- Contract assets;
- Cash and bank balances;
- Restricted funds;
- Term deposits with initial term of over three months;
- Trade and other payables (except for advance from customers); and
- Borrowings.

The fair value of non-current receivables under service concession arrangements, non-current amounts due from customers for construction contracts, non-current contract assets and non-current borrowings is estimated by discounting the future cash flows at the current market rate available to the Group for similar financial instruments.

5. 財務風險管理及金融工具(續)

5.5 公允價值估計(續)

(b) 按攤銷成本計量的金融資產和負債的公允價值

以下金融資產和負債的公允價值近似於其賬面價值：

- 應收賬款及其他應收款(預付款除外)；
- 特許經營權協議下的應收款項；
- 應收客戶建築合同款項；
- 以攤銷成本計量的金融資產；
- 合約資產；
- 現金及銀行結餘；
- 受限制資金；
- 原期限為3個月以上的定期存款；
- 應付賬款及其他應付款(預收款項除外)；及
- 借款。

特許經營權安排下的非流動應收款項、應收客戶建造合同款的非流動金額、非流動合約資產及非流動借款的公允價值依據本集團可獲取的類似金融工具的現行市場利率對未來現金流量進行折現估計。

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6. SEGMENT AND REVENUE INFORMATION

The executive Directors have been identified as chief operating decision-maker of the Company. Management has determined the operating segments based on reports reviewed by the executive Directors of the Company for the purpose of allocating resources and assessing performance.

The executive Directors of the Company consider the business from product and service perspective. The Group's reportable segments are as follows:

- Wastewater treatment;
- Water supply; and
- Others, including management services, transportation services, construction services, thermal production and treasury functions.

The executive Directors assess the performance of the operating segments based on the measurement of revenue and operating profit.

Unallocated assets consist of deferred income tax assets and investments in associates. Unallocated liabilities consist of deferred income tax liabilities and tax payables.

Capital expenditure comprises mainly additions to right-of-use assets/land use rights, property, plant and equipment and intangible assets.

6. 分部及收入資料

執行董事已被確定為本公司的主要經營決策者。管理層已根據本公司執行董事審議的、用於分配資源和評估表現的報告釐定經營分部。

本公司執行董事從產品和服務的角度確定業務。本集團的報告分部如下：

- 污水處理；
- 水供給；及
- 其他，包括管理業務、運輸業務、建造服務、熱力生產及財務職能。

執行董事根據收入計量和營業利潤評估經營分部的表現。

未分配資產包括遞延所得稅資產和聯營投資。未分配負債包括遞延所得稅負債和應付稅項。

資本開支主要包括使用權資產／土地使用權、不動產、工廠及設備和無形資產的增加。

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6. SEGMENT AND REVENUE INFORMATION 6. 分部及收入資料(續)
 (continued)

(a) Revenue

The revenue of the Group for the six months ended 30 June 2022 and 2021 are set out as follows:

(a) 收入

截至2022年及2021年6月30日止六個月，本集團的營業收入如下：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Revenue from contracts with customers within IFRS 15	國際財務報告準則第15號 內來自客戶合約的收入		
Wastewater treatment	污水處理	587,185	589,555
Operating services – under TOO model	營運服務–TOO 模式下	436,552	430,775
Operating services – under TOT/BOT model	營運服務–TOT/BOT 模式下	118,662	68,860
Construction services – under BT model	建造服務–BT 模式下	2,906	686
Construction services – under BOT model	建造服務–BOT 模式下	–	56,445
Finance income	財務收入	29,065	32,789
Reclaimed water supply and running water supply	再生水供應及自來水供應	58,965	103,699
Operating services – under TOO model	營運服務–TOO 模式下	15,177	20,161
Operating services – under TOT/BOT model	營運服務–TOT/BOT 模式下	15,606	4,832
Construction services – under BT model	建造服務–BT 模式下	–	–
Construction services – under BOT model	建造服務–BOT 模式下	18,747	58,513
Finance income	財務收入	9,435	20,193
Others	其他	262,941	199,162
Management services	管理服務	173,855	96,750
Transportation services	運輸服務	3,739	4,245
Construction services – under BT model	建造服務–BT 模式下	–	18,379
Construction services – under BOT model	建造服務–BOT 模式下	–	3,516
Thermoelectricity services	熱電服務	84,475	57,708
Others	其他	872	18,564
		909,091	892,416

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6. SEGMENT AND REVENUE INFORMATION
(continued)

(b) Segment information

The segment information provided to senior executive management for the reportable segments for the six months ended 30 June 2022 is as follows:

6. 分部及收入資料(續)

(b) 分部資料

截至2022年6月30日止六個月，本集團向高級執行管理層提供的分部數據如下：

For the six months ended 30 June 2022 (Unaudited)
 截至2022年6月30日止六個月(未經審核)

Business segment	業務分部	Wastewater			Total
		treatment	Water supply	Others	
		污水處理	水供給	其他	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue from external customers	外部客戶收入	587,185	58,965	262,941	909,091
Segment gross profit	分部毛利	262,815	29,556	100,567	392,938
Segment profit	分部利潤	228,821	22,978	96,150	347,949
Finance income	財務收入				22,409
Finance costs	財務成本				(163,127)
Share of results of associates	分佔聯營公司業績				(363)
Profit before tax	稅前利潤				206,868
Other information	其他資料				
Depreciation of property, plant and equipment	不動產、工廠及設備的折舊	61,909	2,800	35,717	100,426
Depreciation expense of right-of-use assets	使用權資產折舊支出	3,270	328	1,605	5,203
Amortisation of intangible assets	無形資產攤銷	9,624	583	1,123	11,330
Impairment loss on trade receivables	應收賬款減值損失	4,000	—	(3)	3,997
Impairment loss on financial assets at amortised cost	以攤銷成本計量的金融資產減值損失	—	—	4,000	4,000
Capital expenditure	資本開支	148,190	1,413	25,930	175,533

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6. SEGMENT AND REVENUE INFORMATION 6. 分部及收入資料(續)
 (continued)

(b) Segment information (continued)

(b) 分部資料(續)

		As at 30 June 2022 (Unaudited) 於2022年6月30日(未經審核)			
Business segment	業務分部	Wastewater treatment 污水處理 RMB'000 人民幣千元	Water supply 水供給 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment assets	分部資產	7,006,029	703,543	3,437,744	11,147,316
Unallocated:	未分配的：				
Deferred income tax assets	遞延所得稅資產				83,063
Investments in associates	聯營投資				12,430
Total assets	資產總額				11,242,809
Segment liabilities	分部負債	4,133,692	415,104	2,028,335	6,577,131
Unallocated:	未分配的：				
Deferred income tax liabilities	遞延所得稅負債				68,950
Tax payables	應付稅項				79,205
Total liabilities	負債總額				6,725,286

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6. SEGMENT AND REVENUE INFORMATION (continued) **6. 分部及收入資料(續)**

(b) Segment information (continued)

The segment information provided to senior executive management for the reportable segments for the six months ended 30 June 2021 is as follows:

(b) 分部資料(續)

截至2021年6月30日止六個月，本集團向高級執行管理層提供的分部數據如下：

		For the six months ended 30 June 2021 (Unaudited) 截至2021年6月30日止六個月(未經審核)			
Business segment	業務分部	Wastewater treatment	Water supply	Others	Total
		污水處理	水供給	其他	合計
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue from external customers	外部客戶收入	589,555	103,699	199,162	892,416
Segment gross profit	分部毛利	268,068	32,641	33,540	334,249
Segment profit	分部利潤	225,557	22,288	28,779	276,624
Fair value loss on financial liabilities at FVPL	以公允價值計入損益的金融負債的公允價值損失				(21,864)
Finance income	財務收入				44,094
Finance costs	財務成本				(95,733)
Share of results of associates	分佔聯營公司業績				(179)
Profit before tax	稅前利潤				202,942
Other information	其他資料				
Depreciation of property, plant and equipment	不動產、工廠及設備的折舊	88,415	16,528	9,462	114,405
Depreciation expense of right-of-use assets	使用權資產折舊支出	3,196	529	3,027	6,752
Amortisation of intangible assets	無形資產攤銷	8,458	578	—	9,036
Capital expenditure	資本開支	22,691	4,211	12,885	39,787

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6. SEGMENT AND REVENUE INFORMATION 6. 分部及收入資料(續)
 (continued)

(b) Segment information (continued)

(b) 分部資料(續)

		As at 31 December 2021 (Audited) 於2021年12月31日(經審核)			
Business segment	業務分部	Wastewater treatment 污水處理 RMB'000 人民幣千元	Water supply 水供給 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment assets	分部資產	8,641,125	1,211,764	2,117,766	11,970,655
Unallocated:	未分配的：				
Deferred income tax assets	遞延所得稅資產				84,490
Investments in associates	聯營投資				12,793
Total assets	資產總額				12,067,938
Segment liabilities	分部負債	5,910,426	546,681	991,034	7,448,141
Unallocated:	未分配的：				
Deferred income tax liabilities	遞延所得稅負債				86,492
Tax payables	應付稅項				97,494
Total liabilities	負債總額				7,632,127

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6. SEGMENT AND REVENUE INFORMATION
(continued)

(c) Geographical information

The Group has derived almost all of its business in the PRC, hence, geographical segment information is not considered necessary.

(d) Information about major customers

The major customer groups from whom the individual customer's revenue amounted to 10% or more of the Group's total revenue were as below:

6. 分部及收入資料(續)

(c) 地理資料

本集團的幾乎所有業務均在中國開展。因此，無需披露地理分部資料。

(d) 主要客戶資料

本集團的主要客戶群(其中來自於單個客戶的收入佔本集團收入總額的10%或以上)如下：

		Unaudited	
		未經審核	
		Six months ended 30 June	
		截至6月30日止六個月	
		2022	2021
		2022年	2021年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Customer A	客戶A	440,592	263,549
Customer B	客戶B	N/A 不適用*	132,285
Customer C	客戶C	162,485	N/A 不適用*

* The corresponding revenue did not contribute 10% or more of the Group's revenue.

* 相應收益並無佔本集團收益10%或以上。

The customer portfolio of the Group is concentrated, which is consistent with the industry practice. If the customer A, customer B or customer C substantially defaults in payment or terminates the business relationship with the Group, it could materially affect the Group's financial position and results of operations.

本集團客戶群體較為集中，與本行業的現實狀況一致。如果客戶A、客戶B或客戶C嚴重違反付款義務或與本集團終止商業合作關係，會對本集團的財務狀況和經營收益造成重大影響。

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7. INVESTMENT PROPERTIES

7. 投資物業

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
At fair value	按公允價值		
At the beginning of the Reporting Period	於報告期初	276,377	273,755
Change in fair value	公允價值變動	—	314
At the end of the Reporting Period	於報告期末	276,377	274,069

The Group's entire property interests were held under leases to earn rentals income or for capital appreciation which were measured using fair value model and were classified and accounted for as investment properties. The Group's investment properties were located in the PRC.

本集團全部物業權益乃根據租賃持有以賺取租金收入或資本增值，並使用公允價值模式計量以及分類及入賬為投資物業。本集團之投資物業乃位於中國。

For the six months ended 30 June 2022, a fair value gain of approximately RMB0 (30 June 2021: approximately RMB314,000) was recognised in the consolidated income statement.

截至2022年6月30日止六個月，於綜合收益表確認之公允價值收益約人民幣0元，(2021年6月30日：約人民幣314,000元)。

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7. INVESTMENT PROPERTIES (continued)

The value of the Group's investment properties is determined by the Directors of the Company with reference to the transaction price information of similar properties in the market.

None of the Group's investment properties measured at fair value are categorised as level 1 and level 2. The Group's investment properties are categorised as level 3.

The following table shows the significant unobservable inputs used in the valuation model.

7. 投資物業(續)

本集團之投資物業乃由本公司董事參照市場同類物業交易價格資料後釐定其價值。

本集團按公允價值計量之投資物業概無分類為第一級及第二級。本集團之投資物業分類為第三級。

下表呈列估值模型所用之重大不可觀察輸入數據。

Assets	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Range of unobservable inputs 不可觀察輸入數據的範圍	Relationship of unobservable inputs to fair value	Sensitivity of unobservable inputs
資產	公允價值層級	估值技術	重大不可觀察輸入數據		不可觀察輸入數據與公允價值的關係	不可觀察輸入數據的敏感性
Investment properties located in the PRC	Level 3	Income approach	Weighted average market rent, ranging from RMB34.58/sq.m. to RMB40.27/sq.m.	0.5%	+ The higher adjusted market rent, the higher fair value of the investment properties, and vice versa	Increase/decrease of 0.5% in market yield result in increase/decrease in fair value by RMB11,319,000/RMB11,319,000
位於中國的投資物業	第三級	收益法	加權平均市場租金，介乎每平方米人民幣34.58元至每平方米人民幣40.27元	0.5%	+ 經調整市場租金愈高，投資物業的公允價值愈高，反之亦然	市場收益率增加/減少0.5%導致公允價值增加/減少人民幣11,319,000元/人民幣11,319,000元

The fair value measurement is based on the above asset's highest and best use, which does not differ from their actual use.

No investment properties were pledged as at 30 June 2022.

公允價值計量乃基於上述資產之最高及最佳用途，與彼等之實際用途並無不同。

於2022年6月30日並無將投資物業抵押。

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8. RIGHT-OF-USE ASSETS/LAND USE RIGHTS

The Group's right-of-use assets represents (i) the prepaid lease payments for land located in the PRC, and (ii) leased properties.

8. 使用權資產／土地使用權

本集團的使用權資產為：(i) 位於中國的土地預付租賃付款；以及(ii) 租賃物業。

		Land use rights 土地使用權 RMB'000 人民幣千元	Leased properties 租賃物業 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Reconciliation of carrying amount	賬面值對賬			
– for the six months ended 30 June 2022	– 截至2022年6月30日止六個月			
At the beginning of the Reporting Period	於報告期初	424,945	–	424,945
Depreciation	折舊	(5,203)	–	(5,203)
At the end of the Reporting Period	於報告期末	419,742	–	419,742
Reconciliation of carrying amount	賬面值對賬			
– for the six months ended 30 June 2021	– 截至2021年6月30日止六個月			
At the beginning of the Reporting Period	於報告期初	435,399	1,626	437,025
Additions	增加	–	2,515	2,515
Depreciation	折舊	(4,913)	(1,839)	(6,752)
At the end of the Reporting Period	於報告期末	430,486	2,302	432,788

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9. PROPERTY, PLANT AND EQUIPMENT

9. 不動產、工廠及設備

		Buildings and facilities 樓宇及 設施 RMB'000 人民幣千元	Machinery and equipment 機器及 設備 RMB'000 人民幣千元	Office and electronic equipment 辦公室及 電子設備 RMB'000 人民幣千元	Motor vehicles 機動車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
(Unaudited)	(未經審核)						
Six months ended 30 June 2022	截至2022年6月30日止六個月						
At the beginning of the Reporting Period	報告期初	1,770,084	597,487	60,167	8,275	201,077	2,637,090
Additions (a)	增加(a)	248	2,249	6,703	6,455	159,878	175,533
Transfers to assets classified as held for sale	轉入至分類為持作出售的資產	(495)	(3)	(1,060)	(54)	(4,116)	(5,728)
Others	其他	-	-	-	-	(2,128)	(2,128)
Disposals	處置	-	(7)	(5)	(305)	-	(317)
Depreciation (Note 27)	折舊(附註27)	(49,406)	(45,562)	(3,564)	(1,894)	-	(100,426)
At the end of the Reporting Period	報告期末	1,720,431	554,164	62,241	12,477	354,711	2,704,024

		Buildings and facilities 樓宇及 設施 RMB'000 人民幣千元	Machinery and equipment 機器及 設備 RMB'000 人民幣千元	Office and electronic equipment 辦公室及 電子設備 RMB'000 人民幣千元	Motor vehicles 機動車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
(Unaudited)	(未經審核)						
Six months ended 30 June 2021	截至2021年6月30日止六個月						
At the beginning of the Reporting Period	報告期初	1,823,021	688,203	54,902	10,618	263,954	2,840,698
Additions	增加	239	5,643	1,252	224	27,269	34,627
Transfers to investment properties	轉至投資物業	53,774	21,374	-	-	(76,756)	(1,608)
Disposals	處置	(3)	(71)	-	-	-	(74)
Depreciation (Note 27)	折舊(附註27)	(53,959)	(54,033)	(5,391)	(1,022)	-	(114,405)
At the end of the Reporting Period	報告期末	1,823,072	661,116	50,763	9,820	214,467	2,759,238

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9. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) For the six months ended 30 June 2022, additions were approximately RMB175,533,000 and the depreciation was approximately RMB100,426,000.

(b) The net book values of property, plant and equipment pledged as collateral for the Group's borrowings (Note 21) as at the respective balance sheet dates were as follows:

9. 不動產、工廠及設備(續)

(a) 截至2022年6月30日止六個月內增加約人民幣175,533,000元，折舊約人民幣100,426,000元。

(b) 作為本集團借款(附註21)質押擔保物的不動產、工廠及設備在各個資產負債表日的賬面淨值如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Buildings and facilities	樓宇及設施	526,928	324,140
Machinery and equipment	機器及設備	492,002	431,044
		1,018,930	755,184

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10. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS **10. 特許經營權協議下的應收款項**

The following is the summarised information of receivables under service concession arrangements with respect to the Group's service concession arrangements.

就本集團的特許經營權協議而言，特許經營權協議下的應收款項的匯總資料如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Receivables under service concession arrangements	特許經營權協議下的應收款項		
Current portion:	流動部分：		
Receivables under service concession arrangements	特許經營權協議下的應收款項	5,899	5,495
Loss allowance	虧損撥備	(58)	(32)
		5,841	5,463
Non-current portion:	非流動部分：		
Receivables under service concession arrangements	特許經營權協議下的應收款項	2,564,761	2,761,353
Loss allowance	虧損撥備	(28,976)	(29,002)
		2,535,785	2,732,351
		2,541,626	2,737,814

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11. INTANGIBLE ASSETS

11. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元	Operating concession 特許經營權 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
(Unaudited)	(未經審核)			
Six months ended 30 June 2022	截至2022年6月30日止六個月			
Opening net book value	期初賬面淨值	8,272	305,222	313,494
Transfers to assets classified as held for sale	轉至分類為持作出售的資產	-	(1,275)	(1,275)
Amortisation (Note 27)	攤銷(附註27)	(1,695)	(9,635)	(11,330)
Closing net book value	期末賬面淨值	6,577	294,312	300,889

		Computer software 電腦軟件 RMB'000 人民幣千元	Operating concession 特許經營權 RMB'000 人民幣千元	Other intangible assets 其他無形資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
(Unaudited)	(未經審核)				
Six months ended 30 June 2021	截至2021年6月30日止六個月				
Opening net book value	期初賬面淨值	9,592	319,697	-	329,289
Additions	增加	-	-	2,645	2,645
Transfer	轉入	1,608	-	-	1,608
Amortisation (Note 27)	攤銷(附註27)	(7,337)	(1,699)	-	(9,036)
Closing net book value	期末賬面淨值	3,863	317,998	2,645	324,506

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12. INVESTMENTS IN ASSOCIATES

Investments accounted for using the equity method refer to the associates held by the Group, movements of which are set out as follows.

12. 聯營投資

按權益法計量的投資是指由本集團持有的聯營投資，其變動載列如下。

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Unlisted shares	非上市股份		
Share of net assets	淨資產份額	3,088	3,451
Goodwill	商譽	9,342	9,342
At the end of the Reporting Period		12,430	12,793

Fair value of investments

At the end of the Reporting Period, all of the Group's associates are private companies and there was no quoted market price available for the investments.

投資之公允價值

於報告期末，本集團所有聯營公司均為私營公司，故該等投資並無掛牌市價提供。

Financial information of associates

Summarised financial information of the associates of the Group is set out below, which represents amounts shown in the associates' financial statements prepared in accordance with IFRSs and adjusted by the Group for equity accounting purposes, including any differences in accounting policies and fair value adjustments.

聯營公司之財務資料

本集團聯營公司的概要財務資料載於下文，代表聯營公司按照香港財務報告準則編製的財務報表中所示金額，並經本集團為權益會計目的作出調整，包括會計政策及公允價值調整的任何差額。

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12. INVESTMENTS IN ASSOCIATES (continued)

12. 聯營投資(續)

Financial information of associates (continued)

聯營公司之財務資料(續)

Details of the associates at the end of the Reporting Period are as follows. 報告期末聯營公司的詳情如下。

Name of entities 實體名稱	Country/place and date of establishment 註冊成立的國家/ 地點及日期	Paid-up capital 實繳資本 RMB'000 人民幣千元	Proportion of ownership interest held by the Group 本集團持有的 所有者權益比例		Principal activities 主營業務
			Unaudited 未經審核 30 June 2022 2022年 6月30日	Audited 經審核 31 December 2021 2021年 12月31日	
Yunnan Dianchi Information Construction Management Co., Ltd.* (雲南滇池信息建設管理有限公司, "Dianchi Information") 雲南滇池信息建設管理有限公司 (「滇池信息」)	PRC, Kunming 14 May 2012 中國·昆明 2012年5月14日	2,500	40%	40%	Construction of communication pipeline 通信管道的建設
Yunnan Dianchi Jiajing Environmental Technology Co., Ltd.* (雲南滇池嘉淨環保科技有限公司, "Dianchi Jiajing") 雲南滇池嘉淨環保科技有限公司 (「滇池嘉淨」)	PRC, Kunming 13 April 2012 中國·昆明 2012年4月13日	11,600	40%	40%	Research and promotion of environment technology 環境技術的研發和推廣
Kunming Zaojing Quanxiang Biological Technology Co., Ltd.* (昆明藻井泉香生物科技有限公司, "Kunming Zaojing") 昆明藻井泉香生物科技有限公司 (「昆明藻井」)	PRC, Kunming 12 August 2010 中國·昆明 2010年8月12日	8,000	35%	35%	Research and development of biological products 生物製品的研發

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12. INVESTMENTS IN ASSOCIATES (continued)

12. 聯營投資(續)

Financial information of associates (continued)

聯營公司之財務資料(續)

The Group's investments in associates and certain of its key financial information attributable to the Group are as follows:

本集團的聯營投資以及歸屬於本集團的部分關鍵財務資料如下：

		Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元	Revenues 收入 RMB'000 人民幣千元	Losses 虧損 RMB'000 人民幣千元	Net assets 淨資產 RMB'000 人民幣千元
For the six months ended 30 June 2022	截至2022年6月30日 止六個月	4,811	1,723	192	(363)	3,088
For the year ended 31 December 2021	截至2021年12月31日 止年度	4,601	1,150	279	(1,728)	3,451

Note: The Group has not recognised the share of loss of one of the associates for the period as its interest in such associate has been reduced to RMB0 and its recognition is limited to RMB0. The unrecognised share of loss for the period and accumulated share of losses up to and as at 30 June 2022 are approximately RMB37,000 and RMB1,024,000 respectively.

附註：由於其中一間聯營公司權益已至人民幣0元，固本集團於期內並無確認其應佔虧損，因其確認只限於人民幣0元，而期內未確認應佔虧損及截至及於2022年6月30日的應佔累計虧損分別為約人民幣37,000元及人民幣1,024,000元。

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13. DEFERRED INCOME TAX ASSETS AND LIABILITIES 13. 遞延所得稅資產和負債

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Deferred income tax assets:	遞延所得稅資產:		
– to be recovered within 12 months	– 將於12個月內轉回	18,245	41,030
– to be recovered after more than 12 months	– 將於12個月後轉回	64,818	43,460
		83,063	84,490
Deferred income tax liabilities:	遞延所得稅負債:		
– to be recovered within 12 months	– 將於12個月內轉回	2,064	767
– to be recovered after more than 12 months	– 將於12個月後轉回	66,886	85,725
		68,950	86,492

Movements in deferred income tax assets and liabilities during the six months ended 30 June 2021 and 2022 (without taking into consideration the offsetting of balance within the same tax jurisdiction) are as follows:

於截至2021年及2022年6月30日止六個月期間遞延所得稅資產和負債(沒有考慮結餘可在同一徵稅區內抵銷)的變動如下:

		Unaudited 未經審核 Six months ended 30 June 截至6月30日止六個月 2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Deferred income tax assets	遞延所得稅資產		
At the beginning of the period	期初	84,490	73,606
Recognised in profit or loss (Note 29)	於損益中確認(附註29)	(1,386)	3,724
Transfer to assets classified as held for sale	轉入至分類持作出售的資產	(41)	–
At the end of the period	期末	83,063	77,330

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13. DEFERRED INCOME TAX ASSETS AND LIABILITIES (continued)

Deferred income tax assets as at 30 June 2022 and 2021 were mainly related to government grant, tax losses carried forward as well as depreciation and amortisation differences arising from the revaluation results on certain wastewater treatment facilities and right-of-use assets and other relevant non-current assets injected by Kunming Dianchi Investment Co., Ltd.* (昆明滇池投資有限責任公司) ("KDI") upon the incorporation of the Company.

13. 遞延所得稅資產和負債 (續)

於2022年及2021年6月30日，遞延所得稅資產主要由以前年度政府補助、稅務成本以及由昆明滇池投資有限責任公司(「昆明滇池投資」)投入污水處理設施及使用權資產等相關非流動資產根據資產評估結果更正的折舊和攤銷差異組成。

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Deferred income tax liabilities	遞延所得稅負債		
At the beginning of the period	期初	86,492	82,246
Recognised in profit or loss (Note 29)	於損益中確認(附註29)	(15,452)	4,115
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	(2,090)	-
At the end of the period	期末	68,950	86,361

Deferred income tax liabilities were mainly related to fair value adjustment arising from acquisition of subsidiaries in previous years, differences arising from service concession receivables and differences arising from fair value as at 30 June 2022 and 2021.

於2022年及2021年6月30日，遞延所得稅負債主要由以前年度收購附屬公司導致的公允價值調整、特許經營權應收賬款差異以及公允價值差異組成。

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14. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS 14. 按公允價值計入損益的金融負債

		Note	Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Derivatives not designated as hedging instruments – Cross currency swap (“CCS”)	未指定為對沖工具的衍生工具 — 交叉貨幣掉期 (「交叉貨幣掉期」)	(a)	—	(110,450)
			—	(110,450)

(a) The maturities of the derivatives are expiring on 28 March 2022. The objective of these derivatives entered into by the Group is to mitigate the currency exposures arising from the bank borrowings.

The fair value was estimated by using the discounted cash flow technique.

The derivatives were fully settled during the period.

(a) 衍生工具的到期日為2022年3月28日。本集團訂立該等衍生工具的目的是減輕銀行借貸所產生的貨幣風險。

公允價值乃採用現金流量折現法估值。

該衍生工具已於期內全數清算。

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15. FINANCIAL ASSETS AT AMORTISED COST

15. 以攤銷成本計量的金融資產

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Unlisted investments (Note)	非上市投資(附註)	300,000	300,000
Loss allowance	虧損撥備	(10,000)	(6,000)
		290,000	294,000

Note: On 29 September 2021, the Company (as the asset entrustor) entered into the Mutual Trust No. 5 Asset Management Agreement with Bosera Capital Management Co., Ltd. (as the asset manager) and China Merchants Bank (as the asset trustee) in relation to the investment and management of the entrusted assets. Pursuant to the Mutual Trust No. 5 Asset Management Agreement, the Company agreed to entrust an amount of RMB300,000,000 as the entrusted assets, which will be funded by the internal resources of the Company. The entrusted assets will be used to invest in the credits of accounts receivable held by Kunming Agricultural Development Investment Co., Ltd ("KADI").

According to the relevant provisions of the Mutual Trust No. 5 Asset Management Agreement and the supplemental agreement for extension of term of the asset management agreement, the asset management plan purchased by the Company has expired on 10 April 2022 (the "Maturity Date"). The asset manager allocated the assets under the asset management plan to the Company in their current status as at the Maturity Date in accordance with the terms of the Mutual Trust No. 5 Asset Management Agreement.

The carrying value of financial assets at amortised cost was RMB300,000,000 and stated at the amortised cost less impairment loss. As at 30 June 2022, provision of loss amounted to RMB10,000,000 was made.

Such investments carried an interest rate at 8% p.a., and the principal is repayable within one year. As the Directors only intend to collect payments of principal and interest, it is classified as financial assets at amortised cost.

附註：於2021年9月29日，本公司(作為資產委託人)與博時資本管理有限公司(作為資產管理人)及招商銀行(作為資產託管人)就委託資產之投資及管理訂立互信5號資產管理合同。根據互信5號資產管理合同，本公司同意委託人民幣300,000,000元為委託資產，其將以本公司的內部資源撥付。委託資產將用於受讓昆明農業發展投資有限公司(「昆明農業發展投資」)持有的應收賬款債權。

根據互信5號資產管理合同、資管合同延長存續期補充協議的相關約定，本公司所購買的資產管理計劃已於2022年4月10日(「到期日」)到期。資產管理人根據互信5號資產管理合同的約定，以截至到期日該資產管理計劃項下資產現狀向本公司進行分配。

按攤銷成本計量的金融資產的賬面值為人民幣300,000,000元，並按攤銷成本減值虧損列賬。於2022年6月30日，計提壞賬金額為人民幣10,000,000元。

該等投資的年利率為8%，本金須於1年內償還。由於董事擬僅收取本金及利息付款，故將其分類為按攤銷成本計量的金融資產。

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16. TRADE AND OTHER RECEIVABLES/CONTRACT ASSETS 16. 應收賬款及其他應收款/合約資產

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Trade receivables (Note (a)):	應收賬款(附註(a)):		
- Third parties	- 第三方	246,736	107,999
- Related parties (Note 34(d)(i))	- 關聯方(附註34(d)(i))	412,382	277,462
- Local government	- 地方政府	1,586,704	1,381,406
- Loss allowance	- 虧損撥備	(60,659)	(56,898)
Trade receivables – net	應收賬款–淨額	2,185,163	1,709,969
Other receivables:	其他應收款:		
- Third parties	- 第三方	164,280	149,949
- Related parties (Note 34(d)(i))	- 關聯方(附註34(d)(i))	598,006	865,438
- Local government	- 地方政府	58,059	53,891
- Loss allowance	- 虧損撥備	(9,447)	(7,447)
Other receivables – net	其他應收賬款–淨額	810,898	1,061,831
Prepayments:	預付款:		
- Others	- 其他	118,879	112,224
- Loss allowance	- 虧損撥備	-	(4)
Prepayments – net	預付款–淨額	118,879	112,220
Trade and other receivables – net	應收賬款及其他應收款–淨額	3,114,940	2,884,020

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16. TRADE AND OTHER RECEIVABLES/CONTRACT ASSETS (continued)

The fair values of trade and other receivables/contract assets of the Group, except for the prepayments which are not financial assets, approximated their carrying amounts.

The carrying amounts of trade and other receivables/contract assets are denominated in RMB.

16. 應收賬款及其他應收款/合約資產 (續)

除不屬於金融資產的預付款外，本集團應收賬款及其他應收款/合約資產的公允價值，均與其賬面淨額相近。

應收賬款及其他應收款/合約資產的賬面價值以人民幣為單位。

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Non-current portion:	非流動部分：		
Wastewater treatment construction business	污水治理建設業務	70,859	70,859
Water supply construction business	水供給治理建設業務	6,193	6,193
Other construction business	其他治理建設業務	172,773	172,773
		249,825	249,825

Notes:

- (a) Contract assets relating to concession agreements for new wastewater treatment, water supply and other construction services are not yet collectible from the customer until the construction of new wastewater treatment, water supply and other infrastructure or upgrade services are completed. As a result, a contract asset is recognised over the period in which the construction of new wastewater treatment, water supply and other infrastructure or upgrade services are performed to represent the entity's right to consideration for the services transferred to date. The carrying amount of approximately RMB249,825,000 will be reclassified as receivables under concession agreements or intangible assets after completion of construction of new wastewater treatment, water supply and other infrastructure or upgrade services. As the contract assets are not expected to be settled within one year from the end of the Reporting Period, the whole balance is classified as non-current assets.
- (b) No provision for impairment loss on contract assets has been recognised during the period (31 December 2021: Nil).

附註：

- (a) 於新污水處理、水供給處理、其他基建建設或升級服務完成之前，客戶就新污水處理、水供給處理、其他建設服務有關特許服務安排之合約資產尚未到期付款。因此，合約資產於進行新污水處理、水供給處理、其他基建建設或升級服務之期間內確認，以代表實體對收取迄今已轉移服務之代價之權利。賬面值約人民幣249,825,000元將於新污水處理、水供給處理、其他基建建設或升級服務完成後重新分類為特許經營權協議下的應收款項或無形資產。由於預期合約資產不會在報告期末後一年內結算，因此全部餘額歸類為非流動資產。
- (b) 於本期間，概無確認合約資產減值虧損撥備(2021年12月31日：無)。

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16. TRADE AND OTHER RECEIVABLES/CONTRACT ASSETS (continued)

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

16. 應收賬款及其他應收款/合約資產 (續)

(a) 於各資產負債表日基於發票日期的應收賬款賬齡分析如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
- Within one year	- 1年以內	2,065,026	1,238,288
- Over one year and within two years	- 1至2年	131,030	467,025
- Over two years	- 超過2年	49,766	61,554
		2,245,822	1,766,867

The Group does not hold any collateral as security over these debtors. 本集團未持有任何抵押品作為任何債務人的擔保。

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17. AMOUNTS DUE FROM CUSTOMERS FOR CONSTRUCTION CONTRACTS **17. 應收客戶建造合同款**

Costs incurred to date plus recognised profits less recognised losses: 已發生成本加確認的利潤減確認的虧損：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Costs incurred to date plus recognised profits less recognised losses	已發生成本加確認的利潤減確認的虧損		
Current portion:	流動部分：		
Amounts due from customers for construction contracts	應收客戶建造合同款	21,914	23,340
Loss allowance	虧損撥備	(521)	(555)
		21,393	22,785
Non-current portion:	非流動部分：		
Amounts due from customers for construction contracts	應收客戶建造合同款	545,039	580,496
Loss allowance	虧損撥備	(20,816)	(20,782)
		524,223	559,714
		545,616	582,499

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18. CASH AND CASH EQUIVALENTS

18. 現金及現金等價物

			Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	(a)	479,737	1,504,346
Restricted funds	受限制資金	(b)	62,613	49,650

(a) Cash and bank balances are denominated in:

(a) 現金及銀行結餘下貨幣計值：

			Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
RMB	人民幣		355,626	1,402,306
HKD	港元		21,705	43,405
USD	美元		102,406	58,635
			479,737	1,504,346

All deposits at bank are deposits with original maturity within 3 months. The Group earns interest on cash at bank at floating bank deposit rates at ranged from 0.01% to 2.25% during the six months ended 30 June 2022 (31 December 2021: 0.30% to 1.92%).

所有銀行存款為原定到期日在3個月以下。截至2022年6月30日止六個月內，本集團按介乎0.01%至2.25%（2021年12月31日：0.30%到1.92%）的浮動銀行存款利率獲取存款收益。

(b) As at 30 June 2022, restricted funds included guarantee deposits for construction projects and guarantee deposits for letters of credit (31 December 2021: including guarantee deposits for construction projects and guarantee deposits for letters of credit).

(b) 於2022年6月30日，受限制資金包括建設項目的保證金及信用證保證金（2021年12月31日：包括建設項目的保證金及信用證保證金）。

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19. SHARE CAPITAL

Ordinary shares, issued and fully paid:

19. 股本

普通股，已發行及繳足：

		Number of shares 股份數目 (thousands) (千計)	Share capital 股本 RMB'000 人民幣千元
At 1 January 2022 and 30 June 2022 (Unaudited)	2022年1月1日及 2022年6月30日結餘 (未經審核)	1,029,111	1,029,111
At 1 January 2021 and 30 June 2021 (Unaudited)	2021年1月1日及 2021年6月30日結餘 (未經審核)	1,029,111	1,029,111

20. OTHER RESERVES

20. 其他儲備

		Share premium 股本溢價 RMB'000 人民幣千元	Statutory reserve 法定儲備 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Property revaluation surplus 物業重估盈餘 RMB'000 人民幣千元	Translation reserve 折算儲備 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2022	2022年1月1日結餘	1,283,440	293,552	(47,793)	11,145	3,232	1,543,576
Currency translation differences	貨幣折算差額	-	-	-	-	2,830	2,830
At 30 June 2022 (unaudited)	2022年6月30日結餘 (未經審核)	1,283,440	293,552	(47,793)	11,145	6,062	1,546,406
At 1 January 2021	2021年1月1日結餘	1,283,440	272,137	(47,793)	11,145	4,451	1,523,380
Currency translation differences	貨幣折算差額	-	-	-	-	(499)	(499)
At 30 June 2021 (unaudited)	2021年6月30日結餘 (未經審核)	1,283,440	272,137	(47,793)	11,145	3,952	1,522,881

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21. BORROWINGS

21. 借款

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Non-current:	非流動：		
Unsecured long-term borrowings	未擔保的長期借款	1,380,500	1,492,600
Secured long-term borrowings (Note (b))	擔保的長期借款(附註(b))	1,500,487	700,423
		2,880,987	2,193,023
Current:	流動：		
Unsecured short-term borrowings	未擔保的短期借款	2,167,476	2,129,226
Secured short-term borrowings (Note (b))	擔保的短期借款(附註(b))	564,962	2,044,877
Corporate bonds (Note (c))	公司債券(附註(c))	39,709	38,811
		2,772,147	4,212,914
		5,653,134	6,405,937

- (a) All the borrowings were denominated in RMB, USD or HKD. (a) 借款以人民幣、美元或港元為單位。
- (b) As at 30 June 2022 and 31 December 2021, analysis of the secured borrowings are as follows: (b) 於2022年6月30日及2021年12月31日，有擔保的借款分析如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Secured by:	擔保物：		
Corporate guarantee issued by the Company	由公司發行的公司擔保	1,292,263	2,183,819
Property, plant and equipment	不動產、工廠及設備	773,186	561,481
Total	合計	2,065,449	2,745,300

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21. BORROWINGS (continued)

(c) As approved by the National Development and Reform Commission on 25 November 2015, the Company issued corporate bonds of RMB700,000,000 for a term of 7 years, bearing interest at 4.35% per annum on 25 December 2015. At the end of the fifth year, the Company can adjust the interest rate within the range of 0.00% to 3.00% for the remaining 2-year period, and the investors have an option to request early redemption at par value of the outstanding corporate bond if they do not accept the adjusted interest rate.

In 2020, the Company has repurchased corporate bonds with a nominal value of RMB660,000,000, and reduced the coupon rate of the bonds to 4.15%, which will remain unchanged in the sixth and seventh years of lifetime (from 25 December 2020 to 24 December 2022).

(d) The maturity of borrowings is as follows:

21. 借款(續)

(c) 經國家發改委2015年11月25日批准，本公司於2015年12月25日發行公司債券人民幣700,000,000元，期限7年，年利率為4.35%。於第5年末，本公司可調整餘下兩年的利率（區間為0.00%至3.00%範圍內），倘投資者不同意對利率的調整，可選擇要求按面值提前贖回未償還的公司債券。

於2020年，本公司已回購面值為人民幣660,000,000元的公司債券，同時下調債券票面利率為4.15%，並在存續期的第6年至第7年（2020年12月25日至2022年12月24日）固定不變。

(d) 借款到期日如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
On demand or within 1 year	即期或1年以內	2,772,147	4,212,914
Between 1 and 2 years	1至2年	1,586,080	1,020,349
Between 2 and 5 years	2至5年	1,204,499	883,544
Over 5 years	5年以上	90,408	289,130
		5,653,134	6,405,937

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21. BORROWINGS (continued)

(e) The weighted average effective interest rates at each balance sheet date are as follows:

21. 借款(續)

(e) 於各資產負債表日，借款的加權平均實際利率如下：

	Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Weighted average effective interest rates of borrowings 借款的加權平均實際利率	4.50%	5.34%

Interest rates of borrowings denominated in RMB are reset periodically according to the benchmark rates announced by the People's Bank of China.

人民幣借款的利率按中國人民銀行公佈的基準利率定期調整。

Interest rates of borrowings denominated in HKD and USD are reset periodically according to the benchmark rates of HIBOR and LIBOR respectively.

港元及美元借款的利率分別按香港同業拆息及倫敦同業拆息的基準利率定期調整。

The Group's borrowings bear interest at floating rates, except for bank loans in an aggregate principal amount of approximately RMB3,915,186,000 (31 December 2021: approximately RMB2,896,815,000) bearing interest at fixed rates ranging from 2.50% to 5.40% (31 December 2021: ranging from 1.21% to 5.40%) per annum.

除了本金總額約為人民幣3,915,186,000元（2021年12月31日：約人民幣2,896,815,000元）的銀行貸款按固定利率計息，介乎每年年利率2.50%至5.40%（2021年12月31日：介乎每年1.21%至5.40%），本集團的其他借款以浮動利率計息。

(f) The fair values of current borrowings equal their carrying amount as the discounting impact is not significant. The fair values of non-current borrowings are estimated based on discounted cash flow using the prevailing market interest rates available to the Group for financial instruments with substantially the same terms and characteristics at the respective balance sheet dates. The fair values of non-current borrowings approximated to their carrying amount.

(f) 由於折現的影響不重大，因此流動借款的公允價值與其賬面價值相等。非流動借款的公允價值按照折現的現金流量，並使用於各資產負債表日與借款的條款和特點大體相同的金融工具在現行市場的利率進行估計。非流動借款的公允價值與其賬面價值相近。

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22. DEFERRED REVENUE

22. 遞延收益

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Government grants related to:	相關政府補助：		
– property, plant and equipment	– 不動產、工廠及設備	236,834	245,267
		236,834	245,267

The movement of government grants during the six months ended 30 June 2022 and 2021 is set out as follows:

截至2022年及2021年6月30日止六個月期間政府補助之變動載列如下：

		Unaudited 未經審核 Six months ended 30 June 截至6月30日止六個月	
		30 June 2022 2022年 6月30日 RMB'000 人民幣千元	30 June 2021 2021年 6月30日 RMB'000 人民幣千元
At the beginning of the Reporting Period	報告期初	245,267	248,429
Additions	增加	–	10,360
Refunds	退回	(1,985)	–
Credit to statement of profit or loss and other comprehensive income (Note 25)	計入損益及其他全面收益表(附註25)	(6,448)	(6,653)
At the end of the Reporting Period	報告期末	236,834	252,136

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23. TRADE AND OTHER PAYABLE/CONTRACT LIABILITIES 23. 應付賬款及其他應付款/合同負債

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Trade payables to third parties	應付第三方賬款	193,801	317,188
Other payables due to:	其他應付款，應付：	130,634	183,428
– related parties (Note 34(d)(ii))	– 關聯方(附註34(d)(ii))	8,144	11,513
– local government	– 地方政府	2,739	500
– third parties	– 第三方	119,751	171,415
Consideration payable for acquisition of subsidiaries	購買附屬公司未支付的對價	16,723	34,150
Staff salaries and welfare payables	應付職工工資和福利	26,191	42,898
Payables on acquisition of property, plant and equipment due to:	購置不動產、工廠及設備的應付款，應付：	72,048	17,829
– related parties (Note 34(d)(ii))	– 關聯方(附註34(d)(ii))	16,040	16,040
– third parties	– 第三方	56,008	1,789
Payables on acquisition of land use rights from related parties (Note 34(d)(ii))	向關聯方購買土地使用權的應付款項(附註34(d)(ii))	58,194	58,194
Dividend payables (Note 31)	應付股息(附註31)	102,911	–
Interest payables	應付利息	31,600	7,537
Accrued taxes other than income tax	除所得稅外的應計稅款	41,632	17,758
Total trade and other payables	應付賬款及其他應付款總額	673,734	678,982

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Contract liabilities	合同負債		
– local government	– 地方政府	1,209	–
– third parties	– 第三方	8,588	7,505
		9,797	7,505

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23. TRADE AND OTHER PAYABLE/CONTRACT LIABILITIES (continued)

- (a) All trade and other payables of the Group were non-interest bearing, and their fair values, except for the advances from customers which are not financial liabilities, approximated their carrying amounts due to their short maturities.
- (b) The Group's trade and other payables are denominated in RMB.
- (c) Ageing analysis of trade payables to third parties at the respective balance sheet dates is as follows:

23. 應付賬款及其他應付款/合同負債 (續)

- (a) 本集團所有應付賬款及其他應付款均免息。並且，除不屬金融負債的預收款項外，應付賬款及其他應付款系因短期內到期，其公允價值與其賬面價值相近。
- (b) 於有關期間內，本集團的應付賬款及其他應付款以人民幣為單位。
- (c) 於各資產負債表日應付第三方賬款之賬齡分析如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
– Within one year	– 1年內	80,951	198,579
– Over one year and within two years	– 1年以上2年以內	24,858	37,523
– Beyond two years	– 超過2年	87,992	81,086
		193,801	317,188

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24. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 29 June 2022, the Company, the People's Government of Suncun Town and Fanchang Dianchi Water entered into an equity transfer agreement, pursuant to which the Company conditionally agreed to sell and the People's Government of Suncun Town conditionally agreed to acquire 100% equity interest in Fanchang Dianchi Water, which is principally engaged in wastewater treatment, for a consideration not exceeding RMB163 million. Completion of this transaction would be subject to certain conditions stated in the equity transfer agreement. Assets and liabilities of Fanchang Dianchi Water were reclassified as held for sale as at 30 June 2022.

The following assets and liabilities of Fanchang Dianchi Water were reclassified as held for sale as at 30 June 2022:

24. 分類作持作出售資產及與分類為持作出售資產直接相關的負債

於2022年6月29日，本公司、孫村鎮人民政府及繁昌滇池水務訂立股權轉讓協議，據此，本公司有條件同意出售及孫村鎮人民政府有條件同意購買繁昌滇池水務100%股權，代價將不超過人民幣1.63億元。繁昌滇池水務主營業務為污水處理。本交易的完成會取決於股權轉讓協議之若干條件。繁昌滇池水務於2022年6月30日之資產及負債重分類至持作出售項目。

以下為繁昌滇池水務於2022年6月30日之資產及負債重分類至持作出售項目：

		Total 合計 RMB'000 人民幣千元
Assets classified as held for sale	分類為持作出售的資產	
Receivables under service concession arrangements	特許經營權協議下的應收款項	122,925
Property, plant and equipment	不動產、工廠及設備	5,728
Intangible assets	無形資產	1,275
Deferred income tax assets	遞延所得稅資產	41
Trade and other receivables	應收賬款及其他應收款	13,662
		143,631
Liabilities directly associated with assets classified as held for sale	與分類為持作出售資產直接相關的負債	
Deferred income tax liabilities	遞延所得稅負債	2,090
Trade and other payables	應付賬款及其他應付款	1,542
		3,632

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25. OTHER INCOME

25. 其他收入

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Government grants:	政府補助：	7,029	10,396
– relating to property, plant and equipment (Note 22)	–與不動產、工廠和設備有關 (附註22)	6,448	6,653
– relating to tax refund (Note)	–與稅費返還有關(附註)	203	3,743
– Others	–其他	378	–
Interest income from cash and cash equivalents	現金及現金等價物產生的 利息收入	2,826	1,447
Fair value loss on financial liabilities at FVPL	按公允價值計量且其變動計入 當期損益之金融負債的公允 價值虧損	–	(21,864)
Fair value change of investment properties (Note 7)	投資物業之公允價值變動 (附註7)	–	314
Rental income	租金收入	5,933	6,457
Others	其他	4,951	3,581
		20,739	331

Note:

Pursuant to Notice on Issuing the Catalogue of Preferential Value-added Tax Policies for Products Made through and Labor Services for Integrated Utilisation of Resources issued by the State Administration of Taxation, companies who sell self-produced products made with integrated utilised resources or provides labor services for integrated utilisation of resources can enjoy the policy of Value-added Tax ("VAT") refund upon collection from 1 July 2015. The wastewater treatment business and the reclaimed water supply business of the Group fall into the catalogue and are qualified to enjoy 70% and 50% tax refund respectively.

附註：

根據國稅總局頒佈的《資源綜合利用產品和勞務增值稅優惠目錄》的通知，自2015年7月1日起，從事資源綜合利用自營產品銷售或為資源綜合利用提供勞務的企業可在繳納增值稅後享受增值稅(「增值稅」)退稅政策。本集團的污水處理業務和再生水供應業務為優惠目錄項目，分別合資格享受70%及50%的稅費退稅。

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26. OTHER LOSSES

26. 其他虧損

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Loss on disposal of property, plant and equipment – net	處置不動產、工廠及設備的虧損－淨額	144	23
Donation expenses	捐贈支出	–	79
Others	其他	904	108
		1,048	210

27. EXPENSES BY NATURE

27. 按性質分類的費用

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Depreciation of property, plant and equipment (Note 9)	不動產、工廠及設備的折舊(附註9)	100,426	114,405
Utilities, electricity and office expenditures	公用事業、電力及辦公室支出	79,637	64,358
Employee benefit expenses	僱員福利開支	87,709	81,687
Costs of wastewater and water supply services	污水處理和水供給服務的成本	84,899	80,351
Cost of construction services	建造服務成本	15,316	124,420
Taxes and levies	稅金及附加	16,584	15,336
Repair and maintenance costs	維修及維護成本	12,709	9,235
Commission charge	手續費	496	4,665
Depreciation of right-of-use assets (Note 8)	使用權資產折舊(附註8)	5,203	6,752
Subcontracting costs	分包費用	15,787	25,946
Professional expenses	專業服務費	15,055	9,059
Research and development expenses	研發費用	185	118
Amortisation of intangible assets (Note 11)	無形資產攤銷(附註11)	11,330	9,036
Fuels expenses	燃料費用	68,837	40,628
Miscellaneous	雜項	56,663	36,688
Total cost of sales, selling expenses, administrative expenses and research and development expenses	銷售成本、銷售費用、行政費用和研發費用總計	570,836	622,684

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28. FINANCE COSTS – NET

28. 財務成本—淨額

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Finance income:	財務收入：		
– Interest income charged to related parties (Note 34(b)(iv))	– 向關聯方收取的利息收入 (附註 34(b)(iv))	22,409	44,094
Finance costs:	財務成本：		
– Interest expenses	– 利息費用	(135,671)	(118,118)
– Exchange (losses)/gains – net	– 匯兌(虧損)/收益—淨額	(27,036)	23,392
– Others	– 其他	(420)	(1,007)
		(163,127)	(95,733)
Finance costs – net	財務成本—淨額	(140,718)	(51,639)

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29. INCOME TAX EXPENSE

29. 所得稅費用

The amount of income tax expense charged to the consolidated statement of comprehensive income represents :

在合併綜合收益表中支銷的所得稅費用金額是指：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Current income tax	當期所得稅費用	37,448	34,814
Deferred income tax (Note 13)	遞延所得稅費(附註13)	(14,066)	391
Income tax expenses	所得稅費用	23,382	35,205

Under the Law of the PRC on Corporate Income Tax (the "CIT Law") and implementation Regulations of the CIT Law, the tax rate of the PRC enterprises is 25% from 1 January 2008. The income tax rate of 25% is applicable to all the Group's PRC subsidiaries during the six months ended 30 June 2022 and 2021, except for certain subsidiaries that enjoy tax exemption or a preferential income tax rate as approved by the tax authorities, which was discussed as follows:

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自2008年1月1日起，中國企業的稅率為25%。於截至2022年及2021年6月30日止六個月，除經稅務部門批准享受稅務減免或優惠所得稅率的部分附屬公司外，本集團在中國的所有附屬公司均適用25%的所得稅率。討論如下：

- (a) China's west region development policy (the "West Region Development Policy") is a preferential tax ruling issued by the State Administration of Taxation for companies whose business fall into the catalogue of encouraged industries and located in the western provinces of China. During the six months ended 30 June 2022 and 2021, the Company and certain subsidiaries qualified for the West Region Development Policy were granted the preferential income tax rate of 15%.
- (b) Certain newly upgraded wastewater treatment facilities meet the criteria provided in the catalogue for public basic infrastructure projects qualified for CIT preferential treatments and are entitled to three years' exemption from CIT followed by three years of a 50% tax reduction on relevant taxable income derived from such new projects.

- (a) 中國西部大開發政策是國稅總局對在中國西部省份開展業務的，其經營活動屬政策鼓勵類產業目錄規定產業的公司發佈的一項稅收優惠政策(「西部大開發政策」)。於有關期間，本公司及部分附屬公司符合中國西部大開發政策的規定，於截至2022年及2021年6月30日止六個月享受15%的優惠所得稅率。
- (b) 部分新升級污水處理設施滿足合資格享受企業所得稅優惠稅率的公共基礎設施項目目錄中的標準。針對本集團從此類新項目產生的相關應稅收入，有資格享受「三免三減半」的企業所得稅稅收優惠。

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30. EARNINGS PER SHARE

(a) Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

30. 每股收益

(a) 基本每股收益根據歸屬於本公司權益股東的利潤，除以期內已發行普通股的加權平均數目計算。

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年	2021 2021年
Profit for the period attributable to equity holders of the Company (RMB'000)	歸屬於本公司權益持有人的期內利潤(人民幣千元)	182,826	166,969
Weighted average number of ordinary shares in issue (thousand)	已發行普通股的加權平均數(千計)	1,029,111	1,029,111
Basic earnings per share (RMB)	基本每股收益(人民幣)	0.18	0.16

(b) The diluted earnings per share are the same as the basic earnings per share as there was no dilutive potential share during the six months ended 30 June 2022 and 2021.

(b) 截至2022年及2021年6月30日止六個月內不存在潛在稀釋權利股，故稀釋每股收益與基本每股收益相同。

31. DIVIDENDS

As approved by the 2021 annual general meeting of the Company held on 29 June 2022, the Company can distribute the final dividend for the year ended 31 December 2021 to all shareholders of the Company (the "Shareholders") of RMB0.10 (tax inclusive) per share, amounting to RMB102,911,000 (tax included) (the "2021 Final Dividend"). The declaration of the 2021 Final Dividend is not reflected in the dividend payable in the consolidated financial statements for the year ended 31 December 2021 but will be disclosed in the dividend distribution of the consolidated financial statements for the six months period ended 30 June 2022. The 2021 Final Dividend had been distributed to the Shareholders on 16 August 2022 in cash dividends.

31. 股息

於2022年6月29日召開的本公司2021年股東週年大會批准，本公司可向全體本公司股東(「股東」)派發截至2021年12月31日止年度末期股息，每股現金人民幣0.10元(含稅)，合計人民幣102,911,000元(含稅)(「2021年末期股息」)。2021年末期股息的宣告未在截至2021年12月31止年度期間合併財務報表的應付股息中體現，但會披露在截至2022年6月30日止六個月期間內合併財務報表的股息分配中。2021年末期股息已於2022年8月16日以現金股利的方式派發給股東。

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32. CASH USED IN OPERATING ACTIVITIES

32. 經營活動使用的現金

Reconciliation of profit before income tax to net cash used in operations:

除所得稅前利潤與經營活動使用現金淨額之間對賬如下：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Profit before tax	稅前利潤	206,868	202,942
Adjustments for:	調整項目：		
– Depreciation of property, plant and equipment (Note 27)	– 不動產、工廠及設備的折舊(附註27)	100,426	114,405
– Depreciation of right-of-use assets (Note 27)	– 使用權資產折舊(附註27)	5,203	6,752
– Amortisation of intangible assets (Note 27)	– 無形資產攤銷(附註27)	11,330	9,036
– Government grants relating to purchase of property, plant and equipment (Note 25)	– 與採購不動產、工廠及設備相關的政府補助(附註25)	(6,448)	(6,653)
– Share of results of associates (Note 12)	– 聯營公司經營成果份額(附註12)	363	179
– Finance costs – net	– 財務成本—淨額	113,262	75,031
– Fair value gains on investment properties	– 投資物業的公允價值收益	–	(314)
– Fair value loss on derivative financial instruments	– 衍生金融工具的公允價值損失	–	21,864
– Impairment losses on financial assets	– 金融資產減值損失	9,997	15,093
– Loss on disposal of property, plant and equipment	– 處置不動產、工廠及設備的損失	154	23
– Exchange differences	– 匯兌差額	(32,911)	(26,171)
		408,244	412,187

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32. CASH USED IN OPERATING ACTIVITIES (continued) 32. 經營活動使用的現金(續)

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Changes in working capital:	營運資金變動：		
– Increase in trade and other receivables	– 應收賬款及其他應收款 的增加	(312,901)	(321,589)
– Increase in inventories	– 存貨的增加	(1,701)	(1,706)
– Decrease in amounts due from customers for construction contracts	– 應收客戶建造合同款的 減少	36,883	616
– Decrease/(increase) in receivables under service concession arrangements	– 特許經營權協議下的應 收款項的減少/(增加)	78,243	(299,042)
– Decrease in deferred revenue relating to research and development activities	– 與研發活動有關的遞延 收益的減少	(1,985)	–
– Decrease in trade and other payables	– 應付賬款及其他應付款 的減少	(185,267)	(100,353)
– Increase in contract assets	– 合約資產的增加	–	(191,367)
– Increase in contract liabilities	– 合同負債的增加	2,292	514
Cash generated from/(used in) operations	經營所得/(使用)的現金	23,808	(500,740)

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33. COMMITMENTS

(i) Commitments under operating lease

The Group as lessor

The Group leases its investment properties under operating leases with an average lease term of five years. The total future minimum lease receivables under non-cancellable operating leases are as follows :

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Within one year	1年內	16,558	13,855
One to two years	1至2年	16,456	14,026
Two to five years	2至5年	34,161	34,698
Over five years	5年以上	11,218	23,904
		78,393	86,483

33. 承諾

(i) 經營租賃承諾

本集團作為出租人

本集團根據經營租賃出租其投資物業，租期平均為五年。不可撤銷經營租賃項下的未來最低應收租金總額如下：

(ii) At the beginning of the Reporting Period, capital expenditures contracted for at each balance sheet date, but not yet incurred are as follows:

(ii) 於報告期初，於各資產負債表日已訂約但尚未產生的資本性支出如下：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
Property, plant and equipment	不動產、工廠及設備	307,657	317,311

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34. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The Company is controlled by KDI which is a government-related enterprise established in the PRC by Kunming SASAC. In accordance with IAS 24 (Revised), "Related Party Disclosures", issued by the IASB, government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include KDI and its subsidiaries (other than the Group), entities controlled by Kunming SASAC, other entities and corporations in which the Group can exercise significant influence and key management personnel of the Company and as well as their close family members. The Group's significant transactions and balances with the PRC government and other entities controlled, jointly controlled or significantly influenced by the PRC government mainly include purchases of assets, provision of financial assets, bank deposits and bank borrowings and related trade and other receivables, trade and other payables, borrowings, term deposits with initial term of over three months, cash and cash equivalents. The Directors believe that the information of related party transactions that are meaningful to the readers of the statements has been adequately disclosed in the financial information.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the six months ended 30 June 2022 and 2021, and balances arising from related party transactions as at 30 June 2022 and 31 December 2021.

34. 關聯方交易

如一方有能力直接或間接控制另一方或在作出財務及營運決策時對另一方施加重大影響，則雙方被視為有所關聯。如果雙方共同受其他方控制，也被視為關聯方。

本公司受昆明滇池投資控制，其為昆明市國資委在中國成立的一家政府關聯公司。根據國際會計準則理事會頒佈的國際會計準則第24條(經修訂)「關聯方披露」的規定，政府關聯方實體以及受中國政府直接或間接控制、聯合控制或重大影響的附屬公司被視為本集團關聯方。基於上述標準，關聯方包括昆明滇池投資及其附屬公司(本集團除外)、由昆明市國資委控制的實體、其他本集團能夠控制或施加重大影響的實體和公司以及本公司關鍵管理人員和其家族成員。本集團與中國政府、其他受中國政府控制、聯合控制或施加重大影響的實體間的重大交易及往來結餘主要包括購買資產、提供財務資助、銀行存款和借款以及相關應收賬款和其他應收款、應付賬款及其他應付款、借款、原期限為3個月以上的定期存款，以及現金及現金等價物。本公司董事認為財務資料已經充分披露了對報表閱讀者有意義的關聯方交易。

以下為截至2022年及2021年6月30日止六個月內本集團與其關聯方於一般業務過程中所進行重大交易的概要，以及於2022年6月30日及2021年12月31日關聯方交易產生的結餘。

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34. RELATED PARTY TRANSACTIONS (continued)

(a) Name and relationship with related parties

Name of related party	Nature of relationship
KDI	Controlling shareholder of the Company
Kunming Development Investment Group Co., Ltd. (昆明發展投資集團有限公司, "Kunming DIG")	Controlled by Kunming SASAC and a minority shareholder of the Company
Kunming Industrial Development and Investment Co., Ltd. (昆明產業開發投資有限責任公司, "IDI")	Controlled by Kunming SASAC and a minority shareholder of the Company
Kunming State-owned Assets Management and Operation Co., Ltd. (昆明市國有資產管理運營有限責任公司)	Controlled by Kunming SASAC and a minority shareholder of the Company
Kunming Xinzhi Investment Development Co., Ltd. (昆明新置投資發展有限公司, "Xinzhi Investment")	Controlled by Kunming SASAC and a minority shareholder of the Company
Kunming Xindu Investment Co., Ltd. (昆明新都投資有限公司), "Xindu Investment")	Controlled by Kunming SASAC
Kunming Bus Group Co., Ltd. (昆明公交集團有限責任公司, "Kunming Bus")	Controlled by Kunming SASAC
Kunming CGE Water Supply Co., Ltd. (昆明通用水務自來水有限公司, "Kunming CGE")	Controlled by Kunming SASAC
Kunming Qingyuan Water Supply Co., Ltd. (昆明清源自來水有限責任公司, "Kunming Qingyuan")	Controlled by Kunming SASAC
KADI	Controlled by Kunming SASAC
Kunming Municipal Urban Construction Investment & Development Co., Ltd. (昆明市城建投資開發有限責任公司, "Kunming Construction")	Controlled by Kunming SASAC

34. 關聯方交易(續)

(a) 名稱和與關聯方關係

關聯方名稱	關係性質
昆明滇池投資	本公司的控股股東
昆明發展投資集團有限公司 (「昆明發展」)	受昆明市國資委控制、本公司少數股東
昆明產業開發投資有限責任公司 (「產業開發投資」)	受昆明市國資委控制、本公司少數股東
昆明市國有資產管理運營有限責任公司	受昆明市國資委控制、本公司少數股東
昆明新置投資發展有限公司 (「新置投資」)	受昆明市國資委控制、本公司少數股東
昆明新都投資有限公司 (「新都投資」)	受昆明市國資委控制
昆明公交集團有限責任公司 (「昆明公交」)	受昆明市國資委控制
昆明通用水務自來水有限公司 (「通用水務自來水」)	受昆明市國資委控制
昆明清源自來水有限責任公司 (「昆明清源自來水」)	受昆明市國資委控制
昆明農業發展投資	受昆明市國資委控制
昆明市城建投資開發有限責任公司 (「昆明城投」)	受昆明市國資委控制

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For the six months ended 30 June 2022 截至2022年6月30日止六個月

34. RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with related parties

Save as disclosed elsewhere in this report, during the six months ended 30 June 2022 and 2021, the Group had the following significant transactions with related parties:

(i) Treatment and disposal charge in relation to certain sludge generated from wastewater treatment facilities:

34. 關聯方交易(續)

(b) 與關聯方的交易

除本報告其他部分所披露者外，截至2022年及2021年6月30日止六個月，本集團與關聯方的重大交易如下：

(i) 提供污水處理廠設施產生的部分污泥的處理處置支付服務費用：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
KDI	昆明滇池投資	3,794	2,123

(ii) Loans granted to related parties:

(ii) 貸款予關聯方：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Xindu Investment	新都投資	250,000	-
Kunming Construction	昆明城投	310,000	-
Kunming Bus	昆明公交	-	300,000
Kunming DIG	昆明發展	-	350,000
		560,000	650,000

The transactions under finance arrangements among the Group and Xindu Investment, Kunming Construction, Kunming Bus and Kunming DIG are interest bearing at 7.5% to 9.0% per annum respectively and repayable within one year.

本集團與新都投資、昆明城投、昆明公交及昆明發展之間融資協議項下的交易分別附帶年息7.5%至9.0%，並須於一年內償還。

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34. RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with related parties (continued)

(iii) Loans repaid from related parties:

34. 關聯方交易(續)

(b) 與關聯方的交易(續)

(iii) 關聯方償還貸款：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Kunming Bus	昆明公交	300,000	300,000
Xindu Investment	新都投資	350,000	—
Kunming DIG	昆明發展	—	350,000
		650,000	650,000

(iv) Interest income from related parties:

(iv) 關聯方利息收入：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Kunming DIG	昆明發展	—	11,745
Xindu Investment	新都投資	11,176	11,461
Kunming Bus	昆明公交	3,952	11,007
KADI	昆明農業發展投資	5,918	9,881
Kunming Construction	昆明城投	1,363	—
		22,409	44,094

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34. RELATED PARTY TRANSACTIONS (continued)

- (b) Transactions with related parties (continued)
- (v) Management services provided to related parties:

34. 關聯方交易(續)

- (b) 與關聯方的交易(續)
- (v) 向關聯方提供的管理服務：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
KDI	昆明滇池投資	162,485	67,076
Kunming Construction	昆明城投	4,258	-
		166,743	67,076

- (vi) Commission charged by related parties:

- (vi) 支付給關聯方的手續費：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Kunming CGE	通用水務自來水	204	3,969
Kunming Qingyuan	昆明清源自來水	289	696
		493	4,665

(c) Key management compensation

Key management includes Directors (executive and non-executive), supervisors and executives. The compensation paid or payable to key management for employee services is shown below:

(c) 關鍵管理人員薪酬

關鍵管理人員包括董事(執行及非執行)、監事及行政人員。因就關鍵管理人員所提供服務向其已支付或應支付的薪酬如下：

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34. RELATED PARTY TRANSACTIONS (continued) 34. 關聯方交易(續)

(c) Key management compensation (continued)

(c) 關鍵管理人員薪酬(續)

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元
Salaries, wages and bonuses	工資、獎金和津貼	646	782
Contributions to pension plans	退休金計劃供款	169	185
Housing fund, medical insurance and other social insurance	住房公積金、醫療保險和其他 社會保險	134	154
		949	1,121

(d) Balances with related parties

(d) 與關聯方交易的結餘

(i) Trade and other receivables due from related parties:

(i) 應收關聯方賬款及其他應收款：

		Unaudited 未經審核	Audited 經審核
		30 June 2022 2022年 6月30日 RMB'000 人民幣千元	31 December 2021 2021年 12月31日 RMB'000 人民幣千元
KDI	昆明滇池投資	407,741	241,076
Xindu Investment	新都投資	279,269	564,106
Kunming CGE	通用水務自來水	—	25,736
Kunming Qingyuan	昆明清源自來水	—	10,650
Kunming Construction	昆明城投	316,544	—
Kunming Bus	昆明公交	—	300,415
KADI	昆明農業發展投資	6,834	917
		1,010,388	1,142,900

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34. RELATED PARTY TRANSACTIONS (continued)

(d) Balances with related parties (continued)

Other receivables are all non-trade receivables and will be settled upon demand of the Group except for Kunming Construction, Kunming DIG, Kunming Bus and Xindu Investment which are interesting bearing at 8.5%, 7.5%, 8.5% and 7.0% to 9.0% per annum respectively and repayable within one year.

(ii) Trade and other payables due to related parties:

34. 關聯方交易(續)

(d) 與關聯方交易的結餘(續)

其他應收款為應收賬款之外的款項，按照本集團的要求結算，惟應收昆明城投、昆明發展、昆明公交及新都投資的款項(分別附帶年息8.5%、7.5%、8.5%及7.0%至9.0%並須於一年內償還)除外。

(ii) 應付關聯方賬款及其他應付款：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
<i>Acquisition of property, plant and equipment:</i> Xindu Investment	購買不動產、工廠及設備： 新都投資	16,040	16,040
<i>Acquisition of land use rights:</i> KDI Xindu Investment	購買土地使用權： 昆明滇池投資 新都投資	27,194 31,000	27,194 31,000
<i>Others:</i> KDI Kunming CGE Kunming Qingyuan	其他： 昆明滇池投資 通用水務自來水 昆明清源自來水	8,144 — —	10,884 451 178
		82,378	85,747

Other payables are all non-trade payables and will be settled upon demand of these related parties.

其他應付款均為非貿易應付賬款，並將按照該等關聯方的要求結算。

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34. RELATED PARTY TRANSACTIONS (continued)

(d) Balances with related parties (continued)

(iii) Financial assets at amortised cost:

34. 關聯方交易(續)

(d) 與關聯方交易的結餘(續)

(iii) 以攤銷成本計量的金融資產：

		Unaudited 未經審核 30 June 2022 2022年 6月30日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 2021年 12月31日 RMB'000 人民幣千元
KADI	昆明農業發展投資	290,000	294,000

